FARMERS INSURANCE

Farmers New World Life Insurance Company
Home Office: 3120 139th Ave SE, Suite 300
Bellevue, WA 98005
1-800-238-9671
Variable Policy Service Office:
PO Box 724208
Atlanta, GA 31139
(877) 376-8008

VIA Electronic Delivery

March 1, 2022

Dear Farmers Client:

You have consented to the delivery of fund company annual and semi-annual reports in electronic format.

Included with this letter is a menu listing the individual fund company annual reports which are available for your viewing. These reports provide an update on the relevant portfolios' performance as of December 31, 2021. Portfolio performance does not take into account the fees charged by your policy or contract. If these fees had been included, the performance would have been lower. As always, past performance cannot predict or guarantee future returns.

We hope that the information is helpful. If you have any questions concerning your policy or contract or you wish to receive these reports in paper format, please do not hesitate to call your Farmers Insurance and Financial Services Agent or our Variable Policy Service Office toll-free, at (877) 376-8008.

We appreciate your business and look forward to continuing to serve your insurance needs.

Thank you for joining us in our efforts to "go paperless!"

Sincerely,

Michael Hoetzel
Financial Service Operations

Beginning on May 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Fund's shareholder reports may no longer be available, unless you specifically request paper copies of the reports from Farmers New World Life Insurance Company or your broker dealer Farmers Financial Solutions. Instead, the shareholder reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications related to your variable insurance product electronically by following the instructions provided by Farmers New World Life Insurance Company. You may elect to receive all future reports in paper free of charge. You can inform us that you wish to continue receiving paper copies of your shareholder reports by calling the Service Center at 1-888-506-2080, or mailing your request to P.O. Box 724208, Atlanta, Georgia 31139. Your election to receive reports in paper will apply to all funds held with Farmers New World Life Insurance Company.

American Funds
Insurance Series®

Annual report
for the year ended
December 31, 2021

CAPITAL GROUP® | AMERICAN FUNDS®

Investing in global companies for the long term

American Funds Insurance Series, by Capital Group, is the underlying investment vehicle for many variable annuities and insurance products. For over 90 years, Capital Group has invested with a long-term focus based on thorough research and attention to risk.

Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

Investing outside the United States involves risks, such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the prospectus. These risks may be heightened in connection with investments in developing countries. Investing in small-capitalization stocks can involve greater risk than is customarily associated with investing in stocks of larger, more established companies. The return of principal for bond funds and for funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. High-yield bonds are subject to greater fluctuations in value and risk of loss of income and principal than investment-grade bonds. Bond ratings, which typically range from AAA/Aaa (highest) to D (lowest), are assigned by credit rating agencies such as Standard & Poor's, Moody's and/or Fitch as an indication of an issuer's creditworthiness. Futures may not provide an effective hedge of the underlying securities because changes in the prices of futures may not track those of the securities they are intended to hedge. In addition, the managed risk strategy may not effectively protect the funds from market declines and will limit the funds' participation in market gains. The use of the managed risk strategy could cause the funds' returns to lag those of the applicable underlying funds in certain rising market conditions. Refer to the funds' prospectuses and the Risk Factors section of this report for more information on these and other risks associated with investing in the funds.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

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Fellow investors:

Global stocks rallied for the third year in a row, rising 18.54% as measured by the MSCI ACWI (All Country World Index).[1,2] Market optimism due to massive government stimulus measures and pent-up consumer demand was tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. Energy stocks generated the largest returns, rising more than 40% as oil prices rebounded from the pandemic lows of 2020. Information technology stocks also posted impressive gains, rising nearly 30%. All major sectors enjoyed positive returns but some traditionally defensive sectors, including utilities and consumer staples, trailed significantly behind the overall market gains.

U.S. equities surged as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020, with an increase of 26.67% recorded by the MSCI USA Index.[1,3] Strong corporate earnings and accommodative fiscal and monetary policies supported markets with relatively low volatility. Massive stimulus measures helped boost market confidence. A $1.9 trillion coronavirus relief package signed by President Biden in March included direct payments of up to $1,400 to individuals, the extension of an unemployment insurance supplement and an expansion of the child tax credit. Most U.S. fixed income markets were slightly down as investors digested higher inflation and prospects for tighter monetary policy. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%.

European stocks rallied for some of the same reasons, though not as strongly as the U.S. All sectors registered positive gains for the year, supported by pent-up consumer demand and a strong rebound in manufacturing activity. Overall, the MSCI Europe Index rose 16.30%.[1,4] Elsewhere among developed markets, Japanese equities lagged developed markets, weighed down by supply chain disruptions and the economic impact of COVID-19. The MSCI Japan Index[1,5] rose 1.71% in U.S. dollar terms, held back partly by the weaker yen. The Japanese currency, which declined 10% against the U.S. dollar, lost appeal amid rising yields in the U.S. and Europe.

Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector. Overall, the MSCI Emerging Markets Investable Market Index finished essentially flat for the year.[1,6] In China, a government crackdown in the technology, education and online gaming sectors led to a sweeping selloff.

All market returns referenced in this report are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. Country returns are based on MSCI indexes, which reflect reinvestment of distributions and dividends net of withholding taxes, except for the MSCI USA Index, which reflects dividends gross of withholding taxes. Source: MSCI.

[1]Source: MSCI.

[2]The MSCI ACWI is a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets, consisting of more than 40 developed and emerging market country indexes. Results reflect dividends gross of withholding taxes through December 31, 2000, and dividends net of withholding taxes thereafter.

[3]The MSCI USA Index is a free float-adjusted, market capitalization-weighted index that is designed to measure the U.S. portion of the world market. Results reflect dividends net of withholding taxes.

[4]MSCI Europe Index is a free float-adjusted market capitalization-weighted index that is designed to measure results of more than 10 developed equity markets in Europe. Results reflect dividends net of withholding taxes.

[5]MSCI Japan Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market results of Japan. Results reflect dividends net of withholding taxes.

[6]MSCI Emerging Markets Investable Market Index (IMI) is a free float-adjusted market capitalization weighted index that is designed to measure results of the large-, mid-, and small-capitalization segments of more than 20 emerging equity markets. Results reflect dividends net of withholding taxes.

Meanwhile, China's economy decelerated amid a broad policy attempt to promote equality and stability, known as common prosperity.

Government bonds declined in the face of soaring inflation. U.S. Treasuries lost more than 2% while investment-grade corporates fell about 1%. Late in the year, central banks around the world started taking steps to tighten monetary policy, including the U.S. Federal Reserve, the European Central Bank and the Bank of England. Meanwhile, high-yield and inflation-protected bonds rallied. The Bloomberg U.S. Corporate Investment Grade Index[7,8] lost 1.04% and the Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index[7,9] gained 5.26%. More broadly, the Bloomberg Global Aggregate Index[7,10] was down 4.71%, while the Bloomberg U.S. Aggregate Index[7,11] declined 1.54%. The J.P. Morgan Emerging Markets Bond Index – Global[12] was down 1.51%.

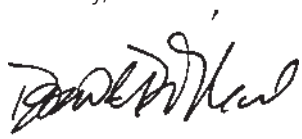
In foreign exchange markets, a strong U.S. dollar continued to get stronger, particularly as the Fed indicated it might raise interest rates three times in 2022. For the year, the dollar posted significant gains against the euro, the yen and most other currencies.

Looking ahead

The future path for stocks remains difficult to anticipate, as always. Investors are counting on the economic recovery to continue, as vaccines and natural immunity reduce the impact of the coronavirus. Earnings growth will likely remain strong. Investors would also like to see a continuation of supportive fiscal and monetary policies from the government. This latter point has been thrown into question recently, as inflation experienced its largest 12-month increase in decades (nearly 7% as of November 30). In response, the Fed has said it will be as active as necessary to combat inflation that is not transitory, including by raising interest rates numerous times. A moderate rise in rates likely will be digested just fine, but if rates rise too much, we would expect to see a meaningful drop in valuation, particularly among high-multiple growth stocks that have done so well for a number of years now. Given our long investment horizon, we will continue to focus on finding those companies with the best fundamentals and the best risk versus return trade-offs, and remain confident that we will find plenty of attractive securities in this environment. If volatility rises in the coming year, we will remain committed to our process and look for opportunities.

Our time-tested process is based on extensive research, a long-term outlook and close attention to valuation, and has served investors well over time. As always, we thank you for your continued support of our efforts and we look forward to reporting to you again in six months.

Sincerely,



Donald D. O'Neal
Co-President



Alan N. Berro
Co-President

February 14, 2022

[7]Source: Bloomberg Index Services Ltd.
[8]Bloomberg U.S. Corporate Investment Grade Index represents the universe of investment grade, publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.
[9]Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index covers the universe of fixed-rate, non-investment-grade debt. The index limits the maximum exposure of any one issuer to 2%.
[10]Bloomberg Global Aggregate Index represents the global investment-grade fixed income markets.
[11]Bloomberg U.S. Aggregate Index represents the U.S. investment-grade fixed-rate bond market.
[12]JP Morgan Emerging Markets Bond Index – Global tracks total returns for U.S. dollar-denominated debt instruments issued by emerging markets sovereign and quasi-sovereign entities, including Brady bonds, loans and Eurobonds.

About the series

Unless otherwise indicated, American Funds Insurance Series investment results are for Class 1 shares (Class P1 shares for managed risk funds). Class 1A shares began operations on January 6, 2017. Class 2 shares began operations on April 30, 1997. Class 3 shares began operations on January 16, 2004. Class 4 shares began operations on December 14, 2012. Results encompassing periods prior to those dates assume a hypothetical investment in Class 1 shares and include the deduction of additional annual expenses (0.25% for Class 1A shares, 0.25% for Class 2 shares, 0.18% for Class 3 shares and 0.50% for Class 4 shares).

The variable annuities and life insurance contracts that use the series' funds contain certain fees and expenses not reflected in this report. Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information.

The investment adviser is currently waiving a portion of its management fee for New World Fund, Washington Mutual Investors Fund, Capital World Growth and Income Fund, International Growth and Income Fund, Capital Income Builder, The Bond Fund of America, Capital World Bond Fund, American High-Income Trust, American Funds Mortgage Fund and U.S. Government Securities Fund. This waiver will be in effect through at least May 1, 2022, for all funds except International Growth and Income Fund, which will be in effect through at least December 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. Applicable fund results shown reflect the waivers, without which results would have been lower. Refer to the Financial Highlights tables in this report for details.

For the managed risk funds, the investment adviser is currently waiving a portion of its management fee equal to 0.05% of each fund's net assets. In addition, the investment adviser is currently reimbursing a portion of other expenses for Managed Risk International Fund and Managed Risk Washington Mutual Investors Fund. The waivers and reimbursements will be in effect through at least May 1, 2022, unless modified or terminated by the series' board. After that time, the investment adviser may elect to extend, modify or terminate the reimbursements. The waivers may only be modified or terminated with the approval of the series' board. Applicable fund results shown reflect the waivers and reimbursements, without which results would have been lower. Refer to the Financial Highlights tables in this report for details.

The Managed Risk Growth Fund pursues its objective by investing in shares of American Funds Insurance Series – Growth Fund℠ and American Funds Insurance Series – The Bond Fund of America℠. The Managed Risk International Fund pursues its objective by investing in shares of American Funds Insurance Series – International Fund℠ and American Funds Insurance Series – The Bond Fund of America℠. The Managed Risk Washington Mutual Investors Fund pursues its objective by investing in shares of American Funds Insurance Series – Washington Mutual Investors Fund℠ and American Funds Insurance Series – U.S. Government Securities Fund℠. The Managed Risk Growth-Income Fund pursues its objective by investing in shares of American Funds Insurance Series – Growth-Income Fund℠ and American Funds Insurance Series – The Bond Fund of America℠. The Managed Risk Asset Allocation Fund pursues its objective by investing in shares of American Funds Insurance Series – Asset Allocation Fund℠. The funds seek to manage portfolio volatility and provide downside protection, primarily through the use of exchange-traded futures. The benefit of the funds' managed risk strategy should be most apparent during periods of high volatility and in down markets. In steady or rising markets, the funds' results can be expected to lag those of the underlying fund.

Funds are listed in the report as follows: equity, balanced, fixed income and managed risk.

Global Growth Fund

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

Global Growth Fund advanced 16.72% for the 12 months ended December 31, 2021, compared with an 18.54% increase in its benchmark index, MSCI ACWI (All Country World Index),[1] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets, consisting of more than 40 developed and emerging market country indexes.

Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market gains were tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

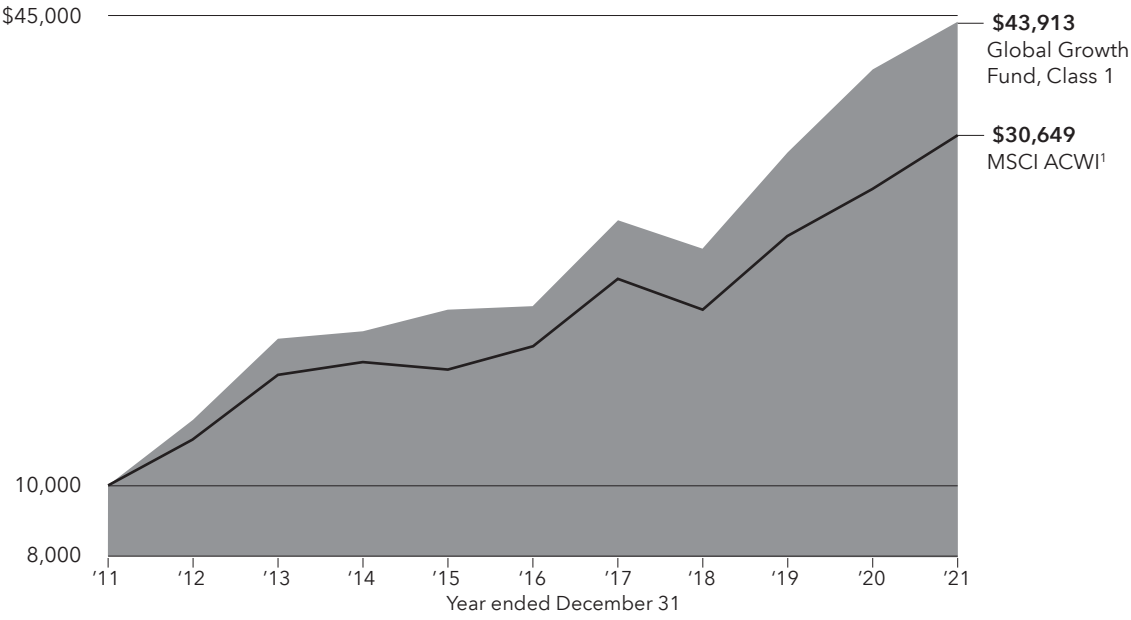
Stock selection within the health care sector was the top driver of additive returns. Compared to the index, weightings in information technology sector firms ASML and Microsoft benefitted the fund and were among its top contributors to relative returns. The biggest drag on relative returns was PayPal, also in the information technology sector, where returns lagged the market for the year.

On a geographic basis, stocks of companies domiciled in the Netherlands and Japan were among the top contributors to results, while stocks of companies based in Hong Kong and the United States were among the top detractors.

The fund's portfolio managers are optimistic they will continue to find good companies globally that offer high quality products and services, and whose values are not yet fully reflected in their share prices.

Global Growth Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since April 30, 1997)	Gross expense ratio	Net expense ratio
Class 1	16.72%	20.00%	15.95%	11.24%	.55%	.42%
Class 1A	16.45	19.71	15.67	10.96	.80	.67
Class 2	16.42	19.70	15.66	10.96	.80	.67
Class 4	16.14	19.39	15.41	10.70	1.05	.92

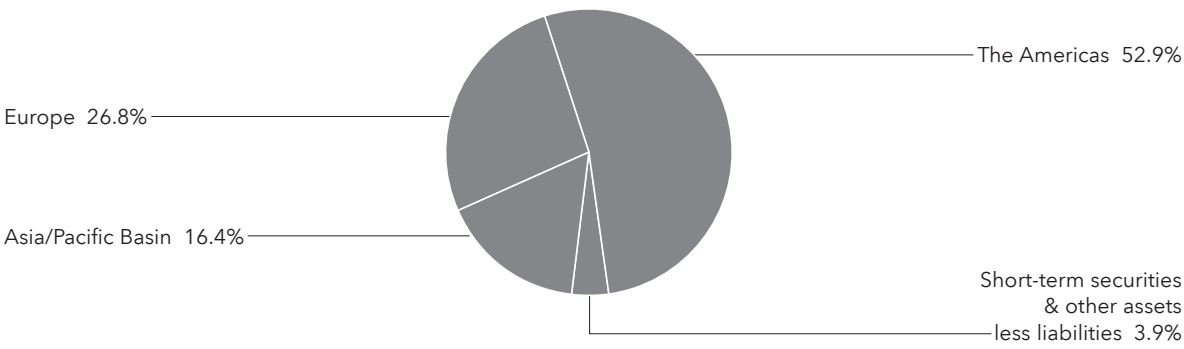
Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser intends to waive a portion of its management fees beginning May 1, 2022. This waiver will be in effect through at least May 1, 2023. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

Any market index shown is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

[1]Source: MSCI. The MSCI index result reflects dividends net of withholding taxes and reinvestment of distributions.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Global Small Capitalization Fund

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

Global Small Capitalization Fund increased 6.98% for the 12 months ended December 31, 2021. Its benchmark, the MSCI All Country World Small Cap Index,[1] a free float-adjusted market capitalization-weighted index designed to measure equity market results of smaller capitalization companies in both developed and emerging markets, gained 16.10%.

Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market gains were tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

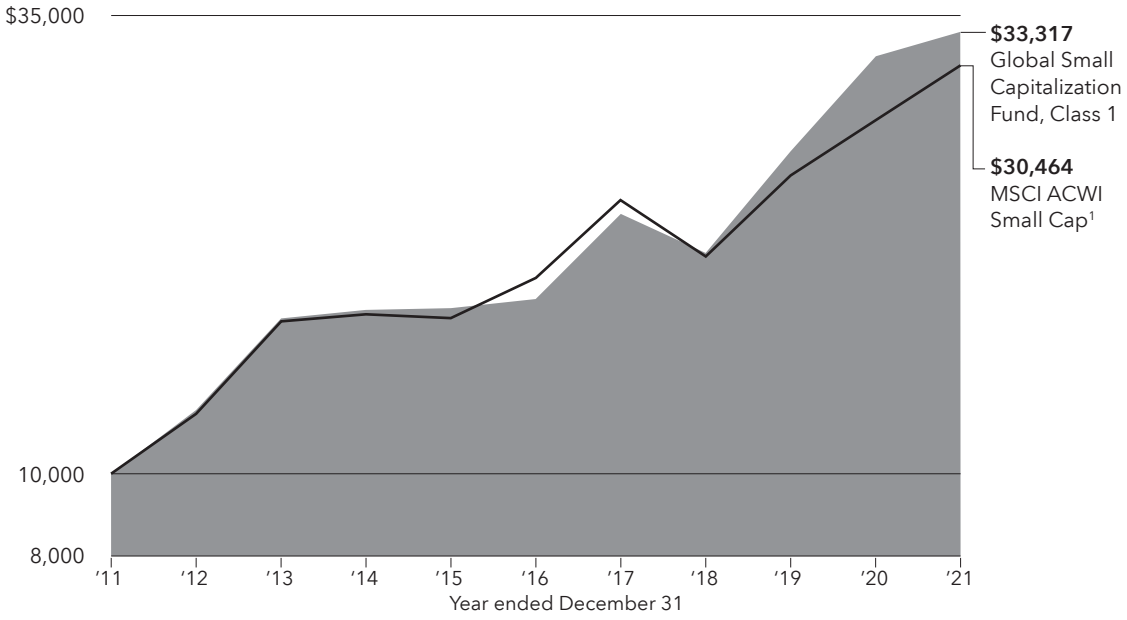
Stock selection in the utilities sector contributed the most to relative returns. An investment in health care sector firm GW Pharmaceuticals was among the fund's top individual contributors over the period, as the stock widely outpaced the broader market. On the downside, health care company Haemonetics lagged the broader market and the fund's holdings in its stock detracted from returns.

Investments in companies domiciled in India and Taiwan were overall additive to returns, while investments in those domiciled in China and the United States were detractors, overall.

The fund's portfolio managers continue to seek investment opportunities in undervalued companies that have the potential to change industries and benefit shareholders. The fund is supported by an unparalleled global research effort that carefully selects each holding based on careful analysis of companies and substantial interactions with their managements, suppliers and customers. As always, we maintain our commitment to investing for the long term.

Global Small Capitalization Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since April 30, 1998)	Gross expense ratio	Net expense ratio
Class 1	6.98%	15.74%	12.79%	10.37%	.74%	.65%
Class 1A	6.73	15.47	12.52	10.10	.99	.90
Class 2	6.74	15.45	12.51	10.10	.99	.90
Class 4	6.43	15.16	12.24	9.83	1.24	1.15

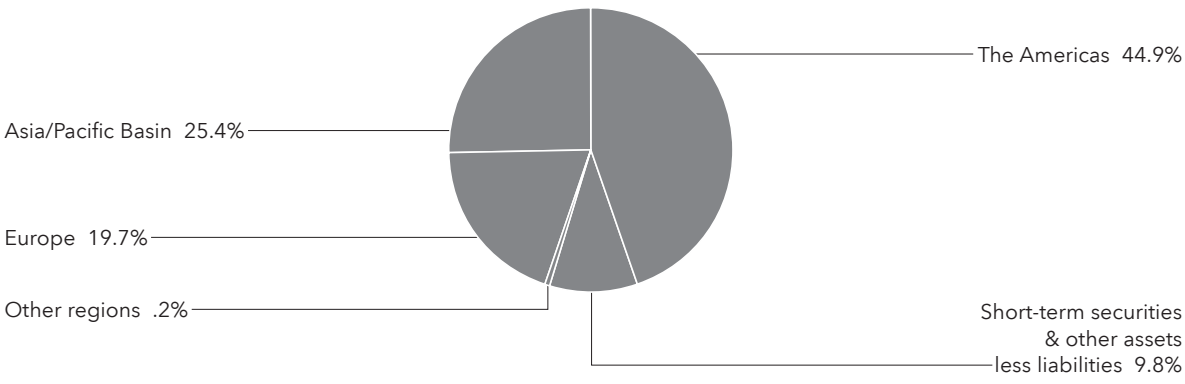
Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser intends to waive a portion of its management fees beginning May 1, 2022. This waiver will be in effect through at least May 1, 2023. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

Any market index shown is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

[1]Source: MSCI. The MSCI index results reflect dividends net of withholding taxes and reinvestment of distributions.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Growth Fund

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

Growth Fund gained 22.30% for the 12 months ended December 31, 2021, compared with a 28.71% increase in its benchmark index, Standard & Poor's 500 Composite Index,[1] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks.

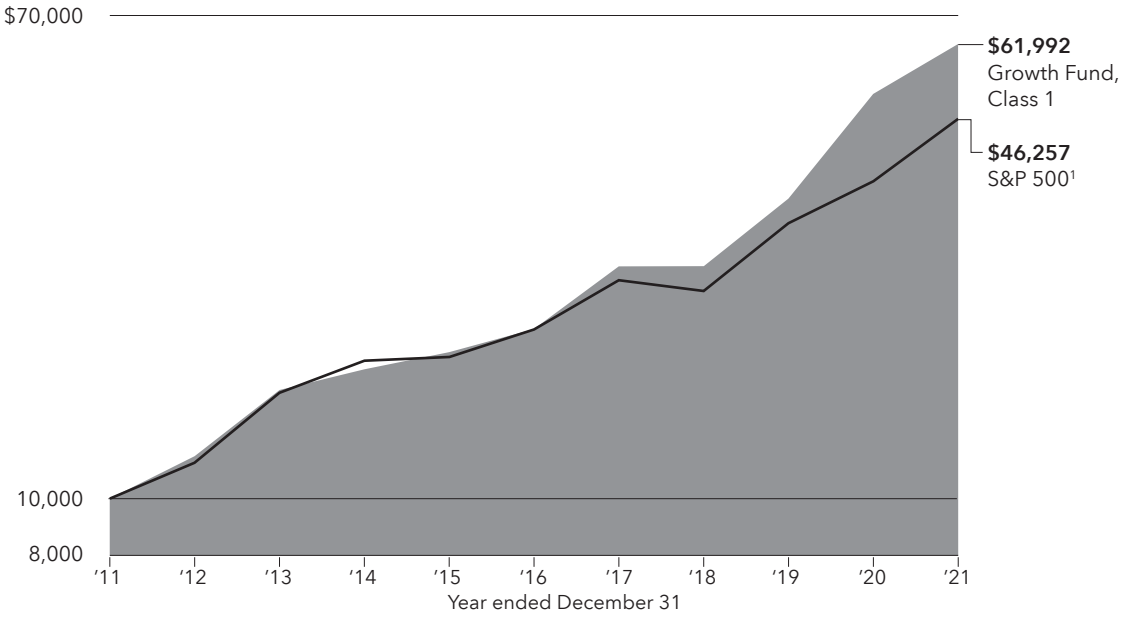
U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. Strong corporate earnings and accommodative fiscal and monetary policies supported markets with relatively low volatility. The energy sector soared nearly 55%, rebounding from a more than 33% decline in 2020. Massive stimulus measures helped boost market confidence. A $1.9 trillion coronavirus relief package signed by President Biden in March included direct payments of up to $1,400 to individuals, the extension of an unemployment insurance supplement and an expansion of the child tax credit.

The fund's top contributors in relative terms were the consumer discretionary and consumer staples sectors. Investments in Tesla and ASML, both of which outpaced the broader market, were additive to relative results. On the downside, an investment in RingCentral and a lower-than-benchmark position in Nvidia, which outpaced the market, detracted from relative returns.

As both the pandemic and economic growth continue, portfolio managers and analysts are considering whether shortages of supplies and labor will continue to drive both prices and interest rates higher. For growth companies in this environment, the bigger the disconnect between sales and cash flow growth, the more vulnerable the securities. The fund's managers and research team will continue to appraise this economic environment in search of attractive opportunities for capital appreciation.

Growth Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since February 8, 1984)	Expense ratio
Class 1	22.30%	25.75%	20.01%	14.06%	.35%
Class 1A	21.97	25.45	19.72	13.78	.60
Class 2	21.97	25.43	19.71	13.78	.60
Class 3	22.07	25.52	19.80	13.86	.53
Class 4	21.69	25.12	19.44	13.50	.85

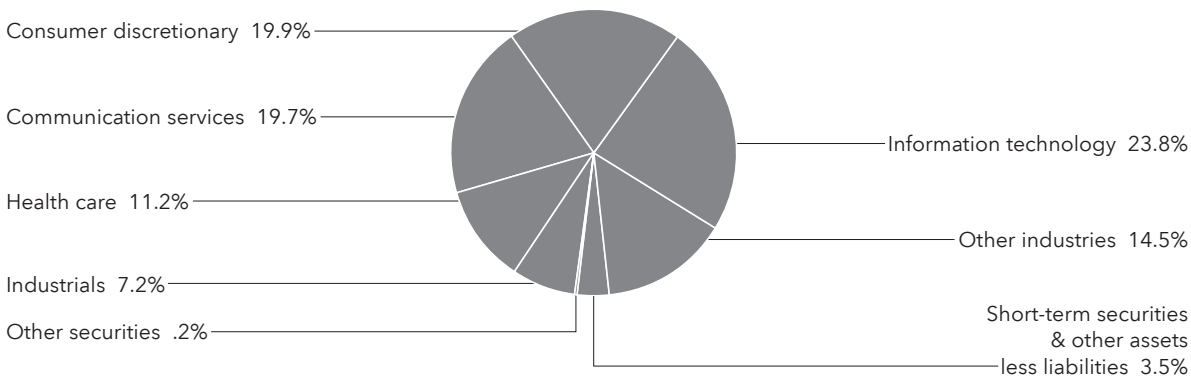
Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

Any market index shown is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

[1]Source: S&P Dow Jones Indices LLC.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



International Fund

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

International Fund declined 1.23% for the 12 months ended December 31, 2021. Its benchmark index, MSCI ACWI (All Country World Index) ex USA,[1] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets (consisting of more than 40 developed and emerging market country indexes, excluding the U.S.), gained 7.82%.

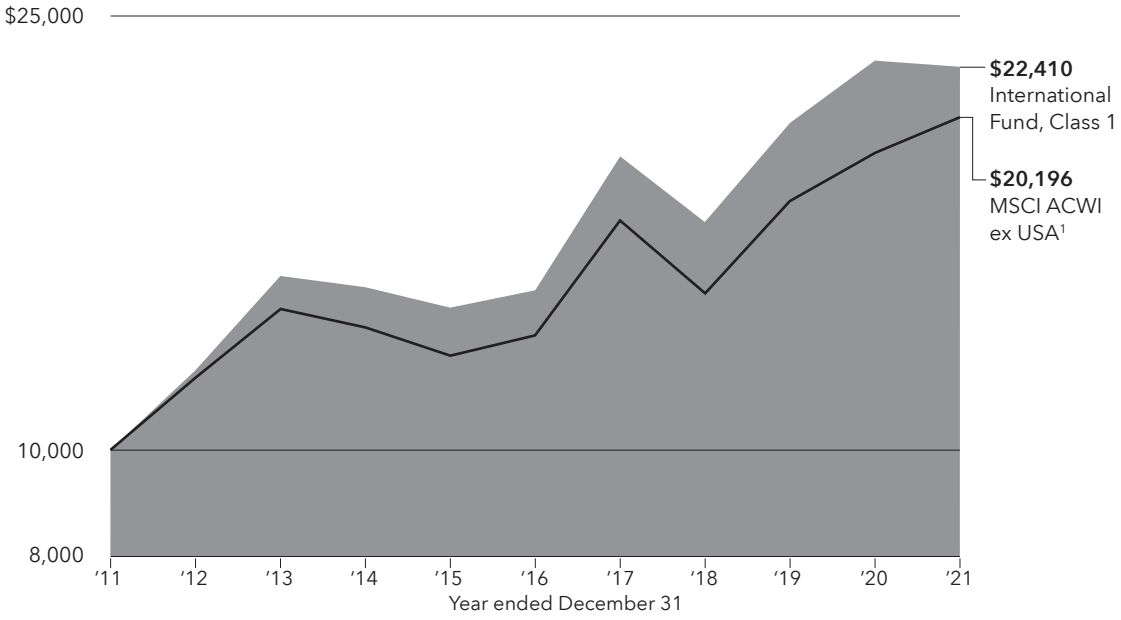
Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market gains were tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

Regarding the fund, investments in the energy and utilities sectors boosted relative returns. Within individual securities, a higher-than-index position in ABN AMRO Bank was additive to returns as the stock outpaced the wider market. On the downside, some investments within the health care and financials sectors hindered relative returns. Among individual securities, Brazilian cloud technology platform StoneCo was a top detractor as its stock lagged the broader market.

Looking ahead, economic growth prospects are strong, particularly in developed markets, despite the continued rise in infection rates of COVID-19 led by the omicron variant. Fund managers note that while emerging markets were hit hard during the pandemic, the worst may be behind them, and economic recovery seems to be progressing well. Counter-balancing optimism for a global economic recovery is the potential for a further rise in inflation, which may dampen the real returns of financial assets. Given this backdrop, the portfolio managers have different views about how to position their portfolios, but as always, within the context of fundamental research behind each decision.

International Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since May 1, 1990)	Expense ratio
Class 1	–1.23%	9.91%	8.40%	8.08%	.55%
Class 1A	–1.47	9.64	8.14	7.81	.80
Class 2	–1.49	9.63	8.13	7.81	.80
Class 3	–1.39	9.71	8.20	7.89	.73
Class 4	–1.71	9.37	7.88	7.55	1.05

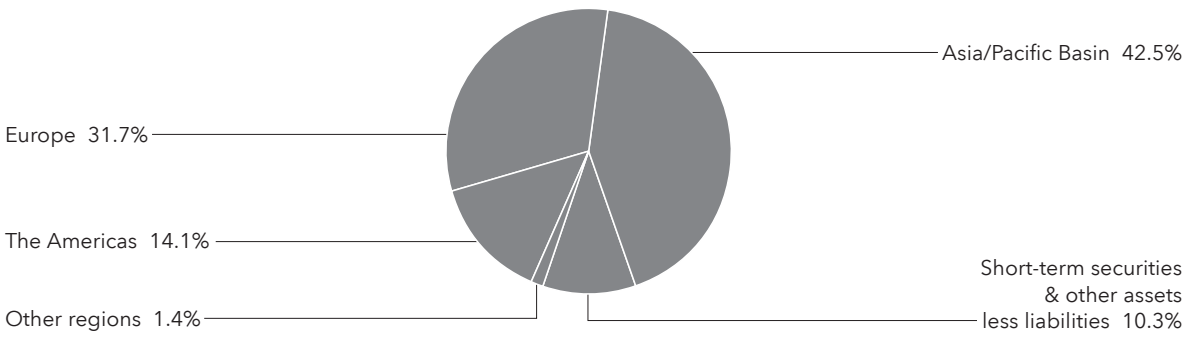
Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

Any market index shown is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

[1]Source: MSCI. The MSCI index result reflects dividends net of withholding taxes and reinvestment of distributions.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



New World Fund®

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

New World Fund was up 5.16% for the 12 months ended December 31, 2021. Its benchmark index, the MSCI ACWI (All Country World Index),[1] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets (consisting of more than 40 developed and emerging market country indexes), was up 18.54%. The MSCI Emerging Markets (EM) Index,[1] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global emerging markets (consisting of more than 20 emerging market country indexes), declined by 2.54%.

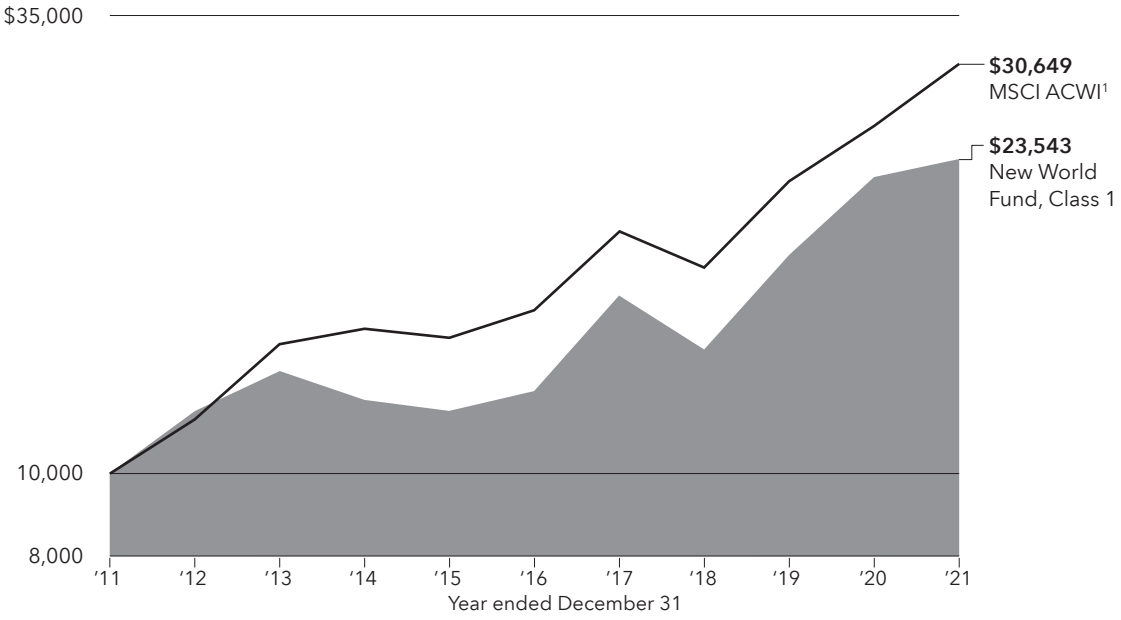
Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market optimism was tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

Stock selection within the materials sector was beneficial to the fund. Taiwan-based technology firm Silergy was a top contributor, with its stock sharply outpacing the broader market. On the downside, stock selection within the financials and information technology sectors were the largest detractors from relative returns. Among individual security selection, a position in Brazil-based payments firm PagSeguro was a top detractor.

The fund's portfolio managers remain focused on companies that could benefit from broader secular trends in emerging markets. These include a mix of faster growing companies in digital-oriented industries and those companies with dominant market positions and pricing power.

New World Fund® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since June 17, 1999)	Gross expense ratio	Net expense ratio
Class 1	5.16%	13.53%	8.94%	8.98%	.74%	.57%
Class 1A	4.90	13.25	8.67	8.71	.99	.82
Class 2	4.92	13.25	8.67	8.71	.99	.82
Class 4	4.63	12.96	8.41	8.44	1.24	1.07

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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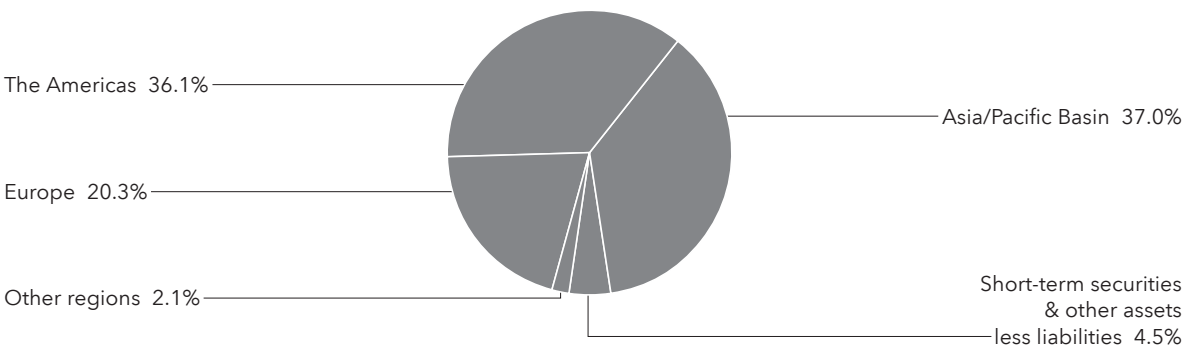
[1]Source: MSCI. The MSCI index result reflects dividends net of withholding taxes and reinvestment of distributions.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Washington Mutual Investors Fund℠

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Washington Mutual Investors Fund gained 28.12% for the 12 months ended December 31, 2021, compared to the 28.71% return of its benchmark index, Standard & Poor's 500 Composite Index,[1] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks.

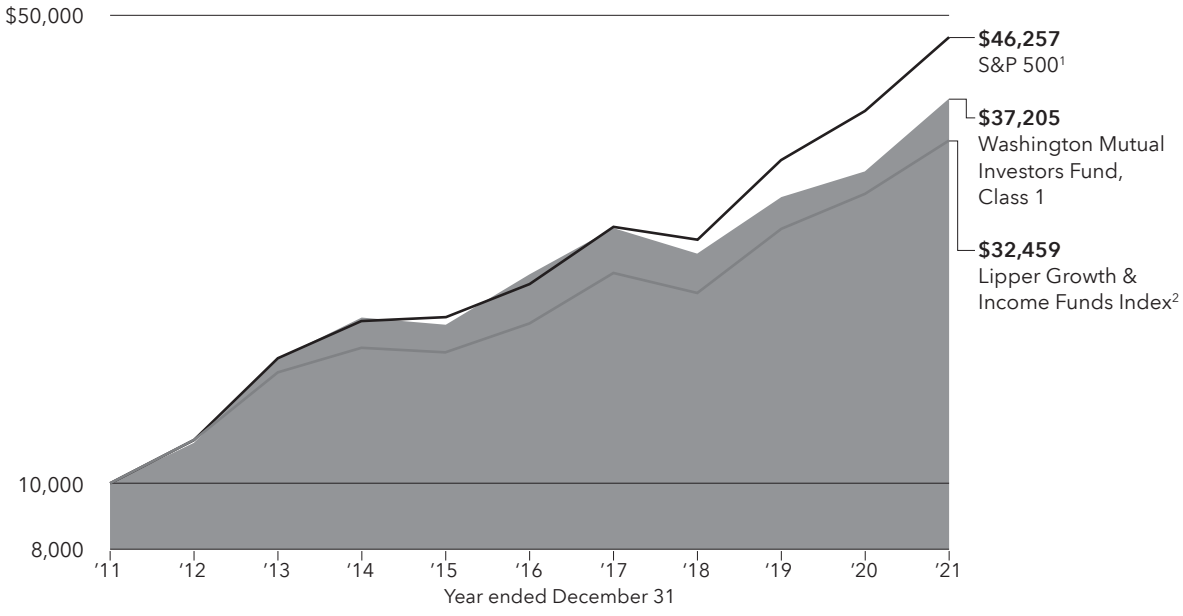
U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. Strong corporate earnings and accommodative fiscal and monetary policies supported markets with relatively low volatility. The energy sector soared nearly 55%, rebounding from a more than 33% decline in 2020. Massive stimulus measures helped boost market confidence. A $1.9 trillion coronavirus relief package signed by President Biden in March included direct payments of up to $1,400 to individuals, the extension of an unemployment insurance supplement and an expansion of the child tax credit.

Regarding the fund, the energy and health care sectors were top contributors to relative returns. Within individual securities, information technology firm Broadcom was additive to results, with a higher-than-index position and returns that outpaced the broader market. On the downside, investments within the materials sector dragged on results. Among individual securities, media company Comcast hindered fund returns as its stock lagged the broader market.

Looking ahead, the fund's portfolio managers are keeping a close watch on monetary policy, the path of the pandemic, inflation, and the resulting implications for the U.S. economy. Portfolio managers continue to favor well-managed, high-quality companies that are capable of paying dividends in myriad economic environments. We remain optimistic that this focus, supported by our global research, will help us to identify attractive long-term investment opportunities.

Washington Mutual Investors Fund℠ (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	10 years	Lifetime (since July 5,2001)	Gross expense ratio	Net expense ratio
Class 1	28.12%	12.79%	14.04%	7.78%	.42%	.27%
Class 1A	27.70	12.51	13.76	7.51	.67	.52
Class 2	27.78	12.50	13.75	7.50	.67	.52
Class 4	27.51	12.22	13.53	7.27	.92	.77

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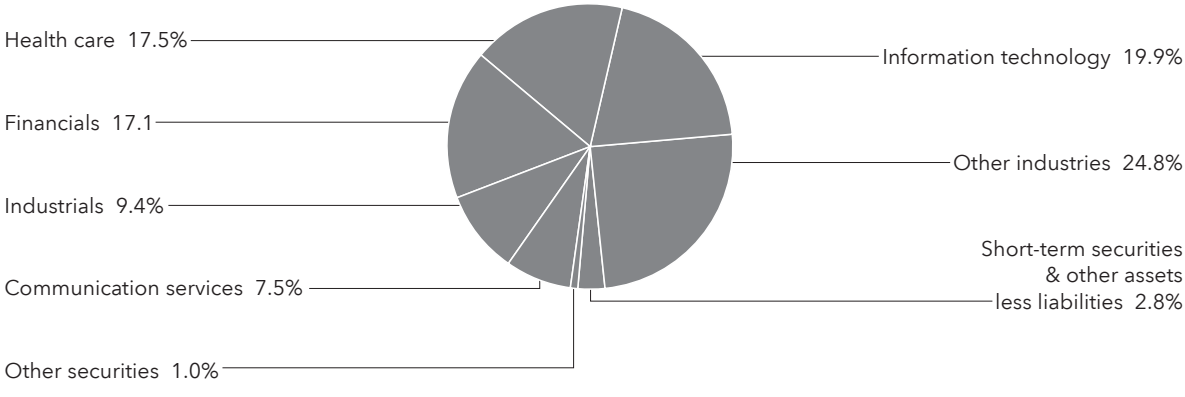
[1]Source: S&P Dow Jones Indices LLC.
[2]Source: Refinitiv Lipper. Results for the Lipper indexes do not reflect sales charges. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category.
[3]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Capital World Growth and Income Fund®

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Capital World Growth and Income Fund advanced 15.03% for the 12 months ended December 31, 2021, compared with an 18.54% increase in its benchmark index, MSCI ACWI (All Country World Index),[1] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets, consisting of more than 40 developed and emerging market country indexes.

Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market gains were tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

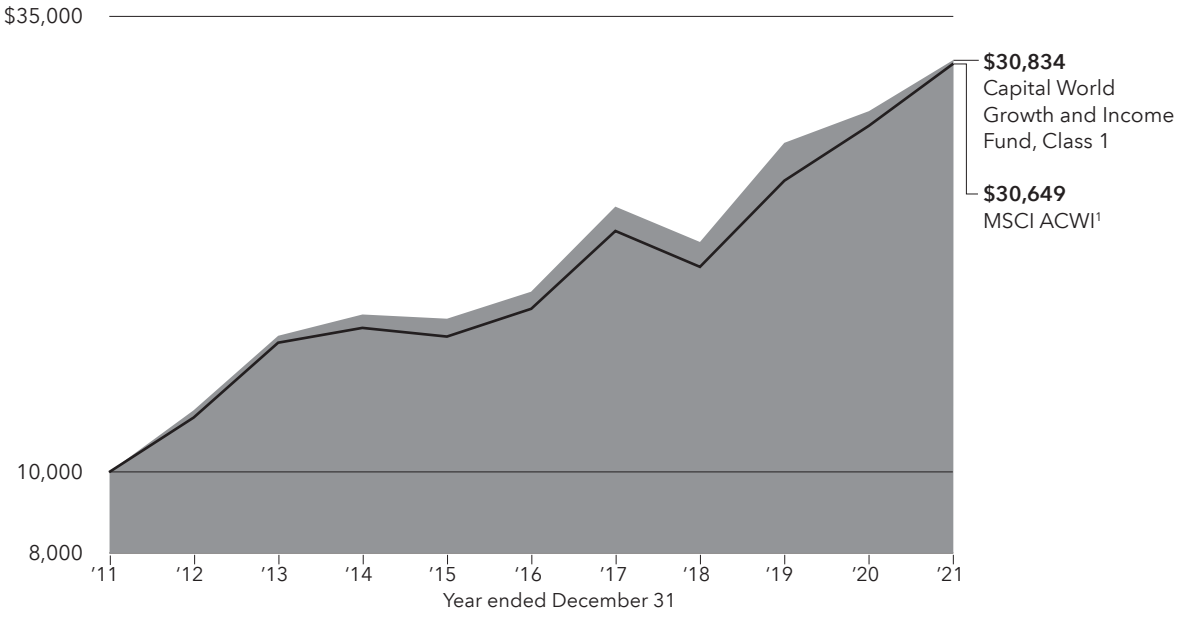
The relative results of the information technology sector benefitted from security selection. Semiconductor and wireless company Broadcom was the top contributor to results, with results that outpaced the broader market. On the downside, some investments in the financials sector hindered returns. A smaller-than-index position in Apple, which had strong returns for the year, dragged on relative results.

On a geographical basis, stocks domiciled in Japan and France contributed the most to relative returns, while holdings in Brazil and India dragged.

Looking ahead, strong economic recovery in developed markets followed by emerging markets is likely to lead to earnings and dividend support for stocks. Many of the companies that held back dividends are either reinstating or increasing payouts given the strong earnings backdrop. Against this optimistic scenario, the market is grappling with the prospect of sharply higher inflation, which could dampen real returns of financial assets. The portfolio managers work closely with the economic research team to keep abreast of developments in inflation and other macro-economic factors. But as ever, each portfolio manager endeavors to build the portfolio based on the fundamentals of each company.

Capital World Growth and Income Fund® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since May 1, 2006)	Gross expense ratio	Net expense ratio
Class 1	15.03%	13.55%	11.92%	8.11%	.63%	.42%
Class 1A	14.71	13.30	11.66	7.85	.88	.67
Class 2	14.78	13.27	11.63	7.84	.88	.67
Class 4	14.46	12.99	11.39	7.59	1.13	.92

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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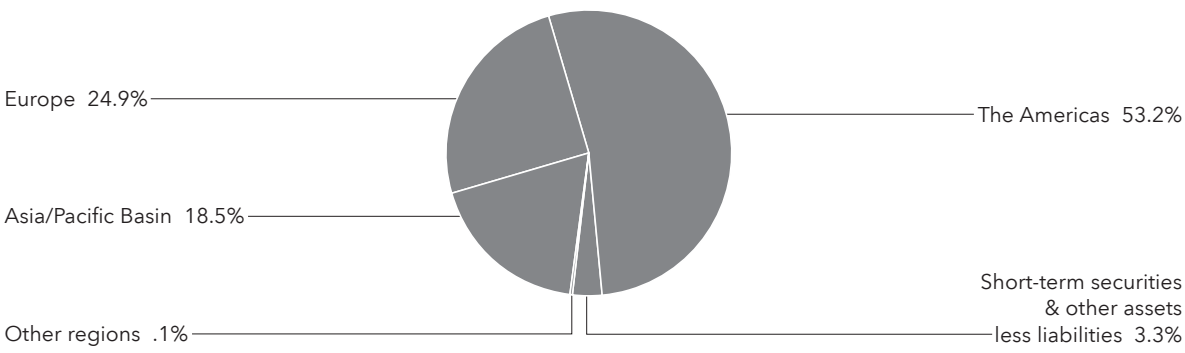
[1]Source MSCI. The MSCI index result reflects dividends net of withholding taxes and reinvestment of distributions.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Growth-Income Fund

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Growth-Income Fund gained 24.42% for the 12 months ended December 31, 2021, compared with a 28.71% increase in its benchmark index, Standard & Poor's 500 Composite Index,[1] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks.

U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. Strong corporate earnings and accommodative fiscal and monetary policies supported markets with relatively low volatility. The energy sector soared nearly 55%, rebounding from a more than 33% decline in 2020. Massive stimulus measures helped boost market confidence. A $1.9 trillion coronavirus relief package signed by President Biden in March included direct payments of up to $1,400 to individuals, the extension of an unemployment insurance supplement and an expansion of the child tax credit.

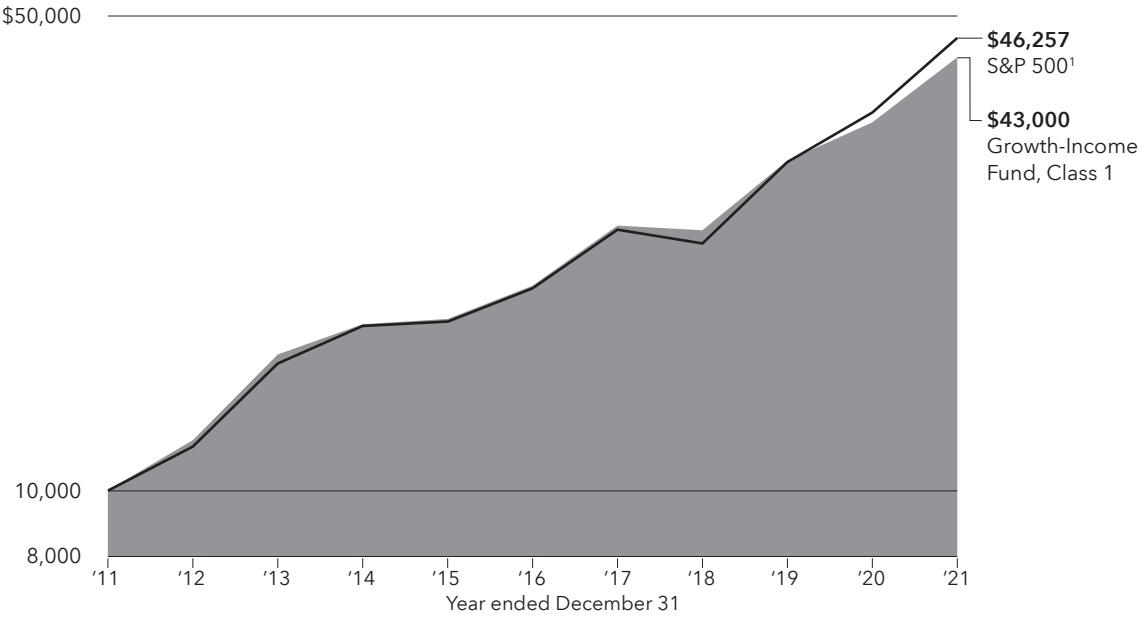
Regarding the fund, investments in the energy and communication services sectors were additive to the fund's relative returns. Within individual stock selection, a higher-than-index position in information technology firm Broadcom was a top contributor, as the stock outpaced the broader market.

On the downside, information technology and real estate sector investments were a drag on relative returns. An investment in media firm Comcast hindered results as its shares lagged the broader market over the period.

Looking forward, the fund's portfolio managers are monitoring several crosscurrents in the investing environment. A further reduction in COVID-19 restrictions would be positive for economic activity in 2022. On the other hand, higher inflation is causing the Fed to plan for interest rate hikes, which might bring additional volatility to equity markets. The fund's portfolio managers and analysts will look for good investments that could generate superior long term returns for shareholders.

Growth-Income Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since February 8, 1984)	Expense ratio
Class 1	24.42%	16.68%	15.70%	11.84%	.29%
Class 1A	24.08	16.41	15.42	11.57	.54
Class 2	24.10	16.39	15.42	11.57	.54
Class 3	24.18	16.48	15.50	11.64	.47
Class 4	23.80	16.10	15.14	11.29	.79

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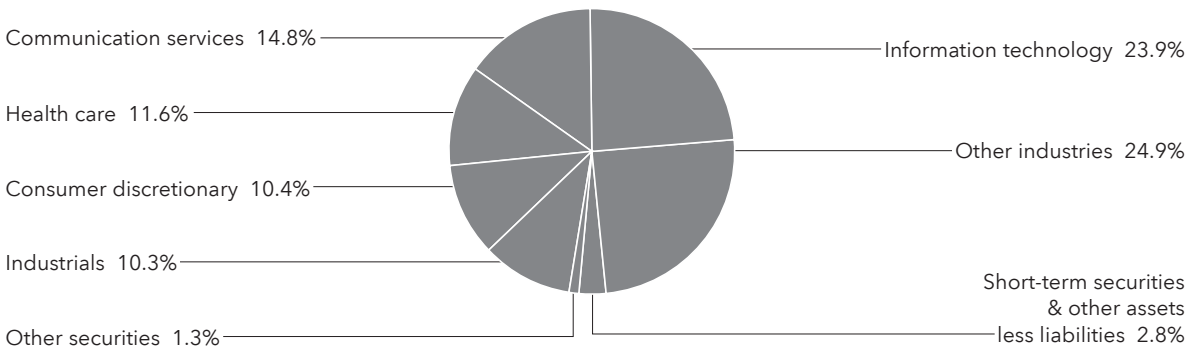
[1]Source: S&P Dow Jones Indices LLC.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



International Growth and Income Fund

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International Growth and Income Fund advanced 5.64% for the 12 months ended December 31, 2021, compared with a 7.82% increase in its benchmark index, MSCI ACWI (All Country World Index) ex USA,[1] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets (consisting of more than 40 developed and emerging market country indexes excluding the U.S.).

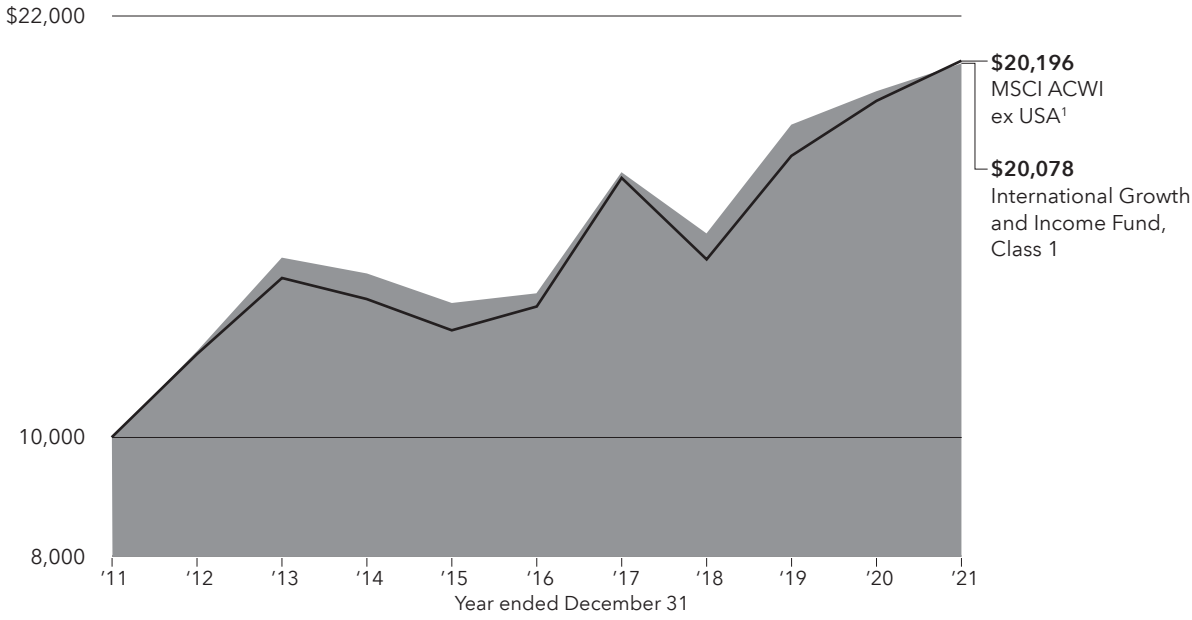
Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market optimism was tempered at times by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

Regarding the fund, stock selection in the consumer discretionary and consumer staples sectors was additive to relative results. Among individual securities, financials firm ING Groep of the Netherlands was a top contributor, thanks to returns that outpaced the broader market. On the downside, stock selection in the industrials and health care sectors detracted from the fund's relative returns. An investment in Shanghai International Airport, in the industrials sector, dragged on results.

The fund's portfolio managers follow global economic and geopolitical uncertainties with an aim to preserve value in any potential market correction while preparing to take advantage of buying opportunities as they arise.

International Growth and Income Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since November 18, 2008)	Gross expense ratio	Net expense ratio
Class 1	5.64%	9.02%	7.22%	8.80%	.75%	.53%
Class 1A	5.39	8.78	6.97	8.54	1.00	.78
Class 2	5.37	8.76	6.95	8.53	1.00	.78
Class 4	5.09	8.49	6.72	8.28	1.25	1.03

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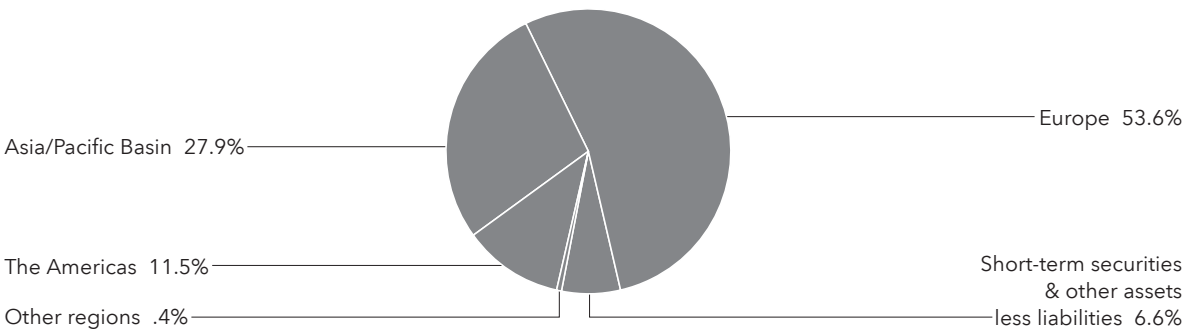
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Capital Income Builder®

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Capital Income Builder, which invests in a mix of stocks and bonds, gained 15.31% for the 12 months ended December 31, 2021. During the same period, the index blend of 70%/30% MSCI ACWI (All Country World Index)/Bloomberg U.S. Aggregate Index[1] gained 12.25%. The MSCI ACWI,[2] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets (consisting of more than 40 developed and emerging market country indexes), gained 18.54%. The Bloomberg U.S. Aggregate Index,[3] which represents the U.S. investment-grade (rated BBB/Baa and above) fixed-rate bond market, declined 1.54%. The Lipper Global Equity Income Funds Average,[4] a measure of similar funds, was up 16.79%.

Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market optimism was at times tempered by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

U.S. fixed income markets were mixed as investors digested higher inflation and prospects for tighter monetary policy. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%. Within corporate credit, spreads on high-yield and investment-grade bonds tightened 77 bps and 4 bps, respectively.

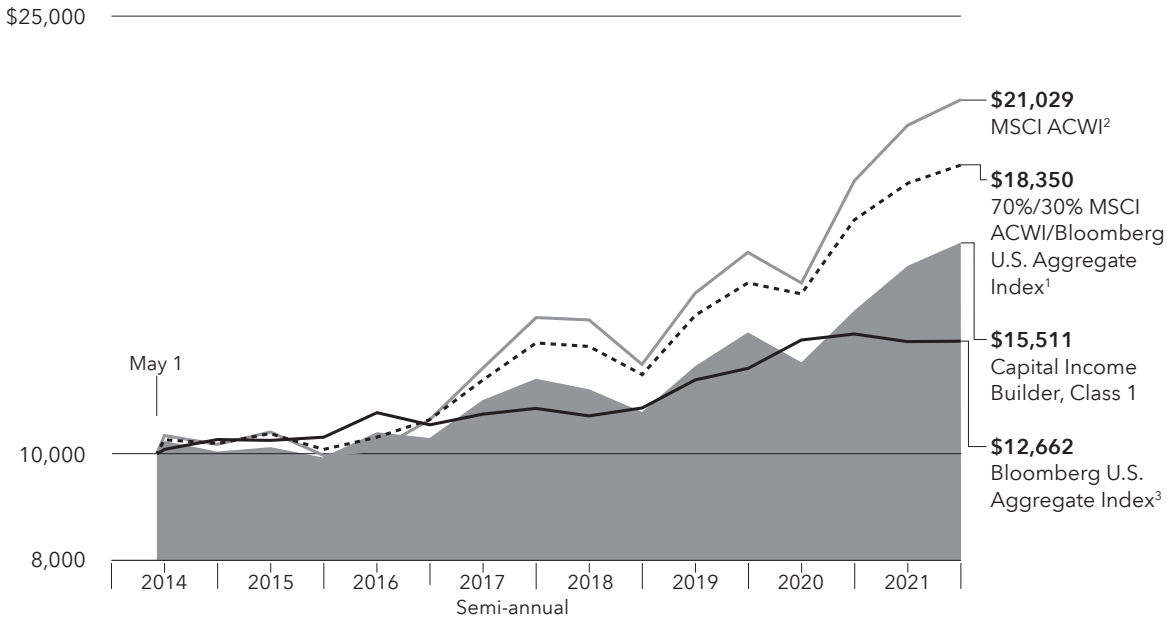
In the equity portfolio, the top contributors in relative terms were the consumer discretionary and energy sectors. A higher-than-benchmark position in semiconductor and wireless company Broadcom was a top contributor to relative returns. On the downside, the utilities sector dragged on relative returns. Among the fund's top individual detractors was its investment in health care firm Amgen, which lagged the broader market.

The fund's fixed income portfolio added to relative returns, due primarily to duration, sector positioning and security selection.

The fund's portfolio managers believe there will be ongoing progress toward a post-pandemic reality, despite the emergence of new variants, that will tend toward a normalization of monetary policies. Within this environment and the divergence in performance between the U.S. and global markets, the fund remains well positioned to use its geographic flexibility to pursue opportunities around the world. We believe the fund's holdings should continue to benefit from the uptick in inflationary pressure, thanks to its exposure to energy and resource stocks. Against this backdrop, we remain loyal to the fund's objective and optimistic about the dividend-paying companies with growing dividends we have selected for this portfolio through fundamental, bottom-up security selection.

Capital Income Builder® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[5]

	1 year	5 years	Lifetime (since May 1, 2014)	Gross expense ratio	Net expense ratio
Class 1	15.31%	8.53%	5.89%	.52%	.27%
Class 1A	14.95	8.25	5.62	.77	.52
Class 2	14.94	8.26	5.71	.77	.52
Class 4	14.68	7.97	5.36	1.02	.77

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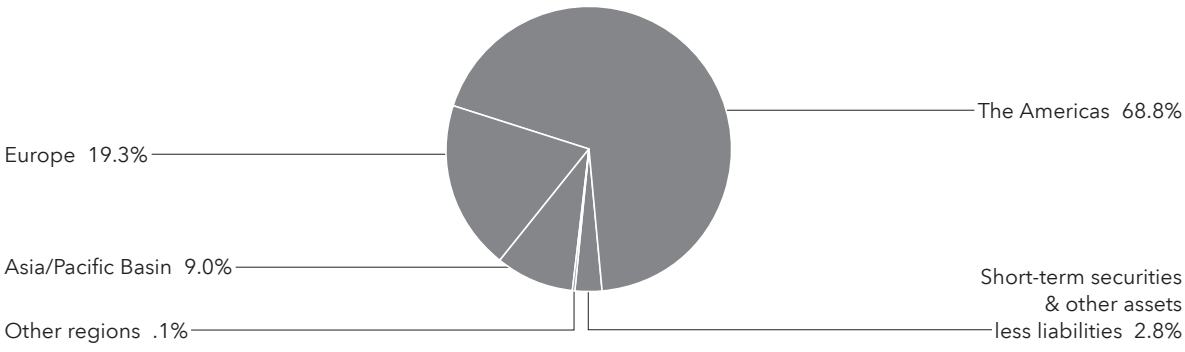
[1]Data sources: MSCI and Bloomberg Index Services Ltd. The 70%/30% MSCI ACWI/Bloomberg U.S. Aggregate Index blends the MSCI ACWI (All Country World Index) with the Bloomberg U.S. Aggregate Index by weighting their total returns at 70% and 30%, respectively. Its result assumes the blend is rebalanced monthly.
[2]Source: MSCI. The MSCI index result reflects dividends net of withholding taxes and reinvestment of distributions.
[3]Source: Bloomberg Index Services Ltd.
[4]Source: Refinitiv Lipper. Lipper averages reflect the current composition of all eligible mutual funds (all share classes) within a given category. Lipper categories are dynamic and averages may have few funds, especially over longer periods. To see the number of funds included in the Lipper category for each fund's lifetime, please see the Quarterly Statistical Update, available on our website.
[5]Periods greater than one year are annualized.

Percent of net assets

Where the fund's assets were invested as of December 31, 2021



Asset Allocation Fund

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Asset Allocation Fund, which is a mix of stocks and bonds, gained 15.40% for the 12 months ended December 31, 2021. During the same period, the index blend of 60%/40% S&P 500 Index/Bloomberg U.S. Aggregate Index[1] gained 15.86%. Standard & Poor's 500 Composite Index,[2] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks, was up 28.71%, while the Bloomberg U.S. Aggregate Index,[3] which represents the U.S. investment-grade (rated BBB/Baa and above) fixed-rate bond market, declined by 1.54%.

U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. Strong corporate earnings and accommodative fiscal and monetary policies supported markets with relatively low volatility. The energy sector soared nearly 55%, rebounding from a more than 33% decline in 2020. Massive stimulus measures helped boost market confidence. A $1.9 trillion coronavirus relief package signed by President Biden in March included direct payments of up to $1,400 to individuals, the extension of an unemployment insurance supplement and an expansion of the child tax credit.

U.S. fixed income markets were mixed as investors digested higher inflation and prospects for tighter monetary policy. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%. Within corporate credit, spreads on high-yield and investment-grade bonds tightened 77 bps and 4 bps, respectively.

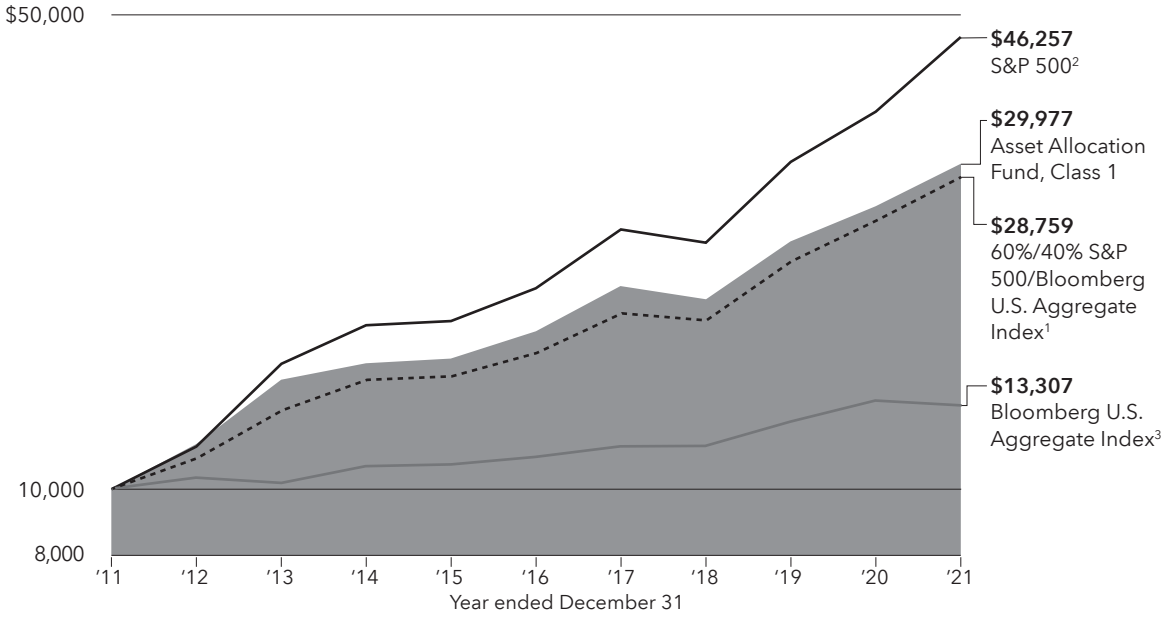
Investments in the financials sector were additive to returns. Positions in Broadcom and ASML, in the information technology sector, were top contributors to relative results with returns that outpaced the general market. On the downside, stock selection in the health care sector dragged on returns, while a smaller-than-index position in Alphabet detracted from relative returns.

The fund's fixed income investments were additive to relative returns due to sector positioning and security selection.

As ever, the portfolio managers are focused on finding outstanding long-term investment opportunities wherever they are. Perhaps more than ever before given the myriad challenges of the pandemic, Capital's extensive and in-depth research capabilities help provide multi-faceted and high-quality perspectives on what we believe is happening at the company and industry level.

Asset Allocation Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[4]

	1 year	5 years	10 years	Lifetime (since August 1,1989)	Expense ratio
Class 1	15.40%	11.99%	11.60%	8.96%	.30%
Class 1A	15.13	11.73	11.33	8.69	.55
Class 2	15.10	11.71	11.33	8.69	.55
Class 3	15.22	11.79	11.41	8.77	.48
Class 4	14.84	11.43	11.10	8.43	.80

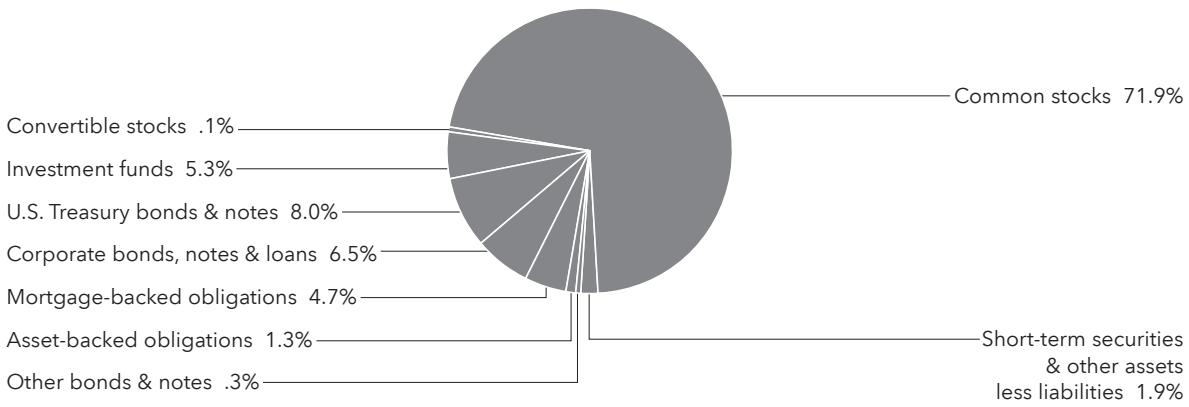
Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

Any market index shown is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

[1]Data sources: Bloomberg Index Services Ltd. and S&P Dow Jones Indices LLC. The 60%/40% S&P 500 Index/Bloomberg U.S. Aggregate Index blends the S&P 500 with the Bloomberg U.S. Aggregate Index by weighting their total returns at 60% and 40%, respectively. Its result assumes the blend is rebalanced monthly.
[2]Source: S&P Dow Jones Indices LLC.
[3]Source: Bloomberg Index Services Ltd.
[4]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Global Balanced Fund

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Global Balanced Fund gained 11.05% for the 12 months ended December 31, 2021. During the same period, the index blend of 60%/40% MSCI ACWI (All Country World Index)/Bloomberg Global Aggregate Index[1] gained 8.78%. The MSCI ACWI,[2] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets (consisting of more than 40 developed and emerging market country indexes), increased 18.54%, while the Bloomberg Global Aggregate Index,[3] a measure of global investment-grade bonds (rated BBB/Baa and above), declined 4.71%.

Global stocks rallied for the third year in a row, boosted by massive government stimulus measures and pent-up consumer demand. Market optimism was at times tempered by worries about rising inflation, higher interest rates and the spread of coronavirus variants. U.S. equities surged to new record highs as the COVID-19 vaccine rollout helped businesses and the economy rebound from lockdowns in 2020. European stocks rallied as widespread vaccine rollouts and massive government stimulus measures helped lift the eurozone economy out of a pandemic-induced downturn. Emerging markets stocks posted their weakest return since 2018, undercut by China's economic slowdown and increased government intervention in the private sector.

Government bonds declined in the face of soaring inflation. U.S. Treasuries lost more than 2% while investment-grade corporates fell about 1%. Late in the year, central banks around the world started taking steps to tighten monetary policy, including the U.S. Federal Reserve, the European Central Bank and the Bank of England. Meanwhile, high-yield and inflation-protected bonds rallied.

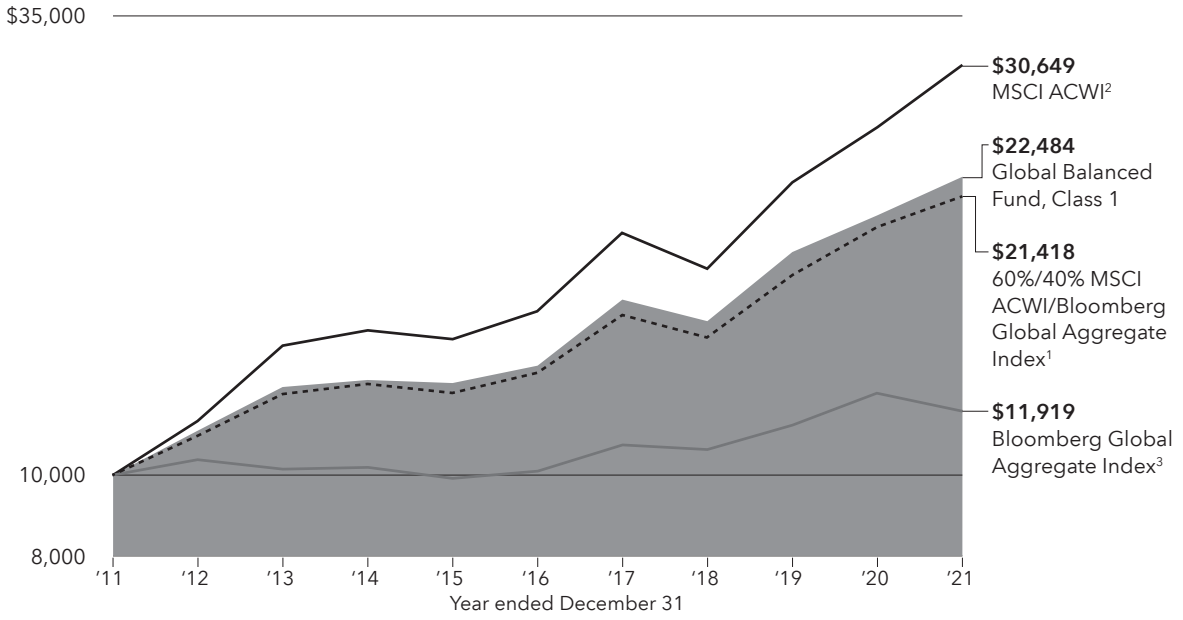
In the fund's equity portfolio, stock selection in the consumer discretionary sector was additive to relative results. Investments in information technology firms ASML and Broadcom were top contributors to results. On the downside, stock selection in the financials sector detracted from relative returns. An investment in Brazil-based payments company PagSeguro was a drag on results.

The fund's fixed income investments detracted from relative returns overall, with currency hedging and duration positioning the primary factors. Within the fixed income portfolio, sector positioning and unhedged currency were additive to relative returns.

Global supply chain issues, the rising interest rate environment and the diminishing potential for further U.S. fiscal stimulus are among the issues fund managers are monitoring. In this environment, we continue to focus on global research and stock-by-stock, bottom-up fundamental analysis.

Global Balanced Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[4]

	1 year	5 years	10 years	Lifetime (since May 2, 2011)	Gross expense ratio	Net expense ratio
Class 1	11.05%	10.86%	8.44%	7.28%	.73%	.51%
Class 1A	10.83	10.64	8.19	7.04	.98	.76
Class 2	10.79	10.59	8.16	7.01	.98	.76
Class 4	10.46	10.31	8.02	6.85	1.23	1.01

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser intends to waive a portion of its management fees beginning May 1, 2022. This waiver will be in effect through at least May 1, 2023. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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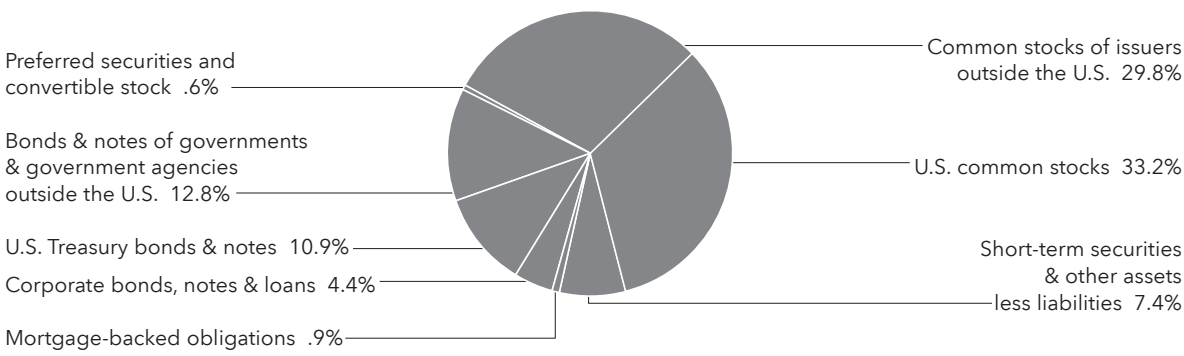
[1]Data sources: MSCI and Bloomberg Index Services Ltd. The 60%/40% MSCI ACWI/Bloomberg Global Aggregate Index blends the MSCI ACWI (All Country World Index) with the Bloomberg Global Aggregate Index by weighting their cumulative total returns at 60% and 40%, respectively. Its result assumes the blend is rebalanced monthly.
[2]Source: MSCI. The MSCI index results reflect dividends net of withholding taxes and reinvestment of distributions.
[3]Source: Bloomberg Index Services Ltd.
[4]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



The Bond Fund of America®

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The Bond Fund of America declined 0.14% for the 12 months ended December 31, 2021. In comparison, the fund's benchmark, the Bloomberg U.S. Aggregate Index,[1] which represents the U.S. investment-grade (rated BBB/Baa and above) fixed-rate bond market, declined 1.54%.

Fixed income markets were mixed as investors confronted higher inflation and prospects for tighter monetary policy. Global supply chain disruptions contributed to the fastest inflation rate since 1982, with the Consumer Price Index climbing 6.8% over the previous year in November. Excluding food and energy, core inflation was 4.9%. At its December meeting, the Federal Reserve noted that it expected to raise rates three times in 2022, an increase from its March meeting when it indicated no hikes were likely through at least 2023. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%. Within corporate credit, spreads on high-yield and investment-grade bonds tightened 77 bps and 4 bps, respectively.

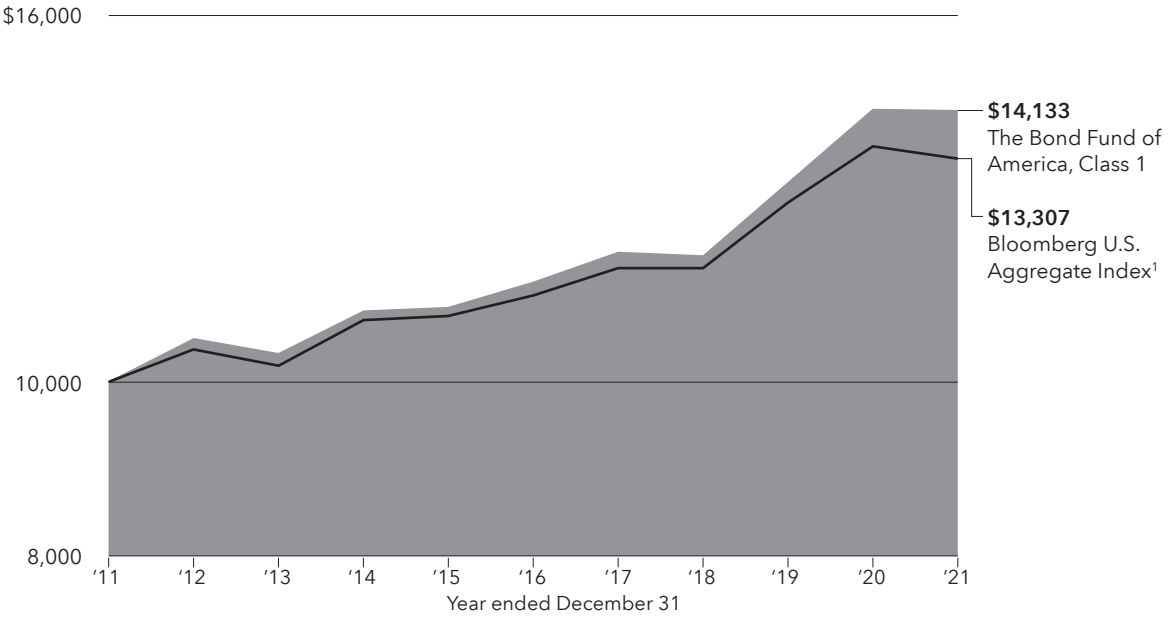
Over the period, the largest contributions to relative results came from sector selection followed by security selection and duration positioning. Within sector selection, positions in Treasury Inflation Protected Securities (TIPS) and a modest position in high yield bonds helped relative results. Duration and curve positioning within MBS were detractors over the period.

Portfolio managers have begun reducing risk by upgrading the credit quality and improving the liquidity of the portfolio. This will enable managers to take advantage of future volatility by purchasing bonds when prices look more attractive at that time. Yields have moved higher in anticipation of the Federal Reserve hiking interest rates in the face of high inflation. If yields continue to move higher beyond what managers believe is a reasonable expectation for Fed hikes, managers will likely increase the portfolios' interest rate exposure.

Managers expect the U.S. economy to maintain momentum on the back of strong consumer spending and business investment, even amid elevated inflation and the prospect of the Fed raising interest rates early in 2022. Although the portfolio is currently positioned toward further economic growth, managers anticipate a high level of uncertainty and a rise in market volatility over the coming year. As such, careful, research-driven security selection will continue to be an important driver of future investment results.

The Bond Fund of America® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since January 2, 1996)	Gross expense ratio	Net expense ratio
Class 1	–0.14%	4.49%	3.52%	4.73%	.40%	.20%
Class 1A	–0.36	4.25	3.27	4.47	.65	.45
Class 2	–0.31	4.25	3.27	4.47	.65	.45
Class 4	–0.59	3.96	3.02	4.21	.90	.70

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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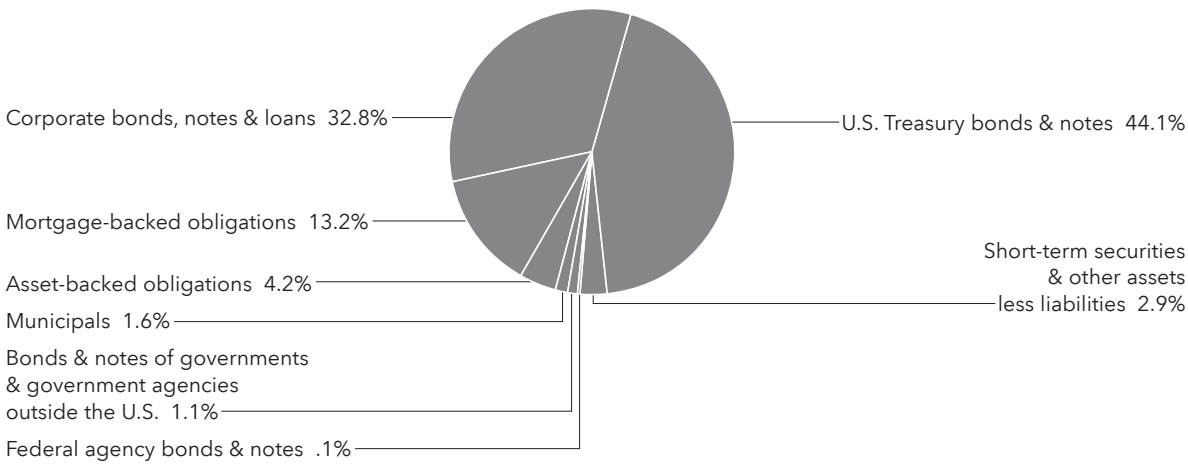
[1]Source: Bloomberg Index Services Ltd.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Capital World Bond Fund®

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Capital World Bond Fund declined 4.73% for the 12 months ended December 31, 2021. This is compared to the fund's benchmark, the Bloomberg Global Aggregate Index,[1] which measures global investment-grade bonds (rated BBB/Baa and above) and was down 4.71%.

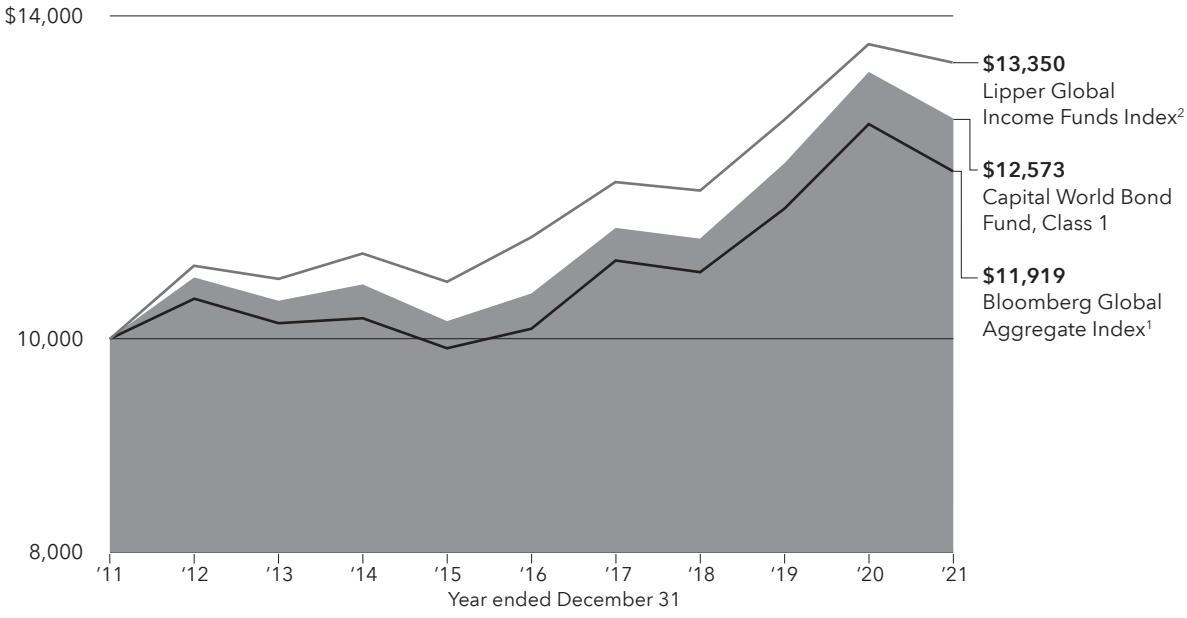
Government bonds declined in the face of soaring inflation. U.S. Treasuries lost more than 2% while investment-grade corporates fell about 1%. Late in the year, central banks around the world started taking steps to tighten monetary policy, including the U.S. Federal Reserve, the European Central Bank and the Bank of England. Meanwhile, high-yield and inflation-protected bonds rallied.

Sector and security selection contributed positively to the fund's relative returns over the period. Government bonds from Japan and France were among the top individual contributors to returns, while a holding in Danish mortgage-backed securities was a top detractor.

As growth in the U.S. moderates, the fund's portfolio managers will seek to identify long-term investments around the world such as in emerging markets where sovereign, corporate and high-yield debt may present opportunities. Given the fund's core objective is to provide a high-level of total return over the long term, the fund's portfolio managers will maintain a cautious approach to investing in different sectors of the bond market, such as high-yield debt.

Capital World Bond Fund® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	10 years	Lifetime (since October 4, 2006)	Gross expense ratio	Net expense ratio
Class 1	–4.73%	3.74%	2.32%	3.85%	.60%	.50%
Class 1A	–4.88	3.53	2.09	3.61	.85	.75
Class 2[4]	–4.92	3.49	2.07	3.60	.85	.75
Class 4	–5.18	3.24	1.85	3.37	1.10	1.00

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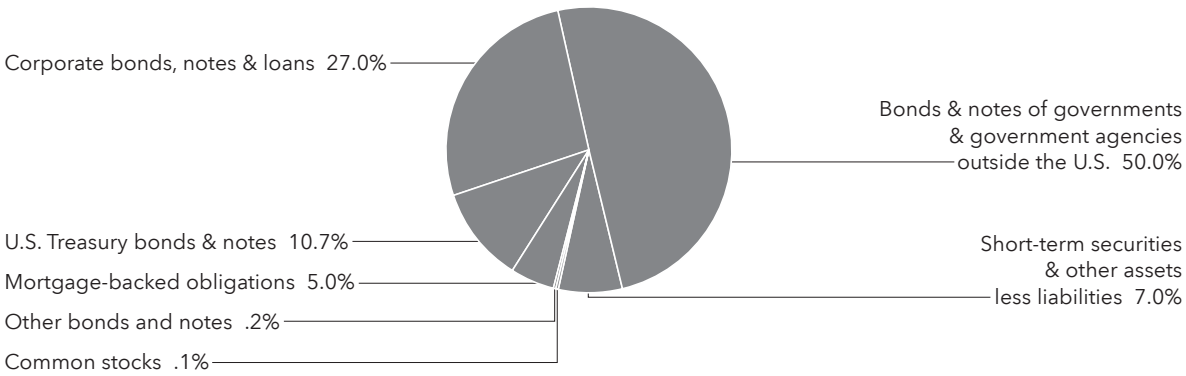
[1]Source: Bloomberg Index Services Ltd.
[2]Source: Refinitiv Lipper. Results for the Lipper indexes do not reflect sales charges. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category.
[3]Periods greater than one year are annualized.
[4]Capital World Bond Fund Class 2 shares were first sold on November 6, 2006. Results prior to that date are hypothetical based on Class 1 share results adjusted for estimated additional annual expenses of 0.25%.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



American High-Income Trust®

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American High-Income Trust gained 8.74% for the 12 months ended December 31, 2021. In comparison, the fund's benchmark, the Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index,[1] which measures fixed-rate non-investment-grade bonds (rated BB/Ba and below) and limits the exposure of an issuer to 2%, gained 5.26%.

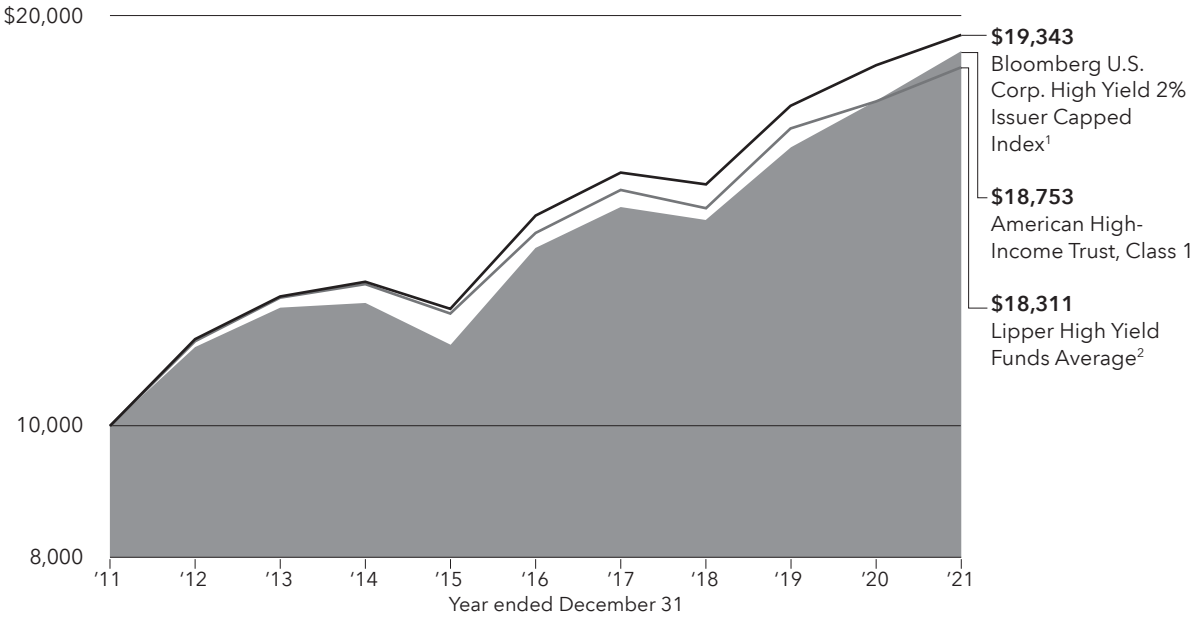
Fixed income markets were mixed as investors confronted higher inflation and prospects for tighter monetary policy. Global supply chain disruptions contributed to the fastest inflation rate since 1982, with the Consumer Price Index climbing 6.8% over the previous year in November. Excluding food and energy, core inflation was 4.9%. At its December meeting, the Federal Reserve noted that it expected to raise rates three times in 2022, an increase from its March meeting when it indicated no hikes were likely through at least 2023. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%. Within corporate credit, spreads on high-yield and investment-grade bonds tightened 77 bps and 4 bps, respectively.

Regarding the fund, security selection contributed positively to relative returns over the period. In particular, security selection within the energy and consumer sectors were additive to results. Conversely, investments within electric utilities detracted from relative returns.

The fund's portfolio managers continue to believe current fundamentals support a mildly constructive outlook for the high-yield market and that fiscal and monetary support prompted by the pandemic – combined with synchronous global growth as economies gradually reopen – will help mitigate adverse impacts of the pandemic. We continue to monitor these themes and believe that high-yield bonds will be supported by stronger economic growth and low real interest rates.

American High-Income Trust® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	10 years	Lifetime (since February 8,1984)	Gross expense ratio	Net expense ratio
Class 1	8.74%	6.86%	6.49%	8.66%	.52%	.30%
Class 1A	8.42	6.62	6.23	8.39	.77	.55
Class 2	8.42	6.58	6.23	8.38	.77	.55
Class 3	8.60	6.67	6.30	8.46	.70	.48
Class 4	8.18	6.32	6.01	8.13	1.02	.80

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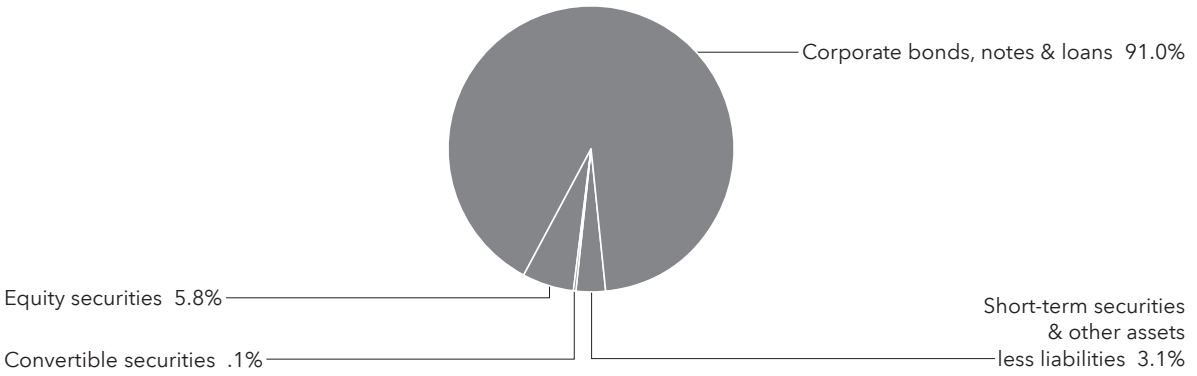
[2]Source: Refinitiv Lipper. Results for the Lipper averages do not reflect sales charges. Lipper averages track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category. Lipper averages reflect the current composition of all eligible mutual funds (all share classes) within a given category.
[3]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



American Funds Mortgage Fund®

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American Funds Mortgage Fund declined 0.32% for the 12 months ended December 31, 2021, while the Bloomberg U.S. Mortgage-Backed Securities Index,[1] which covers the mortgage-backed pass-through securities of Ginnie Mae, Fannie Mae and Freddie Mac, declined 1.04%.

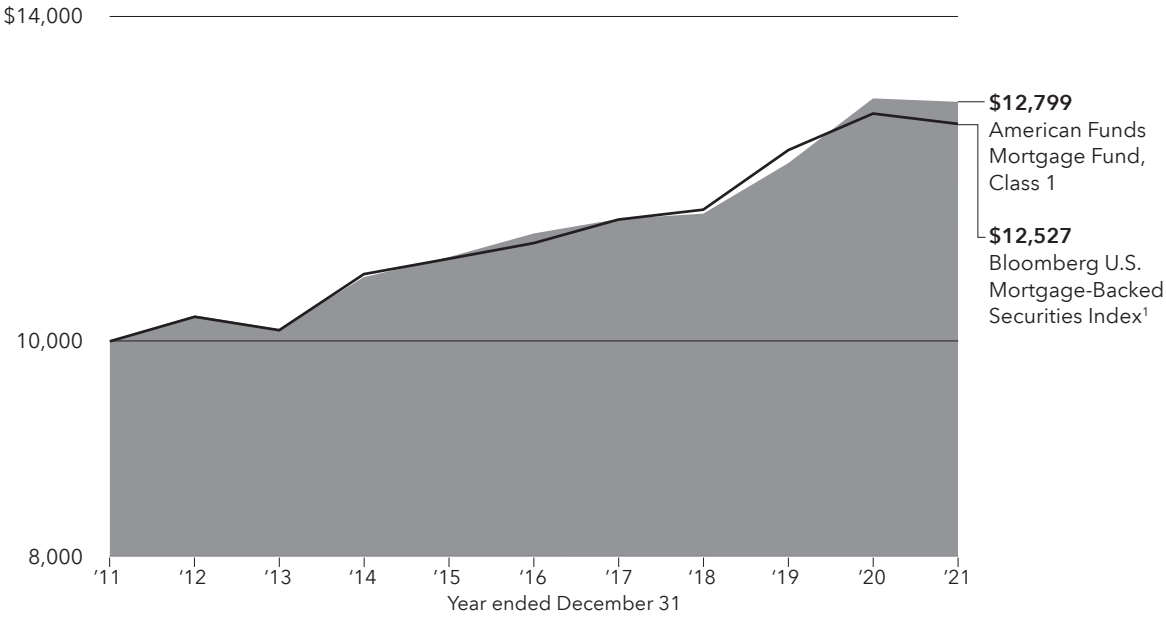
Fixed income markets were mixed as investors confronted higher inflation and prospects for tighter monetary policy. Global supply chain disruptions contributed to the fastest inflation rate since 1982, with the Consumer Price Index climbing 6.8% over the previous year in November. Excluding food and energy, core inflation was 4.9%. At its December meeting, the Federal Reserve noted that it expected to raise rates three times in 2022, an increase from its March meeting when it indicated no hikes were likely through at least 2023. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%. Within corporate credit, spreads on high-yield and investment-grade bonds tightened 77 bps and 4 bps, respectively.

Duration positioning and sector selection contributed to the fund's relative returns over the period. In particular, the fund benefited from a lower duration than the benchmark, which more than offset losses due to the fund's relative curve position. In addition, the fund benefitted from a lower-than-benchmark weighting in mortgages and U.S. Treasury Inflation Protected Securities (TIPS).

The portfolio managers remain focused on meeting the fund's core objectives of providing current income and protecting capital. A series of rate hikes are expected to start in early 2022, as the Fed will want to restrain the inflationary dynamics currently building in the economy. In addition, the Fed will complete its quantitative easing purchase program in 2022 and will likely soon begin shrinking its balance sheet by allowing some of its mortgages and Treasuries to mature without replacement via reinvestment. The fund is positioned conservatively as the combination of rate hikes and a shrinking Fed balance sheet may be very disruptive to markets. More attractive valuations for mortgage investments are expected to emerge going forward amid a transition from our extended period of extremely low volatility to a more normal period of economic and asset price uncertainty.

American Funds Mortgage Fund® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since May 2, 2011)	Gross expense ratio	Net expense ratio
Class 1	–0.32%	2.76%	2.50%	2.79%	.49%	.26%
Class 1A	–0.47	2.53	2.25	2.54	.74	.51
Class 2	–0.57	2.51	2.25	2.54	.74	.51
Class 4	–0.78	2.25	2.04	2.33	.99	.76

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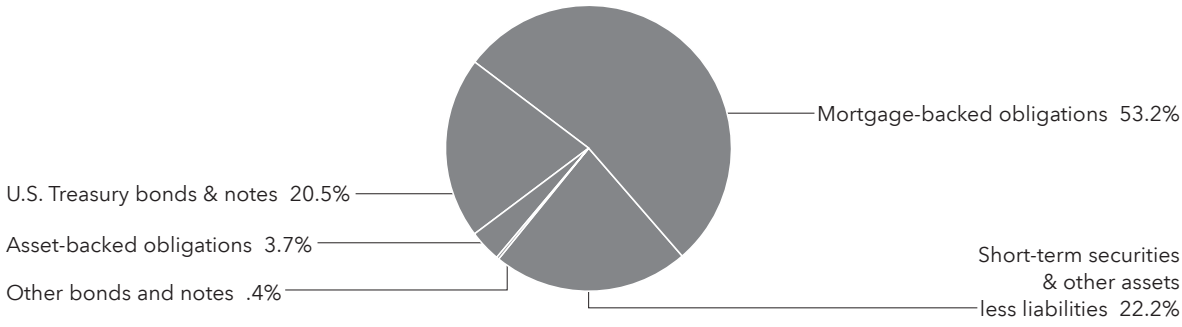
[1]Source: Bloomberg Index Services Ltd.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Ultra-Short Bond Fund

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Ultra-Short Bond Fund declined 0.35% for the 12 months ended December 31, 2021, compared with a 0.10% rise in the Bloomberg Short-Term Government/Corporate Index,[1] which consists of investment-grade (rated BBB/Baa and above), fixed-rate, publicly placed, dollar-denominated and non-convertible securities with remaining maturity from one up to (but not including) 12 months within either the government or corporate sector. With a focus on capital preservation and liquidity, the fund continues to be managed in a relatively conservative manner compared to the above-described index.

As a consequence of the conservative orientation of the fund, it typically invests in both shorter duration and higher quality securities relative to the index. Against the backdrop of the low interest rate environment that persisted throughout 2021, particularly in the front end of the U.S. government yield curve, the fund's relatively shorter duration and higher quality investments, compared with the index, impacted its relative results.

Short-term interest rates are near zero and have been since the Federal Reserve cut rates in March 2020. The current low interest rate environment may persist, as uncertainty regarding the coronavirus continues even with positive news on the vaccine front.

Ultra-Short Bond Fund (continued)

Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since February 8, 1984)	Net expense ratio
Class 1	–0.35%	0.82%	0.33%	3.21%	.37%
Class 1A	–0.27	0.84	0.21	2.99	.62
Class 2	–0.55	0.58	0.08	2.96	.62
Class 3	–0.45	0.67	0.15	3.03	.55
Class 4	–0.72	0.34	–0.09	2.72	.87

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

Any market index shown is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index.

[1]Source: Bloomberg Index Services Ltd.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

	Percent of net assets
Commercial paper	68.9%
U.S. Treasury bills	17.7
Federal agency bills & notes	11.3
Other assets less liabilities	2.1
Total	100.0%

U.S. Government Securities Fund®

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

U.S. Government Securities Fund declined 0.44% for the 12 months ended December 31, 2021, while the Bloomberg U.S. Government/Mortgage-Backed Securities Index,[1] which covers obligations issued by the U.S. Treasury and U.S. government agencies, was down 1.77%.

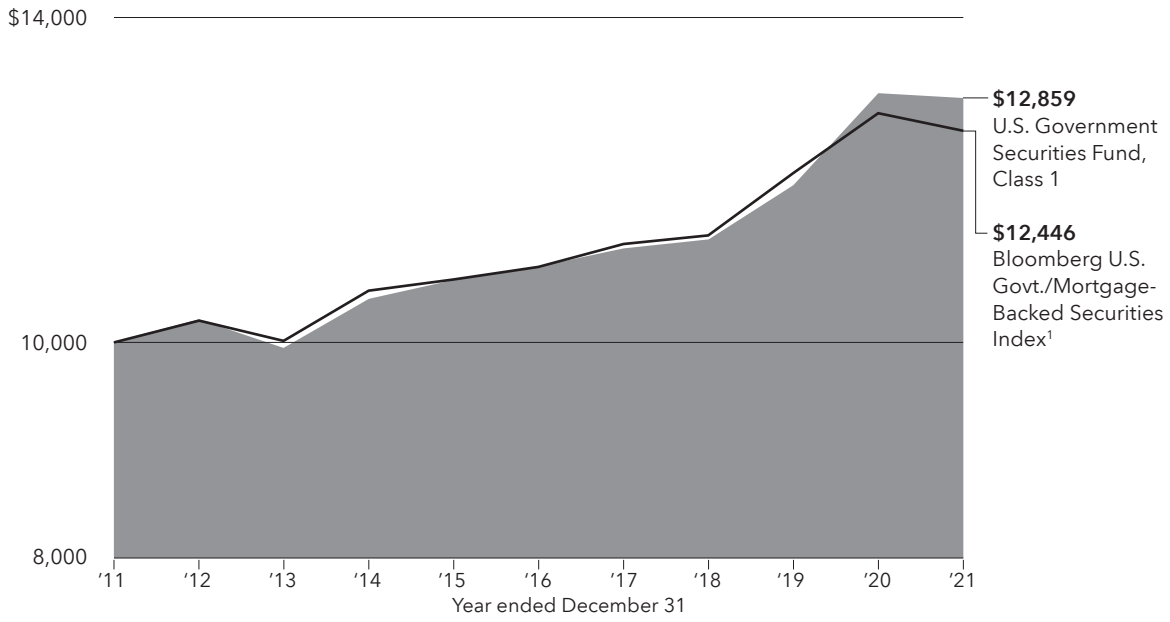
Fixed income markets were mixed as investors confronted higher inflation and prospects for tighter monetary policy. Global supply chain disruptions contributed to the fastest inflation rate since 1982, with the Consumer Price Index climbing 6.8% over the previous year in November. Excluding food and energy, core inflation was 4.9%. At its December meeting, the Federal Reserve noted that it expected to raise rates three times in 2022, an increase from its March meeting when it indicated no hikes were likely through at least 2023. The 10-year U.S. Treasury yield increased 59 basis points to 1.51%. Within corporate credit, spreads on high-yield and investment-grade bonds tightened 77 bps and 4 bps, respectively.

Duration positioning and sector selection contributed to the fund's relative returns over the period. In particular, the fund benefited from a lower duration than the benchmark which more than offset losses due to the fund's curve position. In addition, the fund benefitted from its position in U.S. Treasury Inflation Protected Securities (TIPS) and a lower-than-benchmark weighting in mortgages.

A series of rate hikes are expected to start in early 2022, as the Fed will want to restrain the inflationary dynamics currently building in the economy. In addition, the Fed will complete its quantitative easing purchase program in 2022 and will likely soon begin shrinking its balance sheet by allowing some of its mortgages and Treasuries to mature without replacement via reinvestment. The fund is positioned conservatively as the combination of rate hikes and a shrinking Fed balance sheet may be very disruptive to markets. More attractive valuations for Treasury and mortgage investments are expected to emerge going forward amid a transition from our extended period of extremely low volatility to a more normal period of economic and asset price uncertainty.

U.S. Government Securities Fund® (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[2]

	1 year	5 years	10 years	Lifetime (since December 2, 1985)	Gross expense ratio	Net expense ratio
Class 1	–0.44%	3.55%	2.55%	5.65%	.40%	.22%
Class 1A	–0.65	3.32	2.31	5.39	.65	.47
Class 2	–0.62	3.30	2.29	5.39	.65	.47
Class 3	–0.62	3.37	2.37	5.46	.58	.40
Class 4	–0.88	3.04	2.08	5.14	.90	.72

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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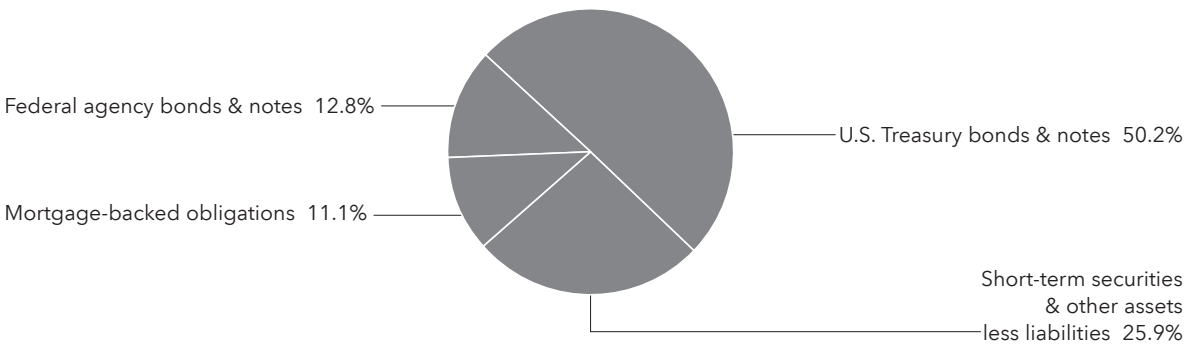
[1]Source: Bloomberg Index Services Ltd.
[2]Periods greater than one year are annualized.

Where the fund's assets were invested as of December 31, 2021

Percent of net assets



Managed Risk Growth Fund

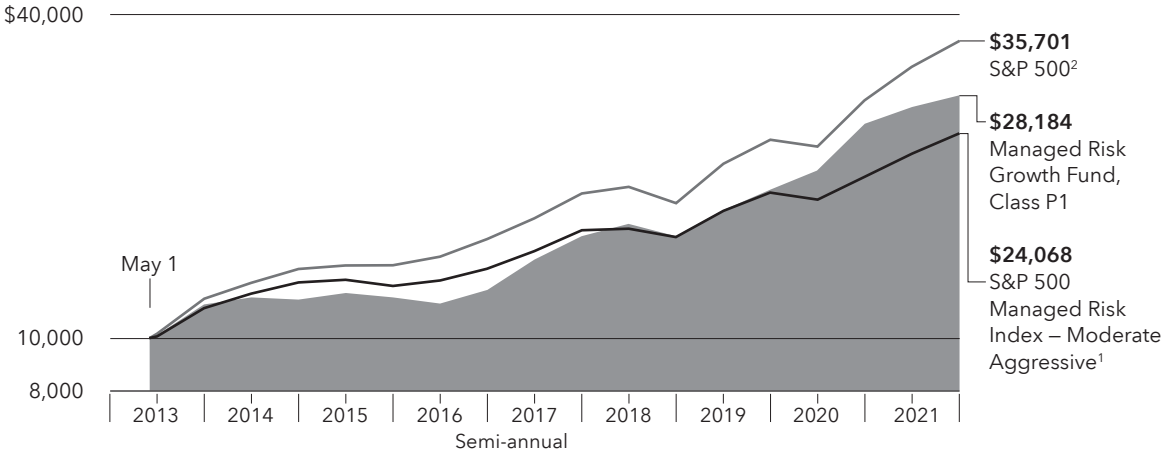
Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

The fund gained 13.08% for the 12 months ended December 31, 2021. S&P 500 Managed Risk Index – Moderate Aggressive[1] was up 20.66%. Standard & Poor's 500 Composite Index,[2] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks, increased 28.71%.

The fund pursues its objective by investing in shares of American Funds Insurance Series – Growth Fund℠ and American Funds Insurance Series – The Bond Fund of America℠ while seeking to manage portfolio volatility and provide downside protection, primarily through the use of exchange-traded options and futures contracts. The benefit of the fund's managed risk strategy should be most apparent during periods of high volatility and in down markets. In steady or rising markets, the fund's results can be expected to lag those of the underlying fund.

The underlying Growth Fund's investments in consumer discretionary and consumer staples sectors were top contributors to relative returns, while stock selection in the information technology and communication services sectors detracted. The return of the underlying The Bond Fund of America detracted from relative returns.

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	Lifetime (since May 1, 2013)	Gross expense ratio	Net expense ratio
Class P1	13.08%	18.19%	12.70%	.74%	.69%
Class P2	12.89	17.90	12.38	.99	.94

The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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[1]Source: S&P Dow Jones Indices LLC. Standard & Poor's Managed Risk Index Series is designed to simulate a dynamic protective portfolio that allocates between the underlying equity index and cash, based on realized volatilities of the underlying equity and bond indexes, while maintaining a fixed allocation to the underlying bond index.
[2]Source: S&P Dow Jones Indices LLC.
[3]Periods greater than one year are annualized.

Milliman Financial Risk Management LLC serves as the subadviser with respect to the management of the fund's managed risk strategy.

Managed Risk International Fund

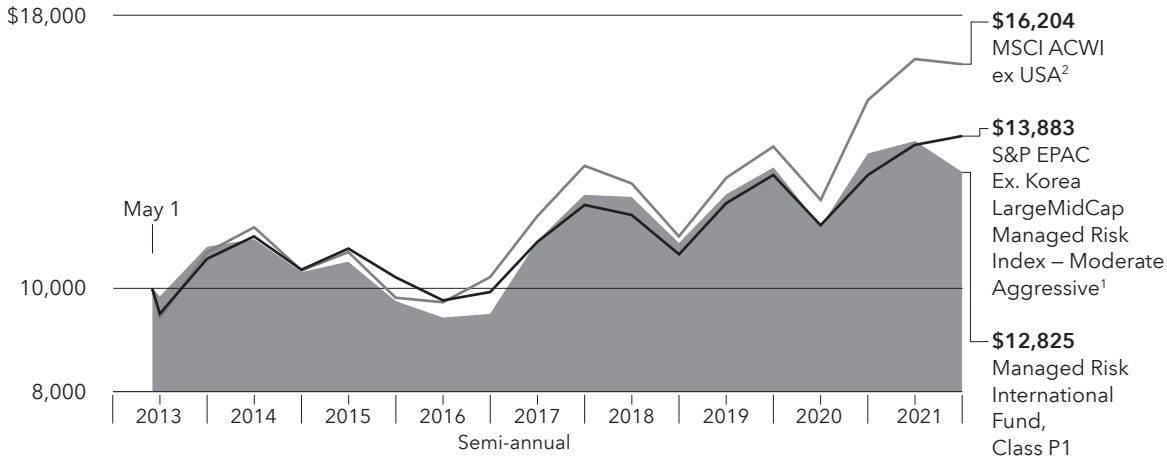
Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

The fund declined 3.92% for the 12 months ended December 31, 2021, compared to the S&P EPAC Ex. Korea LargeMidCap Managed Risk Index – Moderate Aggressive,[1] which rose 8.67%. The MSCI ACWI (All Country World Index) ex USA,[2] a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets (consisting of more than 40 developed and emerging market country indexes, excluding the U.S.), increased 7.82%.

The fund pursues its objective by investing in shares of American Funds Insurance Series – International Fund℠ and American Funds Insurance Series – The Bond Fund of America℠ while seeking to manage portfolio volatility and provide downside protection, primarily through the use of exchange-traded options and futures contracts. The benefit of the fund's managed risk strategy should be most apparent during periods of high volatility and in down markets. In steady or rising markets, the fund's results can be expected to lag those of the underlying fund.

The underlying International Fund's investments in the energy sector were the top contributor to relative returns. Stock selection in the financials and health care sectors detracted from relative results, as did the return of the underlying The Bond Fund of America.

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	Lifetime (since May 1, 2013)	Gross expense ratio	Net expense ratio
Class P1	–3.92%	6.31%	2.91%	.95%	.87%
Class P2	–4.13	5.95	2.55	1.20	1.12

The investment adviser is currently waiving a portion of its management fee. In addition, the investment adviser is currently reimbursing a portion of other expenses. This waiver and reimbursement will be in effect through at least May 1, 2022. The adviser may elect at its discretion to extend, modify or terminate the reimbursement at that time. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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[1]Source: S&P Dow Jones Indices LLC. Standard & Poor's Managed Risk Index Series is designed to simulate a dynamic protective portfolio that allocates between the underlying equity index and cash, based on realized volatilities of the underlying equity and bond indexes, while maintaining a fixed allocation to the underlying bond index.
[2]Source: MSCI. The MSCI index result reflects reinvestment of distributions and dividends net of withholding taxes.
[3]Periods greater than one year are annualized.

Milliman Financial Risk Management LLC serves as the subadviser with respect to the management of the fund's managed risk strategy.

Managed Risk Washington Mutual Investors Fund

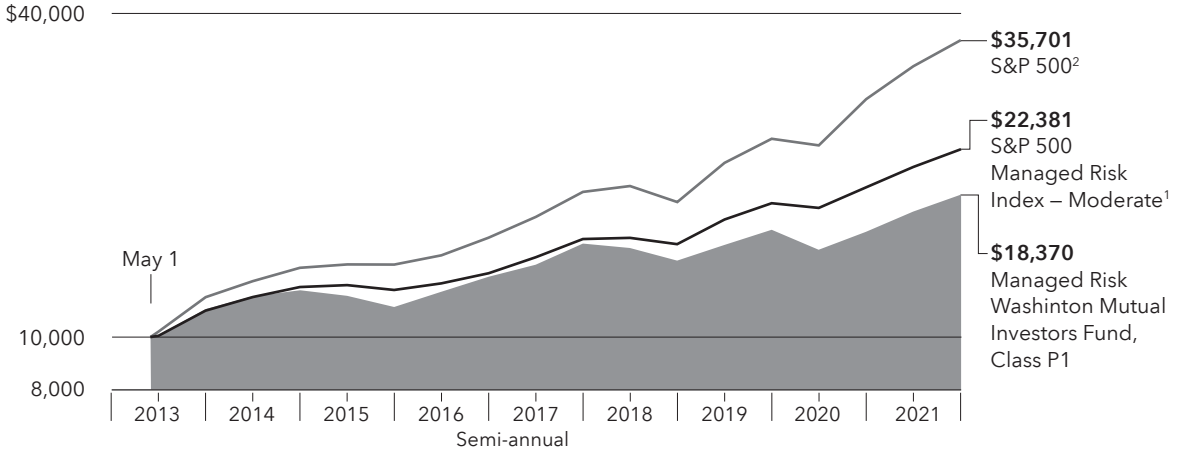
Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

The fund gained 17.46% for the 12 months ended December 31, 2021. S&P 500 Managed Risk Index – Moderate[1] gained 17.71%. Standard & Poor's 500 Composite Index,[2] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks, increased 28.71%

The fund pursues its objective by investing in shares of American Funds Insurance Series – Washington Mutual Investors Fund[SM] and American Funds Insurance Series – U.S. Government Securities Fund[SM] while seeking to manage portfolio volatility and provide downside protection, primarily through the use of exchange-traded options and futures contracts. The benefit of the fund's managed risk strategy should be most apparent during periods of high volatility and in down markets. In steady or rising markets, the fund's results can be expected to lag those of the underlying fund.

The underlying Washington Mutual Investors Fund's investments in the energy sector were the top contributor to relative returns due to their higher-than-index position. Investments in the health care sector were also additive, while stock selection in the materials sector detracted.

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	Lifetime (since May 1, 2013)	Gross expense ratio	Net expense ratio
Class P1	17.46%	7.37%	7.27%	.73%	.68%
Class P2	17.11	7.01	6.91	.98	.93

The investment adviser is currently waiving a portion of its management fee. In addition, the investment adviser is currently reimbursing a portion of other expenses. This waiver and reimbursement will be in effect through at least May 1, 2022. The adviser may elect at its discretion to extend, modify or terminate the reimbursement at that time. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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[1]Source: S&P Dow Jones Indices LLC. Standard & Poor's Managed Risk Index Series is designed to simulate a dynamic protective portfolio that allocates between the underlying equity index and cash, based on realized volatilities of the underlying equity and bond indexes, while maintaining a fixed allocation to the underlying bond index.
[2]Source: S&P Dow Jones Indices LLC.
[3]Periods greater than one year are annualized.

Milliman Financial Risk Management LLC serves as the subadviser with respect to the management of the fund's managed risk strategy.

Managed Risk Growth-Income Fund

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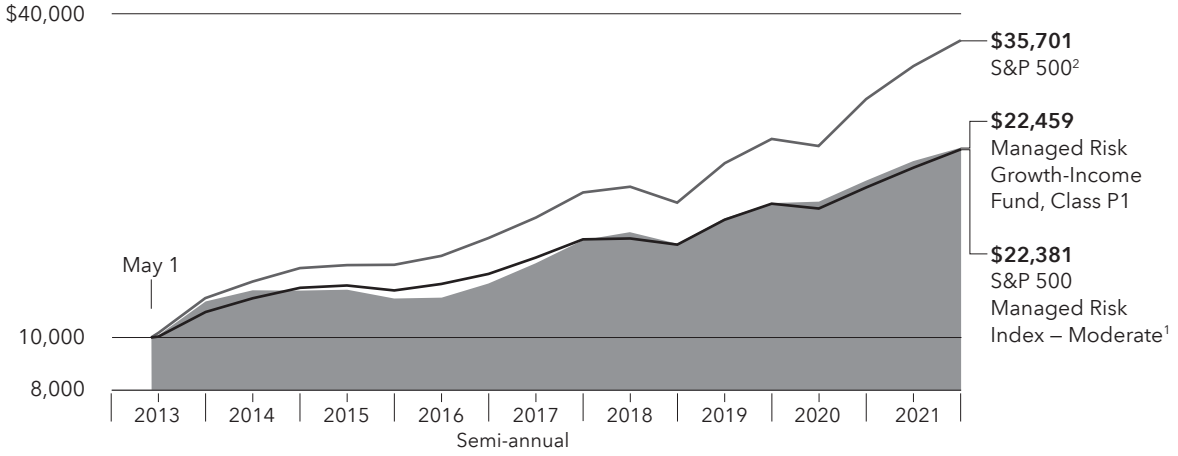
The fund gained 15.32% for the 12 months ended December 31, 2021, compared to the S&P 500 Managed Risk Index – Moderate,[1] which rose 17.71%. Standard & Poor's 500 Composite Index,[2] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks, increased 28.71%.

The fund pursues its objective by investing in shares of American Funds Insurance Series – Growth-Income Fund[SM] and American Funds Insurance Series – The Bond Fund of America[SM] while seeking to manage portfolio volatility and provide downside protection, primarily through the use of exchange-traded options and futures contracts. The benefit of the fund's managed risk strategy should be most apparent during periods of high volatility and in down markets. In steady or rising markets, the fund's results can be expected to lag those of the underlying fund.

The underlying Growth-Income Fund's investments in the energy sector were the top contributor to relative returns. Investments in the communication services sector also were a top contributor due to their higher-than-benchmark position, while the information technology and real estate sectors detracted from results.

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[3]

	1 year	5 years	Lifetime (since May 1, 2013)	Gross expense ratio	Net expense ratio
Class P1	15.32%	12.35%	9.78%	.68%	.63%
Class P2	15.05%	12.08%	9.47%	.93	.88

The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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[1]Source: S&P Dow Jones Indices LLC. Standard & Poor's Managed Risk Index Series is designed to simulate a dynamic protective portfolio that allocates between the underlying equity index and cash, based on realized volatilities of the underlying equity and bond indexes, while maintaining a fixed allocation to the underlying bond index.
[2]Source: S&P Dow Jones Indices LLC.
[3]Periods greater than one year are annualized.

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Managed Risk Asset Allocation Fund

Fund results shown are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com/afis. For information about your insurance contract and month-end results, go to the website of the company that issued your contract.

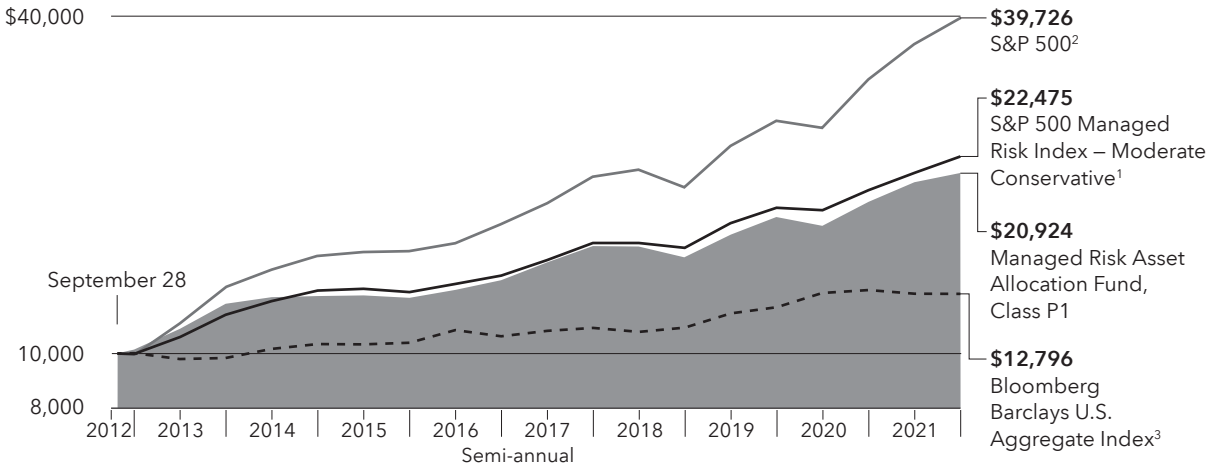
The fund gained 12.82% for the 12 months ended December 31, 2021. S&P 500 Managed Risk Index – Moderate Conservative[1] was up 15.01%. Standard & Poor's 500 Composite Index,[2] a market capitalization-weighted index based on the results of approximately 500 widely held common stocks, increased 28.71%.

The fund pursues its objective by investing in shares of American Funds Insurance Series – Asset Allocation Fund[SM] while seeking to manage portfolio volatility and provide downside protection, primarily through the use of exchange-traded options and futures contracts. The benefit of the fund's managed risk strategy should be most apparent during periods of high volatility and in down markets. In steady or rising markets, the fund's results can be expected to lag those of the underlying fund.

The underlying Asset Allocation Fund's investments in the financials sector were additive to relative returns due to their higher-than-benchmark position and stock selection, while stock selection in the health care and information technology sectors detracted. On a country level, the fund's investments in the Netherlands were additive to relative returns.

Managed Risk Asset Allocation Fund (continued)

How a hypothetical $10,000 investment has grown



Total returns based on a $1,000 investment

For periods ended December 31, 2021[4]

	1 year	5 years	Lifetime (since September 28, 2012)	Gross expense ratio	Net expense ratio
Class P1	12.82%	9.21%	8.30%	.70%	.65%
Class P2	12.50	8.94	8.04	.95	.90

The investment adviser is currently waiving a portion of its management fee. This waiver will be in effect through at least May 1, 2022. The waiver may only be modified or terminated with the approval of the series' board. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Visit capitalgroup.com/afis for more information. Expense ratios are as of the fund's prospectus dated May 1, 2022 (unaudited). Refer to the Financial Highlights table in this report for details.

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[1]Source: S&P Dow Jones Indices LLC. Standard & Poor's Managed Risk Index Series is designed to simulate a dynamic protective portfolio that allocates between the underlying equity index and cash, based on realized volatilities of the underlying equity and bond indexes, while maintaining a fixed allocation to the underlying bond index.
[2]Source: S&P Dow Jones Indices LLC.
[3]Source: Bloomberg Index Services Ltd.
[4]Periods greater than one year are annualized.

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Global Growth Fund

Investment portfolio December 31, 2021

Common stocks 92.85%		Shares	Value (000)
Information technology 31.97%	ASML Holding NV	548,945	$ 441,669
	ASML Holding NV (New York registered) (ADR)	280,900	223,636
	Microsoft Corp.	1,862,700	626,462
	Taiwan Semiconductor Manufacturing Company, Ltd.	23,830,000	529,709
	Taiwan Semiconductor Manufacturing Company, Ltd. (ADR)	140,000	16,843
	Adyen NV[1]	61,300	161,320
	PayPal Holdings, Inc.[1]	846,600	159,652
	Broadcom, Inc.	154,665	102,916
	Applied Materials, Inc.	520,137	81,849
	Adobe, Inc.[1]	135,000	76,553
	MongoDB, Inc., Class A[1]	139,000	73,580
	Amphenol Corp., Class A	747,000	65,333
	EPAM Systems, Inc.[1]	97,100	64,906
	Samsung Electronics Co., Ltd.	785,100	51,713
	Fiserv, Inc.[1]	465,403	48,304
	Hexagon AB, Class B	2,920,500	46,428
	Keyence Corp.	71,000	44,613
	Zendesk, Inc.[1]	419,500	43,750
	Advanced Micro Devices, Inc.[1]	272,800	39,256
	PagSeguro Digital, Ltd., Class A[1]	1,094,000	28,685
	Mastercard, Inc., Class A	62,500	22,457
	NVIDIA Corp.	67,000	19,705
	Shopify, Inc., Class A, subordinate voting shares[1]	14,000	19,283
	DocuSign, Inc.[1]	106,750	16,259
	Visa, Inc., Class A	70,197	15,212
	Network International Holdings PLC[1]	3,731,800	14,760
	Amadeus IT Group SA, Class A, non-registered shares[1]	177,201	12,032
	Sinch AB[1]	894,000	11,387
	Worldline SA, non-registered shares[1]	146,850	8,194
			3,066,466
Consumer discretionary 18.19%	Amazon.com, Inc.[1]	131,000	436,799
	Chipotle Mexican Grill, Inc.[1]	139,400	243,706
	LVMH Moët Hennessy-Louis Vuitton SE	158,900	131,520
	Floor & Decor Holdings, Inc., Class A[1]	914,698	118,920
	Domino's Pizza, Inc.	196,700	111,004
	NIKE, Inc., Class B	400,000	66,668
	Prosus NV, Class N	760,993	63,706
	Booking Holdings, Inc.[1]	24,600	59,021
	Renault SA[1]	1,688,781	58,728
	D'Ieteren Group[1]	226,000	44,153
	Compagnie Financière Richemont SA, Class A	291,500	43,811
	Home Depot, Inc.	92,275	38,295
	Domino's Pizza Enterprises, Ltd.	430,000	36,925
	Xpeng, Inc., Class A (ADR)[1]	671,711	33,807
	Coupang, Inc., Class A[1]	1,106,454	32,508
	MercadoLibre, Inc.[1]	21,200	28,586
	IDP Education, Ltd.	1,028,700	25,933
	Melco Resorts & Entertainment, Ltd. (ADR)[1]	2,127,000	21,653
	Stellantis NV	1,096,000	20,811
	EssilorLuxottica	94,200	20,081
	Evolution AB	140,000	19,927
	YUM! Brands, Inc.	120,000	16,663
	Moncler SpA	217,370	15,843
	Entain PLC[1]	665,250	15,155
	MGM China Holdings, Ltd.[1]	19,792,000	12,006
	Wynn Macau, Ltd.[1,2]	14,070,000	11,494
	Arrival Group[1,2]	1,253,000	9,297
	Farfetch, Ltd., Class A[1]	223,000	7,455
			1,744,475

Global Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Health care 12.78%	DexCom, Inc.[1]	253,000	$ 135,848
	UnitedHealth Group, Inc.	259,600	130,356
	Mettler-Toledo International, Inc.[1]	65,000	110,319
	Pfizer, Inc.	1,479,000	87,335
	AstraZeneca PLC	646,300	75,915
	Cigna Corp.	330,319	75,851
	Regeneron Pharmaceuticals, Inc.[1]	95,036	60,017
	Tandem Diabetes Care, Inc.[1]	379,084	57,060
	Fisher & Paykel Healthcare Corp., Ltd.	2,188,000	49,093
	Merck & Co., Inc.	620,000	47,517
	CVS Health Corp.	371,000	38,272
	Danaher Corp.	97,700	32,144
	Silk Road Medical, Inc.[1]	702,000	29,912
	Zoetis, Inc., Class A	116,300	28,381
	NovoCure, Ltd.[1]	340,000	25,527
	Eli Lilly and Company	87,100	24,059
	Catalent, Inc.[1]	175,900	22,520
	Dechra Pharmaceuticals PLC	283,000	20,398
	Humana, Inc.	43,000	19,946
	Bayer AG	363,860	19,470
	Virbac SA[1]	37,800	18,269
	Genus PLC	270,000	18,046
	Coloplast A/S, Class B	93,950	16,555
	Bachem Holding AG, Class B	20,300	15,951
	Olympus Corp.	665,800	15,335
	Novartis AG	165,600	14,590
	Sanofi	135,000	13,615
	Vertex Pharmaceuticals, Inc.[1]	49,500	10,870
	Rede D'Or Sao Luiz SA	1,073,663	8,641
	Organon & Co.	62,000	1,888
	Viatris, Inc.	110,678	1,497
	Zai Lab, Ltd. (ADR)[1]	9,000	566
			1,225,763
Financials 8.56%	Tradeweb Markets, Inc., Class A	1,685,360	168,772
	AIA Group, Ltd.	10,109,600	101,906
	Kotak Mahindra Bank, Ltd.	2,915,200	70,437
	JPMorgan Chase & Co.	426,800	67,584
	Allfunds Group PLC[1]	2,890,300	56,914
	AXA SA	1,692,893	50,468
	Société Générale	1,011,450	34,782
	Prudential PLC	1,773,082	30,587
	Citigroup, Inc.	497,600	30,050
	Moscow Exchange MICEX-RTS PJSC	12,640,000	25,786
	Ping An Insurance (Group) Company of China, Ltd., Class H	3,254,000	23,432
	BlackRock, Inc.	23,900	21,882
	HDFC Life Insurance Company, Ltd.	2,289,515	20,006
	QBE Insurance Group, Ltd.	2,013,000	16,623
	Aon PLC, Class A	55,000	16,531
	Bank of America Corp.	355,100	15,798
	CME Group, Inc., Class A	69,087	15,784
	FinecoBank SpA	893,000	15,692
	Banco Santander, SA	4,347,024	14,553
	Macquarie Group, Ltd.	95,800	14,316
	Lufax Holding, Ltd. (ADR)[1]	966,000	5,439
	Jackson Financial, Inc., Class A[2]	44,327	1,854
	DBS Group Holdings, Ltd.	57,700	1,398
			820,594

Global Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Communication services 7.95%	Alphabet, Inc., Class A[1]	95,500	$ 276,667
	Alphabet, Inc., Class C[1]	63,852	184,762
	Meta Platforms, Inc., Class A[1]	680,130	228,762
	Sea, Ltd., Class A (ADR)[1]	153,951	34,440
	Tencent Holdings, Ltd.	314,000	18,395
	Altice USA, Inc., Class A[1]	751,200	12,154
	Bumble, Inc., Class A[1]	217,500	7,365
			762,545
Consumer staples 6.12%	Kweichow Moutai Co., Ltd., Class A	340,909	109,654
	British American Tobacco PLC	2,585,800	95,673
	Philip Morris International, Inc.	919,500	87,352
	Ocado Group PLC[1]	2,881,000	65,435
	Keurig Dr Pepper, Inc.	1,624,000	59,861
	Altria Group, Inc.	1,248,500	59,166
	Nestlé SA	335,100	46,867
	Costco Wholesale Corp.	39,170	22,237
	Associated British Foods PLC	789,876	21,468
	Monster Beverage Corp.[1]	204,000	19,592
			587,305
Industrials 3.33%	DSV A/S	201,000	47,003
	NIBE Industrier AB, Class B	2,740,000	41,466
	Airbus SE, non-registered shares[1]	288,300	36,880
	Alliance Global Group, Inc.	156,400,700	36,192
	MTU Aero Engines AG	167,000	34,109
	GT Capital Holdings, Inc.	2,454,611	25,994
	Carrier Global Corp.	370,900	20,117
	Safran SA	164,000	20,102
	Nidec Corp.	143,000	16,807
	SMC Corp.	22,500	15,177
	General Electric Co.	157,500	14,879
	Boeing Company[1]	51,300	10,328
			319,054
Materials 2.12%	Sherwin-Williams Company	456,200	160,655
	Koninklijke DSM NV	98,100	22,114
	Shin-Etsu Chemical Co., Ltd.	119,500	20,694
			203,463
Energy 1.38%	Reliance Industries, Ltd.	1,601,273	51,013
	Gazprom PJSC (ADR)	4,173,000	38,558
	LUKOIL Oil Co. PJSC (ADR)	246,300	22,044
	BP PLC	4,635,000	20,735
			132,350
Real estate 0.45%	Goodman Logistics (HK), Ltd. REIT	1,206,000	23,252
	Country Garden Services Holdings Co., Ltd.	3,236,700	19,385
			42,637
	Total common stocks (cost: $4,332,233,000)		8,904,652

Preferred securities 3.26%

Health care 2.55%	Sartorius AG, nonvoting non-registered preferred shares	360,500	244,287

Global Growth Fund (continued)

Preferred securities (continued)		Shares	Value (000)
Information technology 0.71%	Samsung Electronics Co., Ltd., nonvoting preferred shares	1,146,000	$ 68,640
	Total preferred securities (cost: $62,820,000)		312,927

Short-term securities 3.97%

Money market investments 3.93%			
	Capital Group Central Cash Fund 0.09%[3,4]	3,766,759	376,714
Money market investments purchased with collateral from securities on loan 0.04%			
	Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[3,5]	1,917,175	1,918
	Capital Group Central Cash Fund 0.09%[3,4,5]	18,078	1,808
	Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[3,5]	129,139	129
			3,855
	Total short-term securities (cost: $380,523,000)		380,569
	Total investment securities 100.08% (cost: $4,775,576,000)		9,598,148
	Other assets less liabilities (0.08)%		(7,568)
	Net assets 100.00%		$9,590,580

Investments in affiliates[4]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 3.95%							
Money market investments 3.93%							
Capital Group Central Cash Fund 0.09%[3]	$125,696	$1,410,174	$1,159,165	$(19)	$28	$376,714	$229
Money market investments purchased with collateral from securities on loan 0.02%							
Capital Group Central Cash Fund 0.09%[3,5]	–	1,808[6]				1,808	–[7]
Total short-term securities						378,522	
Total 3.95%				$(19)	$28	$378,522	$229

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $4,822,000, which represented .05% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Rate represents the seven-day yield at 12/31/2021.
[4]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[5]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[6]Represents net activity. Refer to Note 5 for more information on securities lending.
[7]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Key to abbreviation
ADR = American Depositary Receipts

See notes to financial statements.

Global Small Capitalization Fund

Investment portfolio December 31, 2021

Common stocks 88.86%		Shares	Value (000)
Information technology 24.38%	Wolfspeed, Inc.[1]	1,031,556	$115,297
	Ceridian HCM Holding, Inc.[1]	629,935	65,803
	eMemory Technology, Inc.	750,080	59,373
	PAR Technology Corp.[1,2]	952,404	50,259
	Tanla Platforms, Ltd.	1,477,291	37,426
	AvidXchange Holdings, Inc.[1,3,4]	1,971,456	27,612
	AvidXchange Holdings, Inc.[1]	590,695	8,896
	Net One Systems Co., Ltd.	1,245,156	33,556
	Silergy Corp.	183,240	33,281
	Nordic Semiconductor ASA[1]	929,291	31,404
	Qorvo, Inc.[1]	181,818	28,435
	BE Semiconductor Industries NV	315,433	26,941
	SUMCO Corp.	1,299,500	26,537
	Smartsheet, Inc., Class A[1]	337,600	26,147
	Kingdee International Software Group Co., Ltd.[1]	7,717,074	23,752
	Gitlab, Inc., Class B[1,3,4]	297,916	23,586
	ON Semiconductor Corp.[1]	320,000	21,734
	Olo, Inc., Class A[1,2]	1,020,670	21,240
	Appfolio, Inc., Class A[1]	169,421	20,510
	ALTEN SA, non-registered shares	113,108	20,411
	MACOM Technology Solutions Holdings, Inc.[1]	260,000	20,358
	Globant SA[1]	64,640	20,303
	Rapid7, Inc.[1]	171,050	20,131
	Silicon Laboratories, Inc.[1]	95,000	19,610
	SHIFT, Inc.[1]	93,300	19,353
	Avalara, Inc.[1]	149,119	19,253
	Pegasystems, Inc.	169,591	18,964
	Euronet Worldwide, Inc.[1]	125,000	14,896
	Aspen Technology, Inc.[1]	93,100	14,170
	Keywords Studios PLC	342,640	13,644
	SINBON Electronics Co., Ltd.	1,271,000	13,047
	Asana, Inc., Class A[1]	174,770	13,029
	SimCorp AS	116,662	12,766
	Expensify, Inc., Class A[1,2]	288,328	12,686
	MongoDB, Inc., Class A[1]	23,300	12,334
	Extreme Networks, Inc.[1]	756,678	11,880
	INFICON Holding AG	7,397	10,862
	GlobalWafers Co., Ltd.	311,000	9,982
	OVH Groupe SAS[1]	343,236	9,926
	Network International Holdings PLC[1]	2,494,284	9,865
	Cognex Corp.	116,600	9,067
	Truecaller AB, Class B[1,2]	677,076	8,527
	Unimicron Technology Corp.	1,016,007	8,483
	Bentley Systems, Inc., Class B	173,643	8,392
	Digital Turbine, Inc.[1]	136,600	8,331
	Anaplan, Inc.[1]	163,300	7,487
	Hennge KK[1,2]	424,400	7,150
	Megaport, Ltd.[1]	500,000	6,752
	Okta, Inc., Class A[1]	25,463	5,708
	Linklogis, Inc., Class B[1]	5,923,115	5,545
	JFrog, Ltd.[1]	157,869	4,689
	CCC Intelligent Solutions Holdings, Inc.[1]	404,700	4,610
	Appier Group, Inc.[1]	385,200	4,464
	Semtech Corp.[1]	50,000	4,446
	Softcat PLC	152,430	3,722
	OneConnect Financial Technology Co., Ltd. (ADR)[1,2]	1,479,104	3,653
	BigCommerce Holdings, Inc., Series 1[1]	90,000	3,183
	Alkami Technology, Inc.[1]	156,207	3,134
	Bechtle AG, non-registered shares	40,587	2,908

Global Small Capitalization Fund (continued)

Common stocks (continued)		Shares	Value (000)
Information technology (continued)	Cvent Holding Corp.[1,3,4]	344,800	$ 2,676
	Copperleaf Technologies, Inc.[1]	119,300	2,249
	Yotpo, Ltd.[1,3,4,5,6]	678,736	1,493
			1,115,928
Consumer discretionary 15.82%	Mattel, Inc.[1]	2,100,069	45,277
	Wyndham Hotels & Resorts, Inc.	486,436	43,609
	Lands' End, Inc.[1,7]	2,100,000	41,223
	Helen of Troy, Ltd.[1]	150,870	36,883
	Five Below, Inc.[1]	171,700	35,523
	Thor Industries, Inc.	329,500	34,192
	Entain PLC[1]	1,462,650	33,320
	Tube Investments of India, Ltd.	1,401,287	33,079
	YETI Holdings, Inc.[1]	332,225	27,518
	Evolution AB	182,215	25,936
	Everi Holdings, Inc.[1]	1,173,482	25,054
	Frontdoor, Inc.[1]	677,310	24,823
	Skechers USA, Inc., Class A[1]	550,000	23,870
	Warby Parker, Inc., Class A[1,2]	450,660	20,983
	Inchcape PLC	1,638,100	20,166
	Coursera, Inc.[1]	817,039	19,968
	Tongcheng Travel Holdings, Ltd.[1]	10,084,800	18,676
	Asbury Automotive Group, Inc.[1]	97,426	16,828
	SSP Group PLC[1]	4,933,458	16,033
	Scientific Games Corp.[1]	223,732	14,952
	Kindred Group PLC (SDR)	1,232,811	14,694
	Basic-Fit NV[1]	272,186	13,015
	Golden Entertainment, Inc.[1]	256,800	12,976
	Leslie's, Inc.[1]	532,464	12,598
	Musti Group OYJ	354,300	12,488
	Melco International Development, Ltd.[1]	7,826,000	9,545
	DESCENTE, Ltd.[1]	258,825	9,529
	Cairn Homes PLC	6,502,137	8,379
	TopBuild Corp.[1]	27,200	7,505
	Zhongsheng Group Holdings, Ltd.	938,500	7,318
	Elior Group SA[1]	882,500	6,395
	Thule Group AB	102,200	6,198
	Compagnie Plastic Omnium SA	229,500	5,973
	Americanas SA, ordinary nominative shares[1]	1,010,093	5,727
	WH Smith PLC[1]	242,500	4,858
	Shoei Co., Ltd.	123,100	4,848
	Desenio Group AB[1]	1,506,833	4,045
	SiteMinder, Ltd.[1]	814,665	4,007
	IDP Education, Ltd.	150,966	3,806
	Arco Platform, Ltd., Class A[1]	158,600	3,313
	Chervon Holdings, Ltd.[1]	398,300	2,958
	Countryside Properties PLC[1]	405,700	2,471
	Cazoo Group, Ltd., Class A[1]	353,161	2,130
	Leifheit AG, non-registered shares	23,553	987
	China Zenix Auto International, Ltd. (ADR)[1]	372,108	353
			724,029
Industrials 15.62%	Visional, Inc.[1]	562,700	47,499
	International Container Terminal Services, Inc.	12,028,590	47,178
	IMCD NV	198,635	44,031
	Nihon M&A Center Holdings, Inc.	1,763,584	43,250
	Instalco AB	730,713	35,128
	Stericycle, Inc.[1]	571,050	34,057
	Interpump Group SpA	447,000	32,799
	Boyd Group Services, Inc.	205,355	32,407

Global Small Capitalization Fund (continued)

Common stocks (continued)		Shares	Value (000)
Industrials (continued)	Fasadgruppen Group AB	1,566,704	$ 29,544
	Alfen NV[1]	212,868	21,387
	Montrose Environmental Group, Inc.[1]	299,800	21,139
	Japan Elevator Service Holdings Co., Ltd.	905,800	16,914
	Vicor Corp., Class A[1]	131,328	16,676
	Wizz Air Holdings PLC[1]	273,883	15,526
	Cleanaway Waste Management, Ltd.	6,655,970	15,157
	Melrose Industries PLC	6,512,400	14,095
	DL E&C Co., Ltd.[1]	127,068	12,720
	Centre Testing International Group Co., Ltd.	2,985,669	12,588
	ITM Power PLC[1,2]	2,322,000	12,383
	VAT Group AG	23,611	11,774
	AirTAC International Group[1]	319,062	11,763
	Woodward, Inc.	105,000	11,493
	Guangzhou Baiyun International Airport Co., Ltd., Class A	5,998,639	11,351
	Cargotec OYJ, Class B, non-registered shares	218,700	10,916
	Japan Airport Terminal Co., Ltd.	255,000	10,641
	Nolato AB, Class B	828,200	9,889
	Marel hf.	1,331,932	8,979
	Addtech AB, Class B	353,050	8,439
	easyJet PLC[1]	1,114,505	8,388
	Controladora Vuela Compañía de Aviación, SAB de CV, ordinary participation certificates, Class A (ADR)[1]	460,200	8,270
	Kajaria Ceramics, Ltd.	450,000	7,809
	Carel Industries SpA	252,900	7,659
	Diploma PLC	161,300	7,366
	Atlas Corp.[2]	500,000	7,090
	Cummins India, Ltd.	550,000	6,968
	BELIMO Holding AG	10,460	6,658
	Shoals Technologies Group, Inc., Class A[1]	257,514	6,258
	ACV Auctions, Inc., Class A[1]	296,112	5,579
	SK, Inc.	25,876	5,464
	LIXIL Corp.	196,500	5,236
	SIS, Ltd.[1]	762,310	4,717
	Sitowise Group PLC[1]	512,300	4,695
	Sulzer AG[1]	40,042	3,948
	Granite Construction, Inc.	96,892	3,750
	Froy ASA[1,2]	631,400	3,728
	Howden Joinery Group PLC	292,536	3,568
	The AZEK Co., Inc., Class A[1]	54,400	2,516
	IAA, Inc.[1]	43,321	2,193
	KEI Industries, Ltd.[1]	135,603	2,131
	Matson, Inc.	8,674	781
	Rumo SA[1]	160,620	512
			715,007
Health care 13.50%	Insulet Corp.[1]	435,159	115,783
	CanSino Biologics, Inc., Class H[1,2]	1,984,600	45,864
	Health Catalyst, Inc.[1,2]	911,700	36,122
	Integra LifeSciences Holdings Corp.[1]	498,900	33,421
	Max Healthcare Institute, Ltd.[1]	4,772,559	28,435
	Globus Medical, Inc., Class A[1]	392,969	28,372
	Notre Dame Intermédica Participações SA	2,355,635	25,523
	AddLife AB, Class B	541,819	22,869
	Ocumension Therapeutics[1,2]	9,650,966	21,660
	CONMED Corp.	149,609	21,209
	Medmix AG[1]	350,942	17,393
	Mani, Inc.	1,166,831	16,179
	iRhythm Technologies, Inc.[1]	137,000	16,123
	Shandong Pharmaceutical Glass Co., Ltd., Class A	2,180,508	15,019
	Amplifon SpA	273,286	14,763

Global Small Capitalization Fund (continued)

Common stocks (continued)		Shares	Value (000)
Health care (continued)	CompuGroup Medical SE & Co. KGaA	179,545	$ 14,544
	ICON PLC[1]	46,061	14,265
	Guardant Health, Inc.[1]	119,227	11,925
	Nevro Corp.[1]	132,603	10,750
	New Horizon Health, Ltd.[1]	3,507,844	9,942
	New Frontier Health Corp., Class A[1,2]	840,500	9,632
	Haemonetics Corp.[1]	180,610	9,580
	Medlive Technology Co., Ltd.[1]	2,681,000	9,352
	Medincell SA[1,2]	809,800	9,220
	Bachem Holding AG, Class B	9,667	7,596
	Angelalign Technology, Inc.[1,2]	229,600	7,344
	Ambu AS, Class B, non-registered shares[2]	266,155	7,049
	Amedisys, Inc.[1]	38,867	6,292
	Nordhealth AS, Class A[1]	1,279,999	5,814
	Arjo AB, Class B	422,850	5,185
	Encompass Health Corp.	79,000	5,156
	GVS SpA	395,919	4,755
	Antares Vision SpA[1]	281,100	3,808
	Amvis Holdings, Inc.	80,200	3,688
	Ultragenyx Pharmaceutical, Inc.[1]	40,000	3,364
			617,996
Financials 9.70%	Live Oak Bancshares, Inc.	800,250	69,854
	Star Health & Allied Insurance Co., Ltd.[1,3,4,6]	6,037,336	58,213
	Trupanion, Inc.[1]	300,000	39,609
	Janus Henderson Group PLC	925,000	38,794
	Marqeta, Inc., Class B[1]	1,859,092	31,921
	Cholamandalam Investment and Finance Co., Ltd.	3,684,053	25,791
	Eurobank Ergasias Services and Holdings SA[1]	25,119,028	25,492
	East West Bancorp, Inc.	287,300	22,605
	Stifel Financial Corp.	271,050	19,087
	Independent Bank Group, Inc.	252,500	18,218
	Indian Energy Exchange, Ltd.	3,300,000	11,223
	SouthState Corp.	139,550	11,179
	Aavas Financiers, Ltd.[1]	284,050	9,996
	IIFL Wealth Management, Ltd.	513,500	9,807
	PT Bank Raya Indonesia Tbk[1]	72,214,096	9,171
	SiriusPoint, Ltd.[1]	1,100,000	8,943
	Patria Investments, Ltd., Class A	508,200	8,233
	IIFL Finance, Ltd.[1]	1,459,000	5,484
	Bridgepoint Group PLC[1]	740,731	4,943
	Aptus Value Housing Finance India, Ltd.[1]	1,065,624	4,873
	Goosehead Insurance, Inc., Class A	32,751	4,260
	Multi Commodity Exchange of India, Ltd.	200,000	4,258
	Capitec Bank Holdings, Ltd.	15,161	1,941
			443,895
Consumer staples 2.60%	Shop Apotheke Europe NV, non-registered shares[1]	255,264	32,927
	Freshpet, Inc.[1]	271,205	25,838
	Monde Nissin Corp.[1]	71,882,400	22,837
	Grocery Outlet Holding Corp.[1]	465,200	13,156
	AAK AB	405,824	8,771
	Hilton Food Group PLC	552,055	8,518
	Dole PLC	372,685	4,964
	Vector Group, Ltd.	118,304	1,358
	Zur Rose Group AG[1]	3,131	809
			119,178

Global Small Capitalization Fund (continued)

Common stocks (continued)		Shares	Value (000)
Materials 2.23%	PI Industries, Ltd.	537,999	$ 21,960
	Nanofilm Technologies International, Ltd.	5,397,550	15,300
	Navin Fluorine International, Ltd.	250,000	14,086
	Lundin Mining Corp.	1,643,904	12,840
	Perimeter Solutions SA[1]	721,454	10,021
	LANXESS AG	111,100	6,893
	ACC, Ltd.	230,000	6,856
	Vidrala, SA, non-registered shares	61,827	6,096
	MMG, Ltd.[1]	18,704,000	5,997
	Arkema SA	15,200	2,143
			102,192
Communication services 1.66%	Bandwidth, Inc., Class A[1]	284,506	20,416
	JCDecaux SA[1]	555,771	13,920
	Lions Gate Entertainment Corp., Class B[1]	652,976	10,049
	Boat Rocker Media, Inc.[1]	1,676,496	9,145
	VTEX, Class A[1,2]	580,000	6,218
	Trustpilot AS[1]	1,380,069	6,116
	Pearson PLC[1]	630,000	5,229
	Ubisoft Entertainment SA[1]	98,993	4,854
			75,947
Real estate 1.44%	Altus Group, Ltd.	436,402	24,484
	Embassy Office Parks REIT	3,656,800	16,708
	Macrotech Developers, Ltd.[1]	582,697	9,670
	JHSF Participações SA	8,620,906	8,636
	Mindspace Business Parks REIT	1,250,000	5,504
	Douglas Elliman, Inc.[1]	59,152	680
			65,682
Utilities 1.18%	ENN Energy Holdings, Ltd.	1,878,900	35,373
	AC Energy Corp.[1]	69,716,400	15,039
	Neoenergia SA	1,288,255	3,747
			54,159
Energy 0.73%	Pioneer Natural Resources Company	104,262	18,963
	Venture Global LNG, Inc., Series C[1,3,4,5,6]	2,760	14,064
	Helmerich & Payne, Inc.	7,700	183
			33,210
	Total common stocks (cost: $2,412,799,000)		4,067,223

Preferred securities 0.89%

Information technology 0.56%	SmartHR, Inc., Series D, preferred shares[1,3,5,6]	3,006	13,691
	Yotpo, Ltd., Series F, preferred shares[1,3,4,5,6]	2,158,609	4,748
	Yotpo, Ltd., Series B, preferred shares[1,3,4,5,6]	287,894	633
	Yotpo, Ltd., Series C, preferred shares[1,3,4,5,6]	274,070	603
	Yotpo, Ltd., Series A-1, preferred shares[1,3,4,5,6]	183,819	404
	Yotpo, Ltd., Series A, preferred shares[1,3,4,5,6]	89,605	197
	Yotpo, Ltd., Series C-1, preferred shares[1,3,4,5,6]	75,980	167
	Yotpo, Ltd., Series D, preferred shares[1,3,4,5,6]	42,368	93
	Yotpo, Ltd., Series B-1, preferred shares[1,3,4,5,6]	33,838	75
	Outreach Corp., Series G, preferred shares[1,3,5,6]	154,354	4,691
			25,302

Global Small Capitalization Fund (continued)

Preferred securities (continued)		Shares	Value (000)
Industrials 0.24%	Azul SA, preferred nominative shares (ADR)[1]	800,316	$ 10,564
	Azul SA, preferred nominative shares[1]	109,500	479
			11,043
Health care 0.09%	PACT Pharma, Inc., Series C, 8.00% noncumulative preferred shares[1,3,5,6]	2,931,405	4,104
	Total preferred securities (cost: $42,519,000)		40,449

Rights & warrants 0.41%

Information technology 0.34%	OPT Machine Vision Tech Co., Ltd., Class A, warrants, expire 2023[3,4]	355,879	15,756
Consumer staples 0.07%	Qingdao Richen Food Co., Ltd., Class A, warrants, expire 2022[3,4]	345,000	3,085
	Total rights & warrants (cost: $22,692,000)		18,841

Short-term securities 11.51%		Weighted average yield at acquisition	Principal amount (000)	
Commercial paper 5.57%				
	Bank of Montreal 1/31/2022	0.107%	$ 45,000	44,997
	Canadian Imperial Bank of Commerce 1/14/2022[4]	0.125	25,000	24,999
	LVMH Moët Hennessy-Louis Vuitton SE 2/15/2022[4]	0.098	35,000	34,996
	LVMH Moët Hennessy-Louis Vuitton SE 2/22/2022[4]	0.118	50,000	49,992
	Toronto-Dominion Bank 1/24/2022[4]	0.058	100,000	99,996
				254,980

		Shares	
Money market investments 4.44%			
	Capital Group Central Cash Fund 0.09%[7,8]	2,030,670	203,087
Money market investments purchased with collateral from securities on loan 1.50%			
	Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[8,9]	34,209,178	34,209
	Capital Group Central Cash Fund 0.09%[7,8,9]	322,569	32,260
	Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[8,9]	2,304,298	2,305
			68,774
	Total short-term securities (cost: $526,820,000)		526,841
	Total investment securities 101.67% (cost: $3,004,830,000)		4,653,354
	Other assets less liabilities (1.67)%		(76,433)
	Net assets 100.00%		$4,576,921

Investments in affiliates[7]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized (loss) gain (000)	Net unrealized (depreciation) appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Common stocks 0.90%							
Consumer discretionary 0.90%							
Lands' End, Inc.[1]	$45,297	$ –	$ –	$ –	$(4,074)	$ 41,223	$ –
Communication services 0.00%							
Boat Rocker Media, Inc.[1,10]	–	13,602	1,216	(321)	(2,920)	–	–
Total common stocks						41,223	
Short-term securities 5.14%							
Money market investments 4.44%							
Capital Group Central Cash Fund 0.09%[8]	15,136	1,978,017	1,790,088	6	16	203,087	149
Money market investments purchased with collateral from securities on loan 0.70%							
Capital Group Central Cash Fund 0.09%[8,9]	–	32,260[11]				32,260	–[12]
Total short-term securities						235,347	
Total 6.04%				$(315)	$(6,978)	$276,570	$149

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $85,086,000, which represented 1.86% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $175,891,000, which represented 3.84% of the net assets of the fund.
[4]Acquired in a transaction exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $363,388,000, which represented 7.94% of the net assets of the fund.
[5]Value determined using significant unobservable inputs.
[6]Acquired through a private placement transaction exempt from registration under the Securities Act of 1933. May be subject to legal or contractual restrictions on resale. Further details on these holdings appear below.
[7]Affiliate of the fund or part of the same "group of investment companies" as the fund, as defined under the Investment Company Act of 1940, as amended.
[8]Rate represents the seven-day yield at 12/31/2021.
[9]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[10]Affiliated issuer during the reporting period but no longer an affiliate at 12/31/2021. Refer to the investment portfolio for the security value at 12/31/2021.
[11]Represents net activity. Refer to Note 5 for more information on securities lending.
[12]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Private placement securities	Acquisition date	Cost (000)	Value (000)	Percent of net assets
Star Health & Allied Insurance Co., Ltd.	3/30/2021	$ 40,710	$ 58,213	1.27%
Venture Global LNG, Inc., Series C	5/1/2015	8,280	14,064	.31
SmartHR, Inc., Series D, preferred shares	5/28/2021	14,344	13,691	.30
Yotpo, Ltd., Series F, preferred shares	2/25/2021	4,748	4,748	.10
Yotpo, Ltd.	3/16/2021	1,418	1,493	.03
Yotpo, Ltd., Series B, preferred shares	3/16/2021	602	633	.01
Yotpo, Ltd., Series C, preferred shares	3/16/2021	573	603	.01
Yotpo, Ltd., Series A-1, preferred shares	3/16/2021	384	404	.01
Yotpo, Ltd., Series A, preferred shares	3/16/2021	187	197	.01
Yotpo, Ltd., Series C-1, preferred shares	3/16/2021	159	167	.01
Yotpo, Ltd., Series D, preferred shares	3/16/2021	89	93	.00
Yotpo, Ltd., Series B-1, preferred shares	3/16/2021	71	75	.00
Outreach Corp., Series G, preferred shares	5/27/2021	4,517	4,691	.10
PACT Pharma, Inc., Series C, 8.00% noncumulative preferred shares	2/7/2020	6,000	4,104	.09
Total private placement securities		**$82,082**	**$103,176**	**2.25%**

Global Small Capitalization Fund (continued)

Key to abbreviations
ADR = American Depositary Receipts
SDR = Swedish Depositary Receipts

See notes to financial statements.

Growth Fund

Investment portfolio December 31, 2021

Common stocks 96.28%		Shares	Value (000)
Information technology 23.83%	Microsoft Corp.	7,992,115	$2,687,908
	Broadcom, Inc.	1,777,138	1,182,525
	ASML Holding NV	635,000	510,907
	ASML Holding NV (New York registered) (ADR)	268,136	213,474
	Taiwan Semiconductor Manufacturing Company, Ltd.	14,872,000	330,585
	Taiwan Semiconductor Manufacturing Company, Ltd. (ADR)	1,220,700	146,862
	RingCentral, Inc., Class A[1]	2,082,653	390,185
	Apple, Inc.	1,929,167	342,562
	Shopify, Inc., Class A, subordinate voting shares[1]	223,900	308,398
	Advanced Micro Devices, Inc.[1]	1,816,000	261,322
	Cloudflare, Inc., Class A[1]	1,764,000	231,966
	Wolfspeed, Inc.[1]	1,978,082	221,090
	Applied Materials, Inc.	1,392,012	219,047
	Micron Technology, Inc.	2,097,912	195,420
	MicroStrategy, Inc., Class A[1,2]	358,514	195,207
	Keyence Corp.	300,900	189,073
	MongoDB, Inc., Class A[1]	354,590	187,702
	Mastercard, Inc., Class A	510,964	183,600
	Unity Software, Inc.[1]	1,188,000	169,872
	Bill.com Holdings, Inc.[1]	649,600	161,848
	FleetCor Technologies, Inc.[1]	650,500	145,608
	ServiceNow, Inc.[1]	221,680	143,895
	Tyler Technologies, Inc.[1]	263,200	141,588
	NVIDIA Corp.	464,000	136,467
	Visa, Inc., Class A	531,131	115,101
	Block, Inc., Class A[1]	705,620	113,965
	Fidelity National Information Services, Inc.	884,718	96,567
	Zendesk, Inc.[1]	902,500	94,122
	HubSpot, Inc.[1]	130,000	85,689
	PayPal Holdings, Inc.[1]	429,800	81,052
	Trimble, Inc.[1]	840,920	73,320
	VeriSign, Inc.[1]	282,443	71,690
	Coupa Software, Inc.[1]	387,000	61,165
	Intel Corp.	1,136,000	58,504
	Genpact, Ltd.	1,041,500	55,283
	GoDaddy, Inc., Class A[1]	645,081	54,742
	Smartsheet, Inc., Class A[1]	694,281	53,772
	Intuit, Inc.	83,000	53,387
	MKS Instruments, Inc.	302,111	52,619
	Elastic NV, non-registered shares[1]	403,822	49,706
	NetApp, Inc.	527,540	48,528
	Silicon Laboratories, Inc.[1]	231,815	47,851
	Qualtrics International, Inc., Class A[1]	1,276,855	45,201
	Okta, Inc., Class A[1]	198,012	44,388
	Amadeus IT Group SA, Class A, non-registered shares[1]	635,696	43,164
	Flex, Ltd.[1]	2,234,300	40,955
	Adobe, Inc.[1]	69,034	39,146
	Concentrix Corp.	214,851	38,377
	Samsung Electronics Co., Ltd.	561,000	36,952
	SK hynix, Inc.	330,800	36,454
	EPAM Systems, Inc.[1]	52,839	35,320
	TE Connectivity, Ltd.	216,000	34,849
	Toast, Inc., Class A[1,2]	960,000	33,322
	Motorola Solutions, Inc.	109,000	29,615
	Lam Research Corp.	40,617	29,210
	Fiserv, Inc.[1]	247,500	25,688
	Keysight Technologies, Inc.[1]	102,000	21,064
	Ceridian HCM Holding, Inc.[1]	199,000	20,788
	Globant SA[1]	57,138	17,946
	Alteryx, Inc., Class A[1]	261,518	15,822
	TELUS International (Cda), Inc., subordinate voting shares[1]	396,024	13,093
	Enphase Energy, Inc.[1]	62,172	11,374

Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Information technology (continued)	SentinelOne, Inc., Class A[1]	220,600	$ 11,138
	Kulicke and Soffa Industries, Inc.	151,860	9,194
	Lightspeed Commerce, Inc., subordinate voting shares (CAD denominated)[1]	216,600	8,746
	Thoughtworks Holding, Inc.[1]	276,000	7,400
	Stripe, Inc., Class B[1,3,4,5]	168,598	6,798
			10,820,178
Consumer discretionary 19.94%	Tesla, Inc.[1]	3,770,000	3,984,061
	Amazon.com, Inc.[1]	306,823	1,023,052
	Dollar General Corp.	2,588,520	610,451
	Home Depot, Inc.	1,024,000	424,970
	LVMH Moët Hennessy-Louis Vuitton SE	330,000	273,138
	Las Vegas Sands Corp.[1]	5,500,000	207,020
	Royal Caribbean Cruises, Ltd.[1]	2,590,946	199,244
	Hermès International	97,299	170,150
	Chipotle Mexican Grill, Inc.[1]	90,300	157,867
	Booking Holdings, Inc.[1]	60,300	144,674
	Airbnb, Inc., Class A[1]	823,500	137,105
	Toll Brothers, Inc.	1,787,376	129,388
	D.R. Horton, Inc.	1,131,976	122,763
	Floor & Decor Holdings, Inc., Class A[1]	769,300	100,017
	Caesars Entertainment, Inc.[1]	997,785	93,323
	Burlington Stores, Inc.[1]	295,911	86,261
	O'Reilly Automotive, Inc.[1]	116,600	82,346
	NIKE, Inc., Class B	489,400	81,568
	NVR, Inc.[1]	13,430	79,356
	YETI Holdings, Inc.[1]	940,000	77,860
	Aramark	1,793,164	66,078
	Darden Restaurants, Inc.	433,876	65,359
	Domino's Pizza, Inc.	112,700	63,600
	Etsy, Inc.[1]	202,000	44,226
	YUM! Brands, Inc.	306,700	42,588
	Hilton Worldwide Holdings, Inc.[1]	257,834	40,220
	Aptiv PLC[1]	234,400	38,664
	LGI Homes, Inc.[1]	248,150	38,334
	Dollar Tree Stores, Inc.[1]	260,059	36,543
	adidas AG	121,710	35,085
	Adient PLC[1]	722,000	34,569
	General Motors Company[1]	572,500	33,566
	Compagnie Financière Richemont SA, Class A	219,805	33,036
	Flutter Entertainment PLC[1]	194,737	30,817
	Polaris, Inc.	280,000	30,775
	VF Corp.	408,000	29,874
	Carvana Co., Class A[1]	125,000	28,974
	Wayfair, Inc., Class A[1]	152,000	28,875
	lululemon athletica, inc.[1]	70,000	27,402
	Norwegian Cruise Line Holdings, Ltd.[1]	1,249,496	25,915
	Helen of Troy, Ltd.[1]	99,420	24,305
	Marriott International, Inc., Class A[1]	137,100	22,654
	Arrival Group[1,2]	2,260,000	16,769
	Arrival Group[1]	449,469	3,335
	EssilorLuxottica	69,400	14,794
	Westwing Group AG, non-registered shares[1]	546,833	13,784
			9,054,755
Communication services 19.66%	Meta Platforms, Inc., Class A[1]	9,627,956	3,238,363
	Netflix, Inc.[1]	3,194,877	1,924,722
	Alphabet, Inc., Class C[1]	438,673	1,269,340
	Alphabet, Inc., Class A[1]	111,616	323,356
	Activision Blizzard, Inc.	7,356,113	489,402

Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Communication services (continued)	Charter Communications, Inc., Class A[1]	655,629	$ 427,450
	Snap, Inc., Class A, nonvoting shares[1]	8,494,104	399,478
	ZoomInfo Technologies, Inc., Class A[1]	2,918,600	187,374
	Comcast Corp., Class A	3,710,563	186,753
	Twitter, Inc.[1]	2,000,000	86,440
	Frontier Communications Parent, Inc.[1]	2,585,920	76,259
	T-Mobile US, Inc.[1]	652,940	75,728
	Live Nation Entertainment, Inc.[1]	517,000	61,880
	Pinterest, Inc., Class A[1]	1,386,811	50,410
	Tencent Holdings, Ltd.	605,000	35,442
	Bumble, Inc., Class A[1]	898,537	30,424
	Vimeo, Inc.[1]	1,415,033	25,414
	Iridium Communications, Inc.[1]	457,026	18,871
	Electronic Arts, Inc.	141,481	18,661
	Match Group, Inc.[1]	13,602	1,799
			8,927,566
Health care 11.15%	UnitedHealth Group, Inc.	1,617,751	812,337
	Intuitive Surgical, Inc.[1]	2,058,000	739,439
	Regeneron Pharmaceuticals, Inc.[1]	909,000	574,052
	Thermo Fisher Scientific, Inc.	674,500	450,053
	Centene Corp.[1]	4,864,730	400,854
	Vertex Pharmaceuticals, Inc.[1]	1,133,422	248,899
	NovoCure, Ltd.[1]	2,703,431	202,974
	Moderna, Inc.[1]	750,000	190,485
	Insulet Corp.[1]	467,000	124,255
	Edwards Lifesciences Corp.[1]	768,111	99,509
	Biohaven Pharmaceutical Holding Co., Ltd.[1]	720,492	99,291
	DexCom, Inc.[1]	158,238	84,966
	Seagen, Inc.[1]	527,217	81,508
	Danaher Corp.	235,935	77,625
	Gilead Sciences, Inc.	899,185	65,290
	Oak Street Health, Inc.[1]	1,628,199	53,958
	Abbott Laboratories	360,668	50,760
	Catalent, Inc.[1]	385,000	49,291
	Guardant Health, Inc.[1]	482,401	48,250
	Eli Lilly and Company	169,500	46,819
	Cigna Corp.	203,470	46,723
	Inari Medical, Inc.[1]	502,200	45,836
	Verily Life Sciences LLC[1,3,4,5]	300,178	44,928
	Molina Healthcare, Inc.[1]	128,807	40,971
	QIAGEN NV[1]	664,342	36,924
	Zimmer Biomet Holdings, Inc.	238,900	30,350
	AstraZeneca PLC	256,500	30,129
	Galapagos NV[1]	527,552	29,562
	Mettler-Toledo International, Inc.[1]	16,900	28,683
	Align Technology, Inc.[1]	38,800	25,499
	Pacific Biosciences of California, Inc.[1]	1,140,379	23,332
	R1 RCM, Inc.[1]	888,000	22,635
	Humana, Inc.	46,800	21,709
	Syneos Health, Inc., Class A[1]	210,000	21,563
	Exact Sciences Corp.[1]	259,400	20,189
	Chemed Corp.	37,667	19,927
	Fate Therapeutics, Inc.[1]	235,000	13,750
	Vir Biotechnology, Inc.[1]	282,975	11,848
	Novavax, Inc.[1,2]	59,500	8,513
	CRISPR Therapeutics AG[1]	86,706	6,571
	Ultragenyx Pharmaceutical, Inc.[1]	67,100	5,642
	Incyte Corp.[1]	70,900	5,204
	Neurocrine Biosciences, Inc.[1]	47,027	4,005
	Adaptive Biotechnologies Corp.[1]	141,048	3,958

Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Health care (continued)	Global Blood Therapeutics, Inc.[1]	125,000	$ 3,659
	TG Therapeutics, Inc.[1]	155,200	2,949
	Sana Biotechnology, Inc.[1,2]	179,600	2,780
	Cortexyme, Inc.[1,2]	177,897	2,245
			5,060,699
Industrials 7.19%	TransDigm Group, Inc.[1]	590,615	375,796
	Uber Technologies, Inc.[1]	8,166,767	342,432
	Carrier Global Corp.	6,049,761	328,139
	Jacobs Engineering Group, Inc.	2,169,000	301,990
	Delta Air Lines, Inc.[1]	7,215,000	281,962
	United Rentals, Inc.[1]	591,000	196,383
	Caterpillar, Inc.	748,000	154,641
	MTU Aero Engines AG	616,989	126,018
	Airbus SE, non-registered shares[1]	955,893	122,280
	Middleby Corp.[1]	449,500	88,444
	CSX Corp.	2,335,500	87,815
	Dun & Bradstreet Holdings, Inc.[1]	3,869,573	79,288
	Safran SA	567,867	69,604
	Ryanair Holdings PLC (ADR)[1]	634,951	64,975
	Ryanair Holdings PLC[1]	96,554	1,676
	TuSimple Holdings, Inc., Class A[1,2]	1,690,461	60,603
	Rockwell Automation	173,446	60,507
	HEICO Corp.	253,538	36,565
	HEICO Corp., Class A	148,813	19,126
	Norfolk Southern Corp.	176,000	52,397
	L3Harris Technologies, Inc.	245,000	52,244
	BWX Technologies, Inc.	902,600	43,216
	Northrop Grumman Corp.	98,700	38,204
	AMETEK, Inc.	253,600	37,289
	ITT, Inc.	343,000	35,051
	Boeing Company[1]	170,000	34,224
	Armstrong World Industries, Inc.	291,939	33,900
	Chart Industries, Inc.[1]	200,000	31,898
	Waste Connections, Inc.	222,159	30,274
	FedEx Corp.	99,600	25,761
	Kornit Digital, Ltd.[1]	132,500	20,173
	Generac Holdings, Inc.[1]	31,762	11,178
	Lockheed Martin Corp.	24,200	8,601
	Axon Enterprise, Inc.[1]	36,700	5,762
	Southwest Airlines Co.[1]	121,900	5,222
	Archer Aviation, Inc., Class A[1]	446,251	2,695
			3,266,333
Financials 6.67%	Bank of America Corp.	14,780,700	657,593
	First Republic Bank	1,770,808	365,690
	S&P Global, Inc.	524,936	247,733
	Capital One Financial Corp.	1,399,000	202,981
	SVB Financial Group[1]	282,815	191,816
	KKR & Co., Inc.	2,077,520	154,775
	BlackRock, Inc.	150,000	137,334
	Athene Holding, Ltd., Class A[1]	1,355,912	112,988
	Intercontinental Exchange, Inc.	751,752	102,817
	Western Alliance Bancorporation	932,501	100,384
	Marsh & McLennan Companies, Inc.	546,720	95,031
	MSCI, Inc.	117,900	72,236
	Tradeweb Markets, Inc., Class A	554,800	55,558
	Blackstone, Inc., nonvoting shares	360,000	46,580
	Moody's Corp.	102,277	39,947
	Signature Bank[1]	122,111	39,499

Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Financials (continued)	Trupanion, Inc.[1]	287,655	$ 37,979
	Wells Fargo & Company	756,000	36,273
	Brookfield Asset Management, Inc., Class A	585,103	35,329
	East West Bancorp, Inc.	443,509	34,895
	Aon PLC, Class A	110,000	33,062
	Blue Owl Capital, Inc., Class A	1,982,812	29,564
	Arch Capital Group, Ltd.[1]	634,000	28,181
	CME Group, Inc., Class A	121,648	27,792
	Goosehead Insurance, Inc., Class A	211,148	27,466
	American International Group, Inc.	458,394	26,064
	Ares Management Corp., Class A	310,500	25,234
	Ryan Specialty Group Holdings, Inc., Class A[1]	611,300	24,666
	Everest Re Group, Ltd.	66,500	18,216
	Berkshire Hathaway, Inc., Class A[1]	26	11,717
	Berkshire Hathaway, Inc., Class B[1]	17,400	5,203
	Hippo Holdings, Inc., Class A[1]	580,847	1,644
	Bright Health Group, Inc.[1]	386,894	1,331
			3,027,578
Consumer staples 2.68%	Costco Wholesale Corp.	491,000	278,741
	Kroger Co.	6,052,000	273,914
	Constellation Brands, Inc., Class A	745,500	187,098
	Philip Morris International, Inc.	1,339,929	127,293
	Altria Group, Inc.	2,349,349	111,336
	British American Tobacco PLC	2,844,350	105,239
	Estée Lauder Companies, Inc., Class A	158,486	58,671
	Monster Beverage Corp.[1]	429,000	41,201
	Molson Coors Beverage Company, Class B, restricted voting shares	724,320	33,572
			1,217,065
Materials 2.18%	Vale SA, ordinary nominative shares (ADR)	13,740,357	192,640
	Wheaton Precious Metals Corp.	3,674,000	157,725
	Linde PLC	347,292	120,312
	Grupo México, SAB de CV, Series B	25,356,800	110,576
	Barrick Gold Corp.	4,058,000	77,102
	CF Industries Holdings, Inc.	853,000	60,375
	Royal Gold, Inc.	517,000	54,394
	Franco-Nevada Corp.	390,000	53,936
	Sherwin-Williams Company	110,458	38,899
	Allegheny Technologies, Inc.[1]	2,070,860	32,989
	LyondellBasell Industries NV	343,500	31,681
	Summit Materials, Inc., Class A[1]	561,313	22,531
	Ball Corp.	194,200	18,696
	PPG Industries, Inc.	103,623	17,869
			989,725
Energy 2.05%	Halliburton Company	12,143,661	277,726
	Canadian Natural Resources, Ltd. (CAD denominated)	5,481,400	231,615
	Canadian Natural Resources, Ltd.	105,100	4,440
	Cenovus Energy, Inc.	14,694,800	180,178
	Pioneer Natural Resources Company	328,000	59,657
	EOG Resources, Inc.	516,283	45,861
	Suncor Energy, Inc.	1,747,125	43,714
	Coterra Energy, Inc.	1,759,197	33,425
	ConocoPhillips	326,011	23,532
	Chesapeake Energy Corp.	345,000	22,259
	Equitrans Midstream Corp.	936,942	9,688
			932,095

Growth Fund (continued)

Common stocks (continued)		Shares	Value (000)
Utilities 0.75%	NextEra Energy, Inc.	2,052,930	$ 191,661
	PG&E Corp.[1]	7,364,569	89,406
	AES Corp.	1,540,683	37,439
	Ørsted AS	188,322	24,079
			342,585
Real estate 0.18%	Equinix, Inc. REIT	51,784	43,801
	UDR, Inc. REIT	609,000	36,534
			80,335
	Total common stocks (cost: $19,607,247,000)		43,718,914

Preferred securities 0.17%

Information technology 0.14%	Samsung Electronics Co., Ltd., nonvoting preferred shares	531,000	31,804
	PsiQuantum Corp., Series D, preferred shares[1,3,4,5]	906,761	23,781
	Tipalti Solutions, Ltd., Series F, preferred shares[1,3,4,5]	406,310	6,957
	Stripe, Inc., Series H, 6.00% noncumulative preferred shares[1,3,4,5]	52,656	2,123
			64,665
Industrials 0.03%	ABL Space Systems Co., Series B2, preferred shares[1,3,4,5]	153,713	10,452
	Total preferred securities (cost: $65,451,000)		75,117

Convertible bonds & notes 0.07%

		Principal amount (000)	
Consumer staples 0.07%	JUUL Labs, Inc., convertible notes, 7.00% PIK 2025[3,4,5,6]	$ 43,344	32,231
	Total convertible bonds & notes (cost: $42,197,000)		32,231

Short-term securities 3.64%

		Shares	
Money market investments 3.55%			
	Capital Group Central Cash Fund 0.09%[7,8]	16,100,266	1,610,187
Money market investments purchased with collateral from securities on loan 0.09%			
	Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[7,9]	21,530,570	21,531
	Capital Group Central Cash Fund 0.09%[7,8,9]	203,019	20,304
	Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[7,9]	1,450,278	1,450
			43,285
	Total short-term securities (cost: $1,653,276,000)		1,653,472
	Total investment securities 100.16% (cost: $21,368,171,000)		45,479,734
	Other assets less liabilities (0.16)%		(73,988)
	Net assets 100.00%		$45,405,746

Investments in affiliates[8]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 3.59%							
Money market investments 3.55%							
Capital Group Central Cash Fund 0.09%[7]	$1,623,691	$5,463,963	$5,477,577	$20	$90	$1,610,187	$877
Money market investments purchased with collateral from securities on loan 0.04%							
Capital Group Central Cash Fund 0.09%[7,9]	–	20,304[10]				20,304	–[11]
Total short-term securities						1,630,491	
Total 3.59%				$20	$90	$1,630,491	$877

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $47,077,000, which represented .10% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $127,270,000, which represented .28% of the net assets of the fund.
[4]Value determined using significant unobservable inputs.
[5]Acquired through a private placement transaction exempt from registration under the Securities Act of 1933. May be subject to legal or contractual restrictions on resale. Further details on these holdings appear below.
[6]Payment in kind; the issuer has the option of paying additional securities in lieu of cash. Payment methods and rates are as of the most recent payment when available.
[7]Rate represents the seven-day yield at 12/31/2021.
[8]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[9]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[10]Represents net activity. Refer to Note 5 for more information on securities lending.
[11]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Private placement securities	Acquisition date(s)	Cost (000)	Value (000)	Percent of net assets
Verily Life Sciences LLC	12/21/2018	$ 37,000	$ 44,928	.10%
JUUL Labs, Inc., convertible notes, 7.00% PIK 2025	2/3/2020-11/3/2021	42,197	32,231	.07
PsiQuantum Corp., Series D, preferred shares	5/28/2021	23,781	23,781	.05
ABL Space Systems Co., Series B2, preferred shares	10/22/2021	10,452	10,452	.02
Stripe, Inc., Class B	5/6/2021	6,766	6,798	.02
Stripe, Inc., Series H, 6.00% noncumulative preferred shares	3/15/2021	2,113	2,123	.00
Tipalti Solutions, Ltd., Series F, preferred shares	12/1/2021	6,956	6,957	.02
Total private placement securities		**$129,265**	**$127,270**	**.28%**

Key to abbreviations
ADR = American Depositary Receipts
CAD = Canadian dollars

See notes to financial statements.

International Fund

Investment portfolio December 31, 2021

Common stocks 89.00%		Shares	Value (000)
Financials 17.08%	ABN AMRO Bank NV	14,394,921	$ 211,675
	Kotak Mahindra Bank, Ltd.	7,793,107	188,297
	Banco Santander, SA	52,040,526	174,219
	Deutsche Bank AG[1]	11,620,682	145,770
	BNP Paribas SA	1,964,000	135,883
	HDFC Bank, Ltd.	5,417,070	107,809
	HDFC Bank, Ltd. (ADR)	277,000	18,024
	AIA Group, Ltd.	11,958,576	120,544
	Barclays PLC	46,610,000	117,976
	Aegon NV	12,263,736	61,336
	ING Groep NV	3,254,028	45,353
	Bajaj Finserv, Ltd.	174,730	38,564
	XP, Inc., Class A[1]	1,291,559	37,119
	KBC Groep NV	406,187	34,896
	Nu Holdings, Ltd., Class A[1,2]	3,593,839	33,710
	Bajaj Finance, Ltd.	348,060	32,670
	Allfunds Group PLC[1]	1,350,495	26,593
	FinecoBank SpA	1,211,135	21,283
	Lufax Holding, Ltd. (ADR)[1]	2,785,390	15,682
	Ping An Insurance (Group) Company of China, Ltd., Class H	898,500	6,470
	Ping An Insurance (Group) Company of China, Ltd., Class A	817,263	6,464
	PICC Property and Casualty Co., Ltd., Class H	15,044,000	12,290
	Futu Holdings, Ltd. (ADR)[1,2]	222,400	9,630
	B3 SA-Brasil, Bolsa, Balcao	4,413,000	8,826
			1,611,083
Industrials 12.53%	Airbus SE, non-registered shares[1]	1,821,975	233,071
	Recruit Holdings Co., Ltd.	3,344,709	202,724
	NIBE Industrier AB, Class B	6,178,856	93,508
	Ryanair Holdings PLC (ADR)[1]	787,400	80,575
	Ryanair Holdings PLC[1]	348,056	6,043
	Safran SA	669,400	82,049
	Melrose Industries PLC	36,613,980	79,245
	SMC Corp.	77,100	52,005
	ASSA ABLOY AB, Class B	1,452,142	44,386
	International Container Terminal Services, Inc.	10,343,240	40,568
	MTU Aero Engines AG	182,000	37,173
	Ashtead Group PLC	405,000	32,573
	Shenzhen Inovance Technology Co., Ltd., Class A	2,350,967	25,305
	Brenntag SE	222,191	20,131
	ZTO Express (Cayman), Inc., Class A (ADR)	685,354	19,341
	Kingspan Group PLC	153,796	18,385
	Nihon M&A Center Holdings, Inc.	657,010	16,112
	Diploma PLC	335,900	15,340
	Bureau Veritas SA	443,000	14,717
	Rumo SA[1]	4,301,900	13,717
	Fluidra, SA, non-registered shares	329,700	13,213
	LIXIL Corp.	441,700	11,769
	CCR SA, ordinary nominative shares	5,580,000	11,611
	Airports of Thailand PCL, foreign registered shares[1]	5,078,900	9,328
	Zhejiang Sanhua Intelligent Controls Co., Ltd., Class A	2,073,434	8,231
			1,181,120
Information technology 12.46%	Taiwan Semiconductor Manufacturing Company, Ltd.	6,729,000	149,577
	ASML Holding NV	182,764	147,048
	Nice, Ltd. (ADR)[1]	397,150	120,575
	Nomura Research Institute, Ltd.	2,595,600	111,356
	Atlassian Corp. PLC, Class A[1]	232,500	88,650
	Fujitsu, Ltd.	345,900	59,329
	Delta Electronics, Inc.	5,200,409	51,690

Common stocks (continued)		Shares	Value (000)
Information technology (continued)	Samsung Electronics Co., Ltd.	631,500	$ 41,595
	Snowflake, Inc., Class A[1]	121,636	41,204
	Keyence Corp.	64,200	40,341
	NXP Semiconductors NV	173,200	39,452
	PagSeguro Digital, Ltd., Class A[1]	1,377,948	36,130
	Infineon Technologies AG	728,000	33,783
	StoneCo, Ltd., Class A[1]	1,940,700	32,720
	Silergy Corp.	176,000	31,966
	Suse SA[1,2]	593,940	27,183
	Shopify, Inc., Class A, subordinate voting shares[1]	14,000	19,283
	OBIC Co., Ltd.	83,700	15,717
	Hexagon AB, Class B	925,700	14,716
	ASM International NV	31,648	14,005
	TELUS International (Cda), Inc., subordinate voting shares[1]	411,700	13,611
	Okta, Inc., Class A[1]	53,850	12,072
	Xero, Ltd.[1]	95,031	9,779
	Canva, Inc.[1,3,4,5]	4,819	8,212
	Kingdee International Software Group Co., Ltd.[1]	2,600,000	8,003
	Afterpay, Ltd.[1]	120,994	7,307
			1,175,304
Health care 10.52%	Daiichi Sankyo Company, Ltd.	11,981,800	304,675
	Olympus Corp.	5,808,100	133,779
	WuXi Biologics (Cayman), Inc.[1]	10,754,800	127,650
	M3, Inc.	1,053,300	53,045
	WuXi AppTec Co., Ltd., Class A	2,367,360	44,046
	WuXi AppTec Co., Ltd., Class H	312,000	5,402
	Grifols, SA, Class A, non-registered shares	1,914,900	36,790
	Grifols, SA, Class B (ADR)	793,690	8,913
	Alcon, Inc.	439,639	38,956
	Aier Eye Hospital Group Co., Ltd., Class A	4,603,581	30,540
	Notre Dame Intermédica Participações SA	2,760,862	29,913
	HOYA Corp.	198,300	29,496
	Chugai Pharmaceutical Co., Ltd.	889,500	28,882
	Merck KGaA	110,400	28,532
	Hikma Pharmaceuticals PLC	578,400	17,372
	Guardant Health, Inc.[1]	173,400	17,343
	Ambu AS, Class B, non-registered shares[2]	476,200	12,612
	Insulet Corp.[1]	46,653	12,413
	Teva Pharmaceutical Industries, Ltd. (ADR)[1]	1,502,798	12,037
	CanSino Biologics, Inc., Class H[1]	440,000	10,168
	ResMed, Inc.	31,200	8,127
	Ping An Healthcare and Technology Co., Ltd., Class H[1]	267,400	972
			991,663
Consumer discretionary 10.42%	MercadoLibre, Inc.[1]	151,983	204,934
	Evolution AB	879,959	125,252
	Sony Group Corp.	920,500	115,833
	Delivery Hero SE[1]	682,387	76,136
	Ferrari NV (EUR denominated)[1]	254,543	65,929
	LVMH Moët Hennessy-Louis Vuitton SE	72,682	60,158
	Maruti Suzuki India, Ltd.	392,000	39,162
	Grab Holdings, Ltd., Class A[1,2]	2,851,251	20,329
	Grab Holdings, Ltd., Class A[1,3,6]	2,632,544	18,207
	Entain PLC[1]	1,560,453	35,548
	Meituan, Class B[1]	1,170,627	33,839
	Flutter Entertainment PLC[1]	158,674	25,110
	Coupang, Inc., Class A[1]	836,800	24,585
	Kering SA	29,296	23,578
	Americanas SA, ordinary nominative shares[1]	3,734,000	21,171

International Fund (continued)

Common stocks (continued)		Shares	Value (000)
Consumer discretionary (continued)	Galaxy Entertainment Group, Ltd.[1]	3,859,000	$ 19,994
	EssilorLuxottica	80,200	17,096
	Aptiv PLC[1]	84,000	13,856
	Just Eat Takeaway (GBP denominated)[1]	135,328	7,466
	Just Eat Takeaway (EUR denominated)[1]	34,295	1,893
	Bandai Namco Holdings, Inc.	108,742	8,502
	On Holding AG, Class A[1]	222,380	8,408
	Prosus NV, Class N	69,111	5,786
	Pan Pacific International Holdings Corp.	244,500	3,373
	Melco Resorts & Entertainment, Ltd. (ADR)[1]	317,900	3,236
	Naspers, Ltd., Class N	18,951	2,940
			982,321
Energy 7.58%	Reliance Industries, Ltd.	11,517,270	366,912
	Petróleo Brasileiro SA (Petrobras), ordinary nominative shares (ADR)	10,054,973	110,403
	Neste OYJ	1,756,952	86,732
	Cenovus Energy, Inc.	4,757,600	58,335
	TotalEnergies SE	1,147,298	58,296
	Canadian Natural Resources, Ltd. (CAD denominated)	818,700	34,594
			715,272
Materials 6.73%	First Quantum Minerals, Ltd.	10,694,500	255,917
	Vale SA, ordinary nominative shares (ADR)	7,391,607	103,630
	Vale SA, ordinary nominative shares	770,681	10,787
	Shin-Etsu Chemical Co., Ltd.	395,300	68,455
	Fortescue Metals Group, Ltd.	4,730,450	66,114
	Linde PLC (EUR denominated)	135,800	47,310
	Ivanhoe Mines Ltd., Class A[1]	3,403,051	27,764
	BASF SE	317,860	22,357
	Koninklijke DSM NV	55,354	12,478
	Akzo Nobel NV	107,048	11,761
	Yunnan Energy New Material Co., Ltd., Class A	196,300	7,712
			634,285
Communication services 5.26%	Sea, Ltd., Class A (ADR)[1]	546,678	122,297
	Bharti Airtel, Ltd.[1]	12,732,125	117,121
	Bharti Airtel, Ltd., interim shares[1]	836,308	3,967
	Bilibili, Inc., Class Z (ADR)[1,2]	516,206	23,952
	Bilibili, Inc., Class Z[1]	502,300	23,100
	Meta Platforms, Inc., Class A[1]	127,500	42,885
	Universal Music Group NV	1,312,633	37,032
	Tencent Holdings, Ltd.	507,687	29,742
	SoftBank Corp.	2,231,200	28,212
	Yandex NV, Class A[1]	313,000	18,937
	Ubisoft Entertainment SA[1]	277,800	13,622
	Vivendi SE	907,392	12,283
	Playtika Holding Corp.[1]	687,500	11,887
	SoftBank Group Corp.	224,200	10,591
			495,628
Consumer staples 3.56%	Kweichow Moutai Co., Ltd., Class A	224,223	72,122
	Danone SA	813,500	50,560
	Shiseido Company, Ltd.	840,700	46,877
	Treasury Wine Estates, Ltd.	4,601,735	41,448
	Swedish Match AB	3,167,673	25,247
	Heineken NV	201,973	22,732
	Kobe Bussan Co., Ltd.	572,700	22,180
	Inner Mongolia Yili Industrial Group Co., Ltd., Class A	2,653,503	17,262

International Fund (continued)

Common stocks (continued)		Shares	Value (000)
Consumer staples (continued)	CP ALL PCL, foreign registered shares	9,053,300	$ 16,083
	Chocoladefabriken Lindt & Sprüngli AG	97	13,008
	Dabur India, Ltd.	933,875	7,287
	Pernod Ricard SA	3,203	771
			335,577
Utilities 2.40%	ENN Energy Holdings, Ltd.	10,225,700	192,513
	China Gas Holdings, Ltd.	16,490,200	34,260
			226,773
Real estate 0.46%	ESR Cayman, Ltd.[1]	9,137,600	30,878
	Ayala Land, Inc.	17,500,000	12,595
			43,473
	Total common stocks (cost: $6,130,710,000)		8,392,499

Preferred securities 0.48%

Health care 0.28%	Grifols, SA, Class B, nonvoting non-registered preferred shares	2,274,930	26,185
Energy 0.19%	Petróleo Brasileiro SA (Petrobras), preferred nominative shares	3,516,231	17,960
Information technology 0.01%	Canva, Inc., Series A, noncumulative preferred shares[1,3,4,5]	422	719
	Canva, Inc., Series A-3, noncumulative preferred shares[1,3,4,5]	18	30
	Canva, Inc., Series A-4, noncumulative preferred shares[1,3,4,5]	1	2
			751
	Total preferred securities (cost: $60,867,000)		44,896

Rights & warrants 0.21%

Health care 0.21%	WuXi AppTec Co., Ltd., Class A, warrants, expire 2022[3,6]	896,000	16,671
	WuXi AppTec Co., Ltd., Class A, warrants, expire 2022[1,3,6]	179,200	3,334
	Total rights & warrants (cost: $20,683,000)		20,005

Short-term securities 11.14%

Money market investments 10.37%			
	Capital Group Central Cash Fund 0.09%[7,8]	9,773,002	977,398

International Fund (continued)

Short-term securities (continued)	Shares	Value (000)
Money market investments purchased with collateral from securities on loan 0.77%		
Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[7,9]	36,116,824	$ 36,116
Capital Group Central Cash Fund 0.09%[7,8,9]	340,557	34,059
Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[7,9]	2,432,795	2,433
		72,608
Total short-term securities (cost: $1,049,900,000)		1,050,006
Total investment securities 100.83% (cost: $7,262,160,000)		9,507,406
Other assets less liabilities (0.83)%		(78,053)
Net assets 100.00%		$9,429,353

Investments in affiliates[8]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 10.73%							
Money market investments 10.37%							
Capital Group Central Cash Fund 0.09%[7]	$523,844	$3,582,752	$3,129,199	$(41)	$42	$ 977,398	$357
Money market investments purchased with collateral from securities on loan 0.36%							
Capital Group Central Cash Fund 0.09%[7,9]	–	34,059[10]				34,059	–[11]
Total short-term securities						1,011,457	
Total 10.73%				$(41)	$42	$1,011,457	$357

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $77,301,000, which represented .82% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $47,175,000, which represented .50% of the net assets of the fund.
[4]Value determined using significant unobservable inputs.
[5]Acquired through a private placement transaction exempt from registration under the Securities Act of 1933. May be subject to legal or contractual restrictions on resale. Further details on these holdings appear below.
[6]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $38,212,000, which represented .41% of the net assets of the fund.
[7]Rate represents the seven-day yield at 12/31/2021.
[8]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[9]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[10]Represents net activity. Refer to Note 5 for more information on securities lending.
[11]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Private placement securities	Acquisition date(s)	Cost (000)	Value (000)	Percent of net assets
Canva, Inc.	8/26/2021-11/4/2021	$8,215	$8,212	.09%
Canva, Inc., Series A, noncumulative preferred shares	11/4/2021	719	719	.01
Canva, Inc., Series A-3, noncumulative preferred shares	11/4/2021	31	30	.00
Canva, Inc., Series A-4, noncumulative preferred shares	11/4/2021	2	2	.00
Total private placement securities		**$8,967**	**$8,963**	**.10%**

International Fund (continued)

Key to abbreviations
ADR = American Depositary Receipts
CAD = Canadian dollars
EUR = Euros
GBP = British pounds

See notes to financial statements.

New World Fund

Investment portfolio December 31, 2021

Common stocks 92.02%		Shares	Value (000)
Information technology 20.17%	Microsoft Corp.	420,372	$141,379
	Taiwan Semiconductor Manufacturing Company, Ltd.	4,075,000	90,582
	Silergy Corp.	348,094	63,222
	ASML Holding NV	57,498	46,262
	Adobe, Inc.[1]	73,627	41,751
	Broadcom, Inc.	60,139	40,017
	Keyence Corp.	61,500	38,644
	PagSeguro Digital, Ltd., Class A[1]	1,410,452	36,982
	Wolfspeed, Inc.[1]	304,599	34,045
	Micron Technology, Inc.	354,314	33,004
	Mastercard, Inc., Class A	68,940	24,772
	PayPal Holdings, Inc.[1]	121,076	22,833
	Apple, Inc.	125,754	22,330
	Tata Consultancy Services, Ltd.	352,077	17,706
	EPAM Systems, Inc.[1]	22,796	15,238
	Samsung Electronics Co., Ltd.	222,955	14,685
	NVIDIA Corp.	47,363	13,930
	Globant SA[1]	43,911	13,792
	Network International Holdings PLC[1]	2,759,352	10,913
	Nice, Ltd. (ADR)[1]	33,853	10,278
	Visa, Inc., Class A	45,183	9,792
	TELUS International (Cda), Inc., subordinate voting shares[1]	284,750	9,414
	Accenture PLC, Class A	22,622	9,378
	Advanced Micro Devices, Inc.[1]	64,798	9,324
	StoneCo, Ltd., Class A[1]	549,141	9,259
	Tokyo Electron, Ltd.	15,100	8,701
	MediaTek, Inc.	188,000	8,086
	Cognizant Technology Solutions Corp., Class A	87,827	7,792
	Kingdee International Software Group Co., Ltd.[1]	2,404,000	7,399
	Nokia Corp.[1]	1,085,362	6,888
	Atlassian Corp. PLC, Class A[1]	17,509	6,676
	Hexagon AB, Class B	363,645	5,781
	NXP Semiconductors NV	25,306	5,764
	Trimble, Inc.[1]	65,066	5,673
	Flat Glass Group Co., Ltd., Class H[1]	1,090,000	5,536
	Edenred SA	108,779	5,024
	Halma PLC	115,702	5,011
	ON Semiconductor Corp.[1]	51,169	3,475
	Logitech International SA	40,546	3,421
	Applied Materials, Inc.	20,087	3,161
	DLocal, Ltd., Class A[1]	84,459	3,014
	Amadeus IT Group SA, Class A, non-registered shares[1]	36,543	2,481
	KLA Corp.	5,471	2,353
	VeriSign, Inc.[1]	8,923	2,265
	Infosys Ltd.	80,946	2,056
	FleetCor Technologies, Inc.[1]	8,827	1,976
	Hamamatsu Photonics KK	29,000	1,850
	Hundsun Technologies Inc., Class A	166,577	1,624
	MKS Instruments, Inc.	9,065	1,579
	SAP SE	11,071	1,574
	Coforge, Ltd.	19,788	1,568
	Intel Corp.	29,635	1,526
	Infineon Technologies AG	28,823	1,338
	Aspen Technology, Inc.[1]	8,625	1,313
	Elastic NV, non-registered shares[1]	9,576	1,179
	Fabrinet, non-registered shares[1]	8,236	976
	Canva, Inc.[1,2,3,4]	385	656
			897,248

New World Fund (continued)

Common stocks (continued)		Shares	Value (000)
Health care 12.36%	Thermo Fisher Scientific, Inc.	84,675	$ 56,499
	Carl Zeiss Meditec AG, non-registered shares	188,815	39,736
	Abbott Laboratories	246,892	34,748
	WuXi Biologics (Cayman), Inc.[1]	2,774,600	32,932
	WuXi AppTec Co., Ltd., Class A	1,002,659	18,655
	WuXi AppTec Co., Ltd., Class H	526,300	9,112
	PerkinElmer, Inc.	123,409	24,813
	Jiangsu Hengrui Medicine Co., Ltd., Class A	2,454,512	19,529
	CanSino Biologics, Inc., Class H[1,5]	844,918	19,526
	Danaher Corp.	57,443	18,899
	BeiGene, Ltd. (ADR)[1]	59,844	16,214
	BeiGene, Ltd.[1]	49,700	1,026
	AstraZeneca PLC	141,480	16,618
	Eli Lilly and Company	54,577	15,075
	Shionogi & Co., Ltd.	198,200	14,000
	Laurus Labs, Ltd.	1,887,975	13,687
	Pharmaron Beijing Co., Ltd., Class H	420,600	6,489
	Pharmaron Beijing Co., Ltd., Class A	259,600	5,754
	CSL, Ltd.	53,148	11,241
	Zai Lab, Ltd. (ADR)[1]	176,391	11,086
	Angelalign Technology, Inc.[1,5]	334,600	10,702
	Novo Nordisk A/S, Class B	93,787	10,553
	Straumann Holding AG	4,857	10,325
	Olympus Corp.	430,700	9,920
	Notre Dame Intermédica Participações SA	840,623	9,108
	Hutchmed China, Ltd. (ADR)[1]	160,791	5,641
	Hutchmed China, Ltd.[1,5]	382,500	2,781
	Pfizer, Inc.	140,786	8,313
	Gland Pharma, Ltd.[1]	155,109	8,064
	Aier Eye Hospital Group Co., Ltd., Class A	1,159,131	7,689
	Medtronic PLC	71,546	7,401
	Zoetis, Inc., Class A	29,114	7,105
	Genus PLC	100,220	6,699
	Merck KGaA	22,956	5,933
	Hypera SA, ordinary nominative shares	1,113,589	5,652
	Alcon, Inc.	52,886	4,686
	Koninklijke Philips NV (EUR denominated)	109,015	4,067
	Hugel, Inc.[1]	27,502	3,551
	Hikma Pharmaceuticals PLC	111,853	3,360
	Grifols, SA, Class A, non-registered shares	170,956	3,284
	Rede D'Or Sao Luiz SA	394,309	3,174
	Asahi Intecc Co., Ltd.	138,900	2,984
	Align Technology, Inc.[1]	4,343	2,854
	Mettler-Toledo International, Inc.[1]	1,570	2,665
	HOYA Corp.	17,700	2,633
	Shenzhen Mindray Bio-Medical Electronics Co., Ltd., Class A[1]	42,690	2,551
	bioMérieux SA	16,966	2,413
	Alibaba Health Information Technology, Ltd.[1]	2,324,000	1,964
	Guangzhou Kingmed Diagnostics Group Co., Ltd., Class A	106,133	1,855
	OdontoPrev SA, ordinary nominative shares	818,190	1,851
	Teva Pharmaceutical Industries, Ltd. (ADR)[1]	214,654	1,719
	Hangzhou Tigermed Consulting Co., Ltd., Class A	56,371	1,130
	Novartis AG	8,982	791
	Shandong Pharmaceutical Glass Co., Ltd., Class A	66,700	459
			549,516
Consumer discretionary 12.30%	MercadoLibre, Inc.[1]	44,884	60,522
	LVMH Moët Hennessy-Louis Vuitton SE	57,671	47,734
	General Motors Company[1]	676,073	39,638
	Li Ning Co., Ltd.	3,070,001	33,603
	Hermès International	18,779	32,839

Common stocks (continued)		Shares	Value (000)
Consumer discretionary (continued)	Evolution AB	164,205	$ 23,373
	Xpeng, Inc., Class A (ADR)[1]	450,123	22,655
	EssilorLuxottica	92,076	19,628
	Pop Mart International Group, Ltd.	2,880,921	16,515
	YUM! Brands, Inc.	92,604	12,859
	PB Fintech, Ltd.[1]	926,770	11,848
	Midea Group Co., Ltd., Class A	1,021,982	11,836
	Booking Holdings, Inc.[1]	4,719	11,322
	Kering SA	13,841	11,139
	Grab Holdings, Ltd., Class A[1,2,5,6]	853,798	5,905
	Grab Holdings, Ltd., Class A[1]	729,973	5,205
	Compagnie Financière Richemont SA, Class A	66,042	9,926
	Trip.com Group, Ltd. (ADR)[1]	397,001	9,774
	NIKE, Inc., Class B	55,769	9,295
	China MeiDong Auto Holdings, Ltd.	1,784,000	9,197
	Galaxy Entertainment Group, Ltd.[1]	1,708,000	8,849
	Marriott International, Inc., Class A[1]	49,956	8,255
	JD.com, Inc., Class A[1]	219,200	7,702
	Zhongsheng Group Holdings, Ltd.	949,000	7,400
	Huazhu Group, Ltd. (ADR)[1]	194,464	7,261
	IDP Education, Ltd.	237,609	5,990
	Meituan, Class B[1]	205,500	5,940
	Lear Corp.	32,272	5,904
	Zomato, Ltd.[1]	3,016,710	5,576
	Industria de Diseño Textil, SA	170,304	5,532
	Americanas SA, ordinary nominative shares[1]	968,680	5,492
	Astra International Tbk PT	13,444,300	5,377
	Jumbo SA	367,791	5,276
	Tesla, Inc.[1]	4,687	4,953
	Aptiv PLC[1]	27,153	4,479
	Prosus NV, Class N	50,338	4,214
	Delivery Hero SE[1]	34,823	3,885
	adidas AG	12,069	3,479
	Airbnb, Inc., Class A[1]	19,887	3,311
	Melco Resorts & Entertainment, Ltd. (ADR)[1]	303,589	3,091
	Naspers, Ltd., Class N	19,719	3,059
	Lojas Americanas SA, ordinary nominative shares	2,808,200	2,980
	Entain PLC[1]	124,883	2,845
	Samsonite International SA[1]	1,399,200	2,842
	Maruti Suzuki India, Ltd.	27,362	2,734
	JD Health International, Inc.[1]	308,200	2,429
	Inchcape PLC	197,076	2,426
	Shangri-La Asia, Ltd.[1]	2,214,000	1,848
	Flutter Entertainment PLC[1]	11,607	1,837
	Alibaba Group Holding, Ltd.[1]	114,772	1,750
	Wynn Resorts, Ltd.[1]	17,044	1,449
	Stellantis NV	68,672	1,304
	Levi Strauss & Co., Class A	39,011	976
	Gree Electric Appliances, Inc. of Zhuhai, Class A	151,046	878
	Jiumaojiu International Holdings, Ltd.	239,000	420
	Cyrela Brazil Realty SA, ordinary nominative shares	119,389	338
			546,894
Financials 12.14%	Kotak Mahindra Bank, Ltd.	3,284,556	79,362
	Société Générale	1,170,149	40,240
	HDFC Bank, Ltd.	1,979,009	39,385
	HDFC Bank, Ltd. (ADR)	7,664	499
	AIA Group, Ltd.	3,837,600	38,683
	Ping An Insurance (Group) Company of China, Ltd., Class H	4,156,344	29,930
	Bajaj Finance, Ltd.	258,996	24,310
	Capitec Bank Holdings, Ltd.	176,311	22,569

Common stocks (continued)		Shares	Value (000)
Financials (continued)	Sberbank of Russia PJSC (ADR)	1,393,147	$ 22,295
	UniCredit SpA	1,392,775	21,476
	B3 SA-Brasil, Bolsa, Balcao	10,710,109	21,420
	Banco Santander, SA	4,545,381	15,217
	S&P Global, Inc.	32,084	15,141
	ICICI Bank, Ltd. (ADR)	597,178	11,818
	ICICI Bank, Ltd.	144,197	1,436
	Bajaj Finserv, Ltd.	56,872	12,552
	HDFC Life Insurance Company, Ltd.	1,337,727	11,689
	Nu Holdings, Ltd., Class A[1,2,5,6]	971,370	8,109
	Nu Holdings, Ltd., Class A[1]	224,519	2,106
	Hong Kong Exchanges and Clearing, Ltd.	164,500	9,607
	Discovery, Ltd.[1]	997,261	8,985
	Moody's Corp.	21,823	8,524
	Eurobank Ergasias Services and Holdings SA[1]	8,154,869	8,276
	TCS Group Holding PLC (GDR)	96,245	8,115
	China Merchants Bank Co., Ltd., Class H	868,000	6,740
	XP, Inc., Class A[1]	231,492	6,653
	AU Small Finance Bank, Ltd.[1]	472,800	6,593
	Fairfax Financial Holdings, Ltd., subordinate voting shares	12,724	6,259
	Industrial and Commercial Bank of China Ltd., Class H[1]	10,319,000	5,823
	Postal Savings Bank of China Co., Ltd., Class H	7,363,000	5,165
	DBS Group Holdings, Ltd.	184,073	4,461
	Banco Bilbao Vizcaya Argentaria, SA	738,810	4,416
	Lufax Holding, Ltd. (ADR)[1]	760,315	4,281
	Alpha Services and Holdings SA[1]	2,988,190	3,664
	Credicorp, Ltd.[1]	28,683	3,501
	Canara Bank[1]	1,280,630	3,445
	East Money Information Co., Ltd., Class A[1]	568,680	3,311
	Grupo Financiero Banorte, SAB de CV, Series O	413,062	2,683
	Futu Holdings, Ltd. (ADR)[1,5]	61,496	2,663
	Chubb, Ltd.	13,538	2,617
	Axis Bank, Ltd.[1]	210,286	1,920
	China Construction Bank Corp., Class H	2,259,000	1,564
	Banco Santander México, SA, Institución de Banca Múltiple, Grupo Financiero Santander México, Class B	1,336,017	1,536
	Moscow Exchange MICEX-RTS PJSC	438,203	894
			539,933
Communication services 8.13%	Alphabet, Inc., Class C[1]	19,487	56,388
	Alphabet, Inc., Class A[1]	4,282	12,405
	Sea, Ltd., Class A (ADR)[1]	240,744	53,857
	Tencent Holdings, Ltd.	770,700	45,150
	Meta Platforms, Inc., Class A[1]	129,909	43,695
	Netflix, Inc.[1]	52,882	31,858
	América Móvil, SAB de CV, Series L (ADR)	1,213,470	25,616
	Yandex NV, Class A[1]	361,818	21,890
	Bharti Airtel, Ltd.[1]	1,730,201	15,916
	Bharti Airtel, Ltd., interim shares[1]	80,154	380
	Activision Blizzard, Inc.	151,781	10,098
	Vodafone Group PLC	6,525,800	9,916
	Bilibili, Inc., Class Z[1]	172,746	7,945
	Bilibili, Inc., Class Z (ADR)[1,5]	26,258	1,218
	MTN Group, Ltd.[1]	727,754	7,796
	NetEase, Inc.	163,100	3,295
	NetEase, Inc. (ADR)	29,800	3,033
	JCDecaux SA[1]	176,638	4,424

New World Fund (continued)

Common stocks (continued)		Shares	Value (000)
Communication services (continued)	Indus Towers, Ltd.	1,319,168	$ 4,406
	Informa PLC[1]	230,790	1,614
	SoftBank Group Corp.	14,000	661
			361,561
Industrials 7.80%	Airbus SE, non-registered shares[1]	352,550	45,099
	IMCD NV	105,137	23,305
	Contemporary Amperex Technology Co., Ltd., Class A	192,095	17,722
	Shenzhen Inovance Technology Co., Ltd., Class A	1,580,674	17,014
	Wizz Air Holdings PLC[1]	294,372	16,687
	Safran SA	129,764	15,905
	International Container Terminal Services, Inc.	4,031,020	15,810
	Larsen & Toubro Ltd.[1]	584,155	14,899
	DSV A/S	62,716	14,666
	Copa Holdings, SA, Class A[1]	168,055	13,891
	General Electric Co.	132,056	12,475
	Nidec Corp.	105,100	12,353
	Rumo SA[1]	3,555,478	11,337
	Zhejiang Sanhua Intelligent Controls Co., Ltd., Class A	2,344,924	9,308
	Carrier Global Corp.	140,000	7,594
	Daikin Industries, Ltd.	33,200	7,530
	TransDigm Group, Inc.[1]	10,897	6,933
	SMC Corp.	10,100	6,813
	Ryanair Holdings PLC (ADR)[1]	64,996	6,651
	Spirax-Sarco Engineering PLC	27,742	6,027
	Interpump Group SpA	80,948	5,940
	InPost SA[1]	464,249	5,602
	CCR SA, ordinary nominative shares	2,373,378	4,938
	Boeing Company[1]	23,092	4,649
	Centre Testing International Group Co., Ltd.	1,045,396	4,407
	ZTO Express (Cayman), Inc., Class A (ADR)	148,533	4,192
	Havells India, Ltd.	196,876	3,700
	Raytheon Technologies Corp.	42,943	3,696
	Epiroc AB, Class B	173,137	3,673
	ABB, Ltd.	79,535	3,046
	Fluidra, SA, non-registered shares	74,576	2,989
	AirTAC International Group[1]	78,000	2,876
	Hitachi, Ltd.	52,900	2,865
	Atlas Copco AB, Class B	34,239	2,017
	Air Lease Corp., Class A	43,438	1,921
	Bharat Electronics Ltd.[1]	678,933	1,918
	Bureau Veritas SA	54,130	1,798
	China Merchants Port Holdings Co., Ltd.	768,000	1,399
	Experian PLC	27,683	1,361
	Haitian International Holdings, Ltd.	236,000	655
	United Airlines Holdings, Inc.[1]	14,717	644
	Hefei Meyer Optoelectronic Technology, Inc., Class A	97,000	570
			346,875
Materials 7.64%	Vale SA, ordinary nominative shares	2,398,005	33,564
	Vale SA, ordinary nominative shares (ADR)	2,372,563	33,263
	First Quantum Minerals, Ltd.	2,097,826	50,201
	Freeport-McMoRan, Inc.	756,454	31,567
	Sika AG	69,369	28,944
	Asian Paints, Ltd.	537,055	24,441
	Barrick Gold Corp.	514,267	9,771
	Fortescue Metals Group, Ltd.	679,678	9,499
	Linde PLC	26,140	9,056
	Albemarle Corp.	38,585	9,020
	Shin-Etsu Chemical Co., Ltd.	49,500	8,572

Common stocks (continued)		Shares	Value (000)
Materials (continued)	Shree Cement, Ltd.	22,299	$ 8,096
	Givaudan SA	1,501	7,894
	BASF SE	107,641	7,571
	Beijing Oriental Yuhong Waterproof Technology Co., Ltd., Class A	912,393	7,542
	Koninklijke DSM NV	32,787	7,391
	Wacker Chemie AG[1]	36,435	5,459
	Pidilite Industries, Ltd.[1]	144,558	4,789
	Ivanhoe Mines Ltd., Class A[1]	571,589	4,663
	LANXESS AG	73,268	4,546
	Yunnan Energy New Material Co., Ltd., Class A	107,800	4,235
	Shandong Sinocera Functional Material Co., Ltd., Class A	626,700	4,186
	Loma Negra Compania Industrial Argentina SA (ADR)[1]	565,048	3,769
	SKSHU Paint Co., Ltd., Class A[1]	148,265	3,237
	Arkema SA	21,254	2,997
	SIG Combibloc Group AG	98,307	2,747
	Alrosa PJSC	1,417,398	2,318
	CCL Industries, Inc., Class B, nonvoting shares	39,906	2,140
	Amcor PLC (CDI)	163,846	1,969
	Navin Fluorine International, Ltd.	25,041	1,411
	Celanese Corp.	7,800	1,311
	Umicore SA	29,864	1,215
	Impala Platinum Holdings, Ltd.	70,922	1,001
	Anglo American PLC	22,331	912
	Chr. Hansen Holding A/S	7,302	576
			339,873
Consumer staples 5.33%	Kweichow Moutai Co., Ltd., Class A	210,707	67,774
	Bunge, Ltd.	158,997	14,844
	Nestlé SA	101,606	14,211
	Constellation Brands, Inc., Class A	52,891	13,274
	Anheuser-Busch InBev SA/NV	188,368	11,403
	British American Tobacco PLC	270,437	10,006
	Carlsberg A/S, Class B	53,193	9,198
	Avenue Supermarts, Ltd.[1]	134,844	8,474
	Pernod Ricard SA	34,703	8,356
	Wuliangye Yibin Co., Ltd., Class A	213,271	7,451
	Raia Drogasil SA, ordinary nominative shares	1,495,270	6,523
	Reckitt Benckiser Group PLC	63,575	5,457
	ITC, Ltd.	1,831,504	5,372
	Foshan Haitian Flavouring and Food Co., Ltd., Class A	302,930	4,996
	Heineken NV	40,609	4,571
	Dabur India, Ltd.	537,445	4,194
	Inner Mongolia Yili Industrial Group Co., Ltd., Class A	526,400	3,424
	L'Oréal SA, non-registered shares	6,898	3,274
	Yihai International Holding, Ltd.	677,000	3,130
	Arca Continental, SAB de CV	466,800	2,976
	Monde Nissin Corp.[1]	8,712,500	2,768
	Mondelez International, Inc.	41,527	2,754
	Shiseido Company, Ltd.	45,000	2,509
	X5 Retail Group NV (GDR)	93,180	2,434
	Kimberly-Clark de México, SAB de CV, Class A	1,578,095	2,390
	Kimberly-Clark Corp.	16,061	2,295
	Monster Beverage Corp.[1]	21,924	2,106
	United Spirits, Ltd.[1]	167,058	2,019
	Fomento Económico Mexicano, SAB de CV	239,333	1,862
	Herbalife Nutrition, Ltd.[1]	42,822	1,753
	Unilever PLC (EUR denominated)	32,294	1,730
	Danone SA	23,668	1,471

New World Fund (continued)

Common stocks (continued)		Shares	Value (000)
Consumer staples (continued)	Uni-Charm Corp.	26,400	$ 1,147
	Diageo PLC	11,617	635
	Wal-Mart de México, SAB de CV, Series V	122,379	455
			237,236
Energy 3.21%	Reliance Industries, Ltd.	2,645,387	84,275
	Petróleo Brasileiro SA (Petrobras), ordinary nominative shares (ADR)	2,357,177	25,882
	Gazprom PJSC (ADR)	806,244	7,450
	TotalEnergies SE	132,741	6,745
	New Fortress Energy, Inc., Class A[5]	251,163	6,063
	Rosneft Oil Company PJSC (GDR)	612,982	4,929
	Royal Dutch Shell PLC, Class B	146,347	3,214
	Chevron Corp.	22,384	2,627
	BP PLC	333,742	1,493
			142,678
Utilities 1.54%	ENN Energy Holdings, Ltd.	2,017,300	37,979
	AES Corp.	543,971	13,218
	Engie SA	613,910	9,096
	China Gas Holdings, Ltd.	2,276,000	4,729
	Enel SpA	389,325	3,123
	China Resources Gas Group, Ltd.	100,000	565
			68,710
Real estate 1.40%	American Tower Corp. REIT	45,487	13,305
	Macrotech Developers, Ltd.[1]	766,547	12,720
	ESR Cayman, Ltd.[1]	2,925,400	9,886
	BR Malls Participacoes SA, ordinary nominative shares[1]	4,194,387	6,258
	CK Asset Holdings, Ltd.	914,000	5,761
	Shimao Services Holdings, Ltd.	6,485,187	4,508
	CTP NV	210,395	4,479
	China Overseas Land & Investment, Ltd.	967,000	2,289
	Sunac Services Holdings, Ltd.	1,548,496	1,579
	Longfor Group Holdings, Ltd.	296,000	1,393
			62,178
	Total common stocks (cost: $2,592,259,000)		4,092,702

Preferred securities 0.93%

Consumer discretionary 0.24%	Volkswagen AG, nonvoting preferred shares	34,472	6,965
	Getir BV, Series H, preferred shares[1,2,3,4]	7,768	3,500
			10,465
Materials 0.23%	Gerdau SA, preferred nominative shares	2,088,351	10,221
Industrials 0.20%	GOL Linhas Aéreas Inteligentes SA, preferred nominative shares[1]	1,367,880	4,182
	GOL Linhas Aéreas Inteligentes SA, preferred nominative shares (ADR)[1,5]	72,525	439
	Azul SA, preferred nominative shares (ADR)[1]	337,989	4,461
			9,082

New World Fund (continued)

Preferred securities (continued)		Shares	Value (000)
Real estate 0.19%	QuintoAndar, Ltd., Series E, preferred shares[1,2,3,4]	32,657	$ 6,672
	QuintoAndar, Ltd., Series E-1, preferred shares[1,2,3,4]	8,400	1,716
	Ayala Land, Inc., preferred shares[2,3]	15,000,000	–[7]
			8,388
Health care 0.05%	Grifols, SA, Class B, nonvoting non-registered preferred shares	179,977	2,072
Energy 0.02%	Petróleo Brasileiro SA (Petrobras), preferred nominative shares	189,783	969
Information technology 0.00%	Canva, Inc., Series A, noncumulative preferred shares[1,2,3,4]	34	58
	Canva, Inc., Series A-3, noncumulative preferred shares[1,2,3,4]	1	2
			60
	Total preferred securities (cost: $33,445,000)		41,257

Rights & warrants 0.02%

Materials 0.02%	Shandong Sinocera Functional Material Co., Ltd., Class A, warrants, expire 2022[1,2,6]	124,600	832
Consumer discretionary 0.00%	Compagnie Financière Richemont SA, Class A, warrants, expire 2023[1]	105,741	116
	Total rights & warrants (cost: $837,000)		948

Bonds, notes & other debt instruments 2.57%

		Principal amount (000)	
Bonds & notes of governments & government agencies outside the U.S. 2.16%			
	Abu Dhabi (Emirate of) 2.50% 2029[6]	$ 1,000	1,040
	Abu Dhabi (Emirate of) 1.70% 2031[6]	455	443
	Angola (Republic of) 8.00% 2029[6]	2,270	2,246
	Argentine Republic 1.00% 2029	385	140
	Argentine Republic 0.50% 2030 (0.75% on 7/9/2023)[8]	2,672	942
	Argentine Republic 1.125% 2035 (1.50% on 7/9/2022)[8]	4,190	1,346
	Argentine Republic 2.00% 2038 (3.875% on 7/9/2022)[8]	1,318	501
	Argentine Republic 2.50% 2041 (3.50% on 7/9/2022)[8]	5,900	2,092
	Armenia (Republic of) 7.15% 2025	490	548
	Bahrain (Kingdom of) 6.75% 2029[6]	500	540
	Belarus (Republic of) 6.875% 2023	1,775	1,760
	Belarus (Republic of) 5.875% 2026	230	204
	Belarus (Republic of) 7.625% 2027	335	309
	Colombia (Republic of) 4.50% 2026	280	294
	Colombia (Republic of) 3.25% 2032	900	811
	Colombia (Republic of) 7.375% 2037	1,090	1,273
	Colombia (Republic of) 4.125% 2051	350	285
	Costa Rica (Republic of) 6.125% 2031[6]	1,250	1,266
	Costa Rica (Republic of) 6.125% 2031	393	398
	Cote d'Ivoire (Republic of) 4.875% 2032	€ 150	165
	Dominican Republic 6.875% 2026	$ 370	422
	Dominican Republic 8.625% 2027[6]	575	687
	Dominican Republic 11.375% 2029	DOP12,800	278
	Dominican Republic 5.30% 2041[6]	$ 303	300
	Dominican Republic 7.45% 2044	1,400	1,661
	Dominican Republic 7.45% 2044[6]	1,125	1,335

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Bonds & notes of governments & government agencies outside the U.S. (continued)		
Dominican Republic 6.85% 2045	$ 320	$ 354
Dominican Republic 5.875% 2060[6]	280	270
Egypt (Arab Republic of) 5.75% 2024[6]	450	469
Egypt (Arab Republic of) 5.625% 2030	€ 260	268
Egypt (Arab Republic of) 5.875% 2031[6]	$ 365	324
Egypt (Arab Republic of) 7.625% 2032[6]	1,140	1,083
Egypt (Arab Republic of) 8.50% 2047	1,200	1,067
Egypt (Arab Republic of) 8.15% 2059[6]	900	771
Ethiopia (Federal Democratic Republic of) 6.625% 2024	1,430	975
Export-Import Bank of India 3.25% 2030	1,180	1,203
Georgia (Republic of) 2.75% 2026[6]	375	374
Ghana (Republic of) 8.125% 2026	315	292
Ghana (Republic of) 6.375% 2027	485	411
Ghana (Republic of) 7.875% 2027	200	176
Ghana (Republic of) 7.75% 2029[6]	1,125	945
Ghana (Republic of) 8.125% 2032	1,880	1,542
Honduras (Republic of) 6.25% 2027	1,600	1,736
Hungary (Republic of) 2.125% 2031[6]	770	759
Indonesia (Republic of) 6.625% 2037	700	979
Indonesia (Republic of) 5.25% 2042	840	1,056
Iraq (Republic of) 6.752% 2023	960	974
Jordan (Hashemite Kingdom of) 4.95% 2025[6]	600	621
Jordan (Hashemite Kingdom of) 5.75% 2027[6]	1,530	1,612
Jordan (Hashemite Kingdom of) 5.75% 2027	200	211
Kazakhstan (Republic of) 6.50% 2045[6]	800	1,149
Kenya (Republic of) 7.25% 2028	400	432
Kenya (Republic of) 8.25% 2048[6]	2,000	2,038
Malaysia (Federation of), Series 0419, 3.828% 2034	MYR430	103
Malaysia (Federation of), Series 0418, 4.893% 2038	1,150	302
Oman (Sultanate of) 4.875% 2025[6]	$ 202	211
Oman (Sultanate of) 5.375% 2027	750	787
Oman (Sultanate of) 6.25% 2031[6]	890	975
Pakistan (Islamic Republic of) 8.25% 2025[6]	410	445
Pakistan (Islamic Republic of) 6.00% 2026[6]	380	381
Pakistan (Islamic Republic of) 6.875% 2027[6]	1,050	1,062
Pakistan (Islamic Republic of) 7.875% 2036	400	388
Panama (Republic of) 3.75% 2026[6]	1,380	1,468
Panama (Republic of) 4.50% 2047	1,155	1,276
Panama (Republic of) 4.50% 2050	400	442
Panama (Republic of) 4.30% 2053	400	431
Paraguay (Republic of) 5.00% 2026[6]	500	556
Paraguay (Republic of) 4.70% 2027[6]	800	889
Paraguay (Republic of) 4.70% 2027	500	556
Paraguay (Republic of) 4.95% 2031	320	360
Peru (Republic of) 3.00% 2034	425	424
Peru (Republic of) 6.55% 2037	1,070	1,462
Peru (Republic of) 3.55% 2051	370	386
Peru (Republic of) 2.78% 2060	565	497
PETRONAS Capital, Ltd. 4.55% 2050[6]	400	497
Philippines (Republic of) 1.648% 2031	780	757
Philippines (Republic of) 6.375% 2034	820	1,141
Philippines (Republic of) 3.95% 2040	900	1,007
Philippines (Republic of) 2.95% 2045	790	781
PT Indonesia Asahan Aluminium Tbk 6.757% 2048	200	256
Qatar (State of) 4.50% 2028[6]	2,335	2,686
Qatar (State of) 4.50% 2028	800	920
Romania 2.00% 2032	€1,375	1,458
Romania 2.00% 2033	530	551
Romania 5.125% 2048[6]	$ 720	852
Russian Federation 4.25% 2027	1,000	1,083
Russian Federation 4.375% 2029[6]	800	883

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Bonds & notes of governments & government agencies outside the U.S. (continued)			
	Russian Federation 5.10% 2035	$1,600	$ 1,890
	Russian Federation 5.25% 2047	1,000	1,269
	Senegal (Republic of) 4.75% 2028	€1,100	1,273
	Serbia (Republic of) 3.125% 2027	850	1,034
	South Africa (Republic of) 5.875% 2030	$1,710	1,910
	Sri Lanka (Democratic Socialist Republic of) 5.75% 2022	650	591
	Sri Lanka (Democratic Socialist Republic of) 6.125% 2025	450	239
	Sri Lanka (Democratic Socialist Republic of) 6.85% 2025	700	364
	Sri Lanka (Democratic Socialist Republic of) 6.825% 2026	1,270	651
	Sri Lanka (Democratic Socialist Republic of) 7.55% 2030	800	402
	Sri Lanka (Democratic Socialist Republic of) 7.55% 2030[6]	500	251
	Tunisia (Republic of) 6.75% 2023	€ 310	296
	Tunisia (Republic of) 6.75% 2023	215	205
	Tunisia (Republic of) 5.625% 2024	710	644
	Tunisia (Republic of) 5.75% 2025	$ 875	671
	Turkey (Republic of) 6.375% 2025	475	465
	Turkey (Republic of) 11.875% 2030	800	1,002
	Turkey (Republic of) 5.875% 2031	1,170	1,042
	Turkey (Republic of) 4.875% 2043	1,000	769
	Turkey (Republic of) 5.75% 2047	2,205	1,787
	Ukraine 8.994% 2024	200	200
	Ukraine 7.75% 2027	2,328	2,216
	Ukraine 9.75% 2028	700	710
	Ukraine 7.375% 2032	2,180	1,951
	United Mexican States 4.50% 2029	550	613
	United Mexican States 4.75% 2032	870	986
	United Mexican States 4.75% 2044	1,090	1,191
	United Mexican States 3.75% 2071	400	361
	United Mexican States, Series M, 7.50% 2027	MXN19,000	931
	Venezuela (Bolivarian Republic of) 7.00% 2018[9]	$ 64	4
	Venezuela (Bolivarian Republic of) 7.75% 2019[9]	1,149	75
	Venezuela (Bolivarian Republic of) 6.00% 2020[9]	950	62
	Venezuela (Bolivarian Republic of) 12.75% 2022[9]	85	6
	Venezuela (Bolivarian Republic of) 9.00% 2023[9]	1,383	90
	Venezuela (Bolivarian Republic of) 8.25% 2024[9]	299	19
	Venezuela (Bolivarian Republic of) 7.65% 2025[9]	129	8
	Venezuela (Bolivarian Republic of) 11.75% 2026[9]	64	4
	Venezuela (Bolivarian Republic of) 9.25% 2027[9]	170	11
	Venezuela (Bolivarian Republic of) 9.25% 2028[9]	319	21
	Venezuela (Bolivarian Republic of) 11.95% 2031[9]	106	7
	Venezuela (Bolivarian Republic of) 7.00% 2038[9]	107	7
			95,878
Corporate bonds, notes & loans 0.41%			
Energy 0.12%	Oleoducto Central SA 4.00% 2027[6]	255	254
	Petrobras Global Finance Co. 5.60% 2031	780	828
	Petrobras Global Finance Co. 6.85% 2115	314	312
	Petróleos Mexicanos 6.875% 2026	755	831
	Petróleos Mexicanos 7.47% 2026	MXN2,800	124
	Petróleos Mexicanos 6.49% 2027	$1,490	1,590
	Petróleos Mexicanos 6.70% 2032[6]	622	630
	Sinopec Group Overseas Development (2018), Ltd. 3.10% 2051[6]	630	606
			5,175
Materials 0.08%	Braskem Idesa SAPI 7.45% 2029	775	804
	Braskem Idesa SAPI 7.45% 2029[6]	300	311
	Braskem Idesa SAPI 6.99% 2032[6]	350	352
	CSN Islands XI Corp. 6.75% 2028	600	633

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Materials (continued)	CSN Resources SA 7.625% 2026	$ 575	$ 604
	GC Treasury Center Co., Ltd. 2.98% 2031[6]	200	203
	Sasol Financing USA, LLC 5.875% 2024	500	522
			3,429
Financials 0.07%	Bangkok Bank PCL 3.733% 2034 (5-year UST Yield Curve Rate T Note Constant Maturity + 1.90% on 9/25/2029)[8]	1,140	1,167
	HDFC Bank, Ltd. 3.70% junior subordinated perpetual bonds (5-Year UST Yield Curve Rate T Note Constant Maturity on 2/25/2027)[6,8]	600	600
	Power Financial Corp., Ltd. 5.25% 2028	425	477
	Power Financial Corp., Ltd. 6.15% 2028	432	509
	Power Financial Corp., Ltd. 4.50% 2029	273	292
	Power Financial Corp., Ltd. 3.35% 2031	310	306
			3,351
Consumer discretionary 0.04%	Alibaba Group Holding, Ltd. 2.125% 2031	263	254
	Alibaba Group Holding, Ltd. 3.15% 2051	610	572
	Meituan Dianping 3.05% 2030[6]	700	649
	Sands China, Ltd. 4.375% 2030	220	225
			1,700
Communication services 0.03%	Axiata SPV5 Labuan, Ltd. 3.064% 2050	357	343
	PLDT, Inc. 2.50% 2031	210	209
	Tencent Holdings, Ltd. 3.975% 2029	400	435
	Tencent Holdings, Ltd. 3.24% 2050[6]	580	548
			1,535
Utilities 0.03%	AES Panama Generation Holdings SRL 4.375% 2030[6]	280	292
	Empresas Publicas de Medellin ESP 4.25% 2029[6]	412	392
	Empresas Publicas de Medellin ESP 4.375% 2031[6]	360	339
	Instituto Costarricense de Electricidad 6.75% 2031[6]	235	238
			1,261
Industrials 0.02%	Empresa de Transporte de Pasajeros Metro SA 4.70% 2050[6]	270	314
	Mexico City Airport Trust 4.25% 2026	675	716
			1,030
Consumer staples 0.02%	MARB BondCo PLC 3.95% 2031[6]	600	574
	Marfrig Global Foods SA 3.95% 2031	320	306
			880
	Total corporate bonds, notes & loans		18,361
	Total bonds, notes & other debt instruments (cost: $116,959,000)		114,239

Short-term securities 5.08%		Shares	
Money market investments 4.87%			
	Capital Group Central Cash Fund 0.09%[10,11]	2,167,420	216,764

Short-term securities (continued)	Shares	Value (000)
Money market investments purchased with collateral from securities on loan 0.21%		
Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[10,12]	4,512,604	$ 4,513
Capital Group Central Cash Fund 0.09%[10,11,12]	42,551	4,255
Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[10,12]	303,965	304
		9,072
Total short-term securities (cost: $225,820,000)		225,836
Total investment securities 100.62% (cost: $2,969,320,000)		4,474,982
Other assets less liabilities (0.62)%		(27,538)
Net assets 100.00%		$4,447,444

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized appreciation (depreciation) at 12/31/2021 (000)
2 Year U.S. Treasury Note Futures	Short	20	March 2022	$ (4,363)	$ 3
10 Year Ultra U.S. Treasury Note Futures	Short	89	March 2022	(13,033)	(175)
30 Year Ultra U.S. Treasury Bond Futures	Long	40	March 2022	7,885	136
					$ (36)

Forward currency contracts

Contract amount						Unrealized depreciation at 12/31/2021 (000)
Currency purchased (000)		Currency sold (000)		Counterparty	Settlement date	
USD	3,203	EUR	2,830	Morgan Stanley	1/20/2022	$(20)

Investments in affiliates[11]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 4.97%							
Money market investments 4.87%							
Capital Group Central Cash Fund 0.09%[10]	$224,497	$672,312	$680,036	$(17)	$8	$216,764	$180
Money market investments purchased with collateral from securities on loan 0.10%							
Capital Group Central Cash Fund 0.09%[10,12]	–	4,255[13]				4,255	–[14]
Total short-term securities						221,019	
Total 4.97%				$(17)	$8	$221,019	$180

[1]Security did not produce income during the last 12 months.
[2]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $27,450,000, which represented .62% of the net assets of the fund.
[3]Value determined using significant unobservable inputs.
[4]Acquired through a private placement transaction exempt from registration under the Securities Act of 1933. May be subject to legal or contractual restrictions on resale. Further details on these holdings appear below.
[5]All or a portion of this security was on loan. The total value of all such securities was $13,375,000, which represented .30% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[6]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $50,576,000, which represented 1.14% of the net assets of the fund.
[7]Amount less than one thousand.
[8]Step bond; coupon rate may change at a later date.
[9]Scheduled interest and/or principal payment was not received.
[10]Rate represents the seven-day yield at 12/31/2021.
[11]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[12]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[13]Represents net activity. Refer to Note 5 for more information on securities lending.
[14]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Private placement securities	Acquisition date(s)	Cost (000)	Value (000)	Percent of net assets
QuintoAndar, Ltd., Series E, preferred shares	5/26/2021	$ 5,258	$ 6,672	.15%
QuintoAndar, Ltd., Series E-1, preferred shares	12/20/2021	1,716	1,716	.04
Getir BV, Series H, preferred shares	5/27/2021	3,500	3,500	.08
Canva, Inc.	8/26/2021 -11/4/2021	656	656	.01
Canva, Inc., Series A, noncumulative preferred shares	11/4/2021	58	58	.00
Canva, Inc., Series A-3, noncumulative preferred shares	11/4/2021	2	2	.00
Total private placement securities		**$11,190**	**$12,604**	**.28%**

Key to abbreviations and symbols
ADR = American Depositary Receipts
CDI = CREST Depository Interest
DOP = Dominican pesos
EUR/€ = Euros
GDR = Global Depositary Receipts
MXN = Mexican pesos
MYR = Malaysian ringgits
USD/$ = U.S. dollars

See notes to financial statements.

Washington Mutual Investors Fund

(formerly Blue Chip Income and Growth Fund)

Investment portfolio December 31, 2021

Common stocks 96.23%		Shares	Value (000)
Information technology 19.89%	Microsoft Corp.	2,119,959	$ 712,985
	Broadcom, Inc.	1,065,092	708,723
	Intel Corp.	2,789,923	143,681
	Apple, Inc.	749,784	133,139
	ASML Holding NV (New York registered) (ADR)	153,042	121,843
	Fidelity National Information Services, Inc.	711,905	77,704
	Automatic Data Processing, Inc.	190,131	46,882
	Visa, Inc., Class A	216,121	46,836
	KLA Corp.	98,220	42,245
	TE Connectivity, Ltd.	261,752	42,231
	Applied Materials, Inc.	259,883	40,895
	NetApp, Inc.	309,233	28,446
	Paychex, Inc.	202,151	27,594
	Mastercard, Inc., Class A	64,786	23,279
	Motorola Solutions, Inc.	74,097	20,132
	Texas Instruments, Inc.	94,512	17,813
	QUALCOMM, Inc.	91,773	16,783
	SAP SE (ADR)	114,413	16,030
	EPAM Systems, Inc.[1]	9,314	6,226
	Analog Devices, Inc.	23,155	4,070
	Micron Technology, Inc.	26,591	2,477
			2,280,014
Health care 17.48%	UnitedHealth Group, Inc.	888,053	445,927
	Pfizer, Inc.	4,243,621	250,586
	CVS Health Corp.	2,273,753	234,560
	Johnson & Johnson	1,100,169	188,206
	Gilead Sciences, Inc.	1,685,700	122,399
	Humana, Inc.	219,366	101,755
	Abbott Laboratories	702,616	98,886
	AstraZeneca PLC (ADR)	1,578,818	91,966
	Eli Lilly and Company	280,377	77,446
	Anthem, Inc.	165,153	76,555
	Danaher Corp.	209,822	69,034
	Cigna Corp.	277,429	63,706
	Thermo Fisher Scientific, Inc.	60,232	40,189
	GlaxoSmithKline PLC (ADR)[2]	652,446	28,773
	Zimmer Biomet Holdings, Inc.	146,753	18,643
	Merck & Co., Inc.	213,407	16,355
	Novo Nordisk A/S, Class B (ADR)	145,965	16,348
	Zoetis, Inc., Class A	55,996	13,665
	Edwards Lifesciences Corp.[1]	89,412	11,583
	Molina Healthcare, Inc.[1]	34,690	11,034
	Baxter International, Inc.	119,734	10,278
	Roche Holding AG (ADR)	191,483	9,898
	Viatris, Inc.	309,977	4,194
	Novartis AG (ADR)	29,792	2,606
			2,004,592
Financials 17.07%	BlackRock, Inc.	280,862	257,146
	Marsh & McLennan Companies, Inc.	1,477,641	256,844
	CME Group, Inc., Class A	952,534	217,616
	JPMorgan Chase & Co.	1,276,682	202,163
	PNC Financial Services Group, Inc.	572,524	114,802
	Bank of America Corp.	2,241,996	99,746
	Intercontinental Exchange, Inc.	622,909	85,195
	Discover Financial Services	710,447	82,099
	Capital One Financial Corp.	534,375	77,532
	S&P Global, Inc.	132,929	62,733

Washington Mutual Investors Fund (continued)

(formerly Blue Chip Income and Growth Fund)

Common stocks (continued)		Shares	Value (000)
Financials (continued)	Nasdaq, Inc.	280,604	$ 58,930
	Toronto-Dominion Bank	677,251	51,932
	Truist Financial Corp.	839,908	49,177
	Citizens Financial Group, Inc.	1,015,007	47,959
	Travelers Companies, Inc.	306,249	47,906
	Bank of Nova Scotia	639,317	45,833
	Carlyle Group, Inc.	618,714	33,967
	KeyCorp	1,344,377	31,095
	KKR & Co., Inc.	347,190	25,866
	Moody's Corp.	65,889	25,735
	Citigroup, Inc.	401,962	24,274
	Wells Fargo & Company	431,515	20,704
	Brookfield Asset Management, Inc., Class A	265,562	16,035
	Fifth Third Bancorp	305,209	13,292
	Everest Re Group, Ltd.	31,161	8,536
			1,957,117
Industrials 9.41%	CSX Corp.	3,819,151	143,600
	Northrop Grumman Corp.	296,717	114,850
	Lockheed Martin Corp.	290,616	103,288
	L3Harris Technologies, Inc.	479,967	102,348
	Union Pacific Corp.	378,488	95,353
	Honeywell International, Inc.	368,630	76,863
	Norfolk Southern Corp.	241,487	71,893
	Caterpillar, Inc.	237,788	49,160
	United Parcel Service, Inc., Class B	219,625	47,075
	Raytheon Technologies Corp.	527,082	45,361
	ABB, Ltd. (ADR)	904,226	34,514
	PACCAR, Inc.	390,000	34,421
	Equifax, Inc.	117,351	34,359
	Waste Connections, Inc.	225,408	30,716
	Republic Services, Inc.	157,677	21,988
	Rockwell Automation	41,625	14,521
	Johnson Controls International PLC	138,993	11,302
	HEICO Corp.	71,986	10,382
	RELX PLC (ADR)	287,360	9,371
	Air Lease Corp., Class A	181,058	8,008
	Cummins, Inc.	31,699	6,915
	BAE Systems PLC (ADR)	169,388	5,045
	Nidec Corp. (ADR)	118,363	3,493
	Carrier Global Corp.	63,835	3,462
			1,078,288
Communication services 7.47%	Comcast Corp., Class A	7,950,389	400,143
	Alphabet, Inc., Class C[1]	43,510	125,900
	Alphabet, Inc., Class A[1]	23,911	69,271
	Meta Platforms, Inc., Class A[1]	298,493	100,398
	Verizon Communications, Inc.	1,546,894	80,377
	Activision Blizzard, Inc.	725,837	48,290
	AT&T, Inc.	1,106,412	27,218
	Electronic Arts, Inc.	40,638	5,360
			856,957
Consumer discretionary 6.26%	Home Depot, Inc.	616,054	255,669
	General Motors Company[1]	2,264,999	132,797
	Darden Restaurants, Inc.	479,164	72,181
	VF Corp.	800,122	58,585

Washington Mutual Investors Fund (continued)
(formerly Blue Chip Income and Growth Fund)

Common stocks (continued)		Shares	Value (000)
Consumer discretionary (continued)	Dollar General Corp.	159,611	$ 37,641
	Wynn Resorts, Ltd.[1]	372,936	31,714
	Amazon.com, Inc.[1]	6,764	22,553
	TJX Companies, Inc.	294,695	22,373
	Chipotle Mexican Grill, Inc.[1]	9,904	17,315
	Marriott International, Inc., Class A[1]	90,940	15,027
	NIKE, Inc., Class B	72,869	12,145
	YUM! Brands, Inc.	61,975	8,606
	Starbucks Corp.	64,559	7,551
	McDonald's Corp.	27,667	7,417
	Target Corp.	27,747	6,422
	Royal Caribbean Cruises, Ltd.[1]	77,150	5,933
	Domino's Pizza, Inc.	6,418	3,622
			717,551
Consumer staples 5.61%	Nestlé SA (ADR)	853,271	119,774
	Keurig Dr Pepper, Inc.	2,043,845	75,336
	Archer Daniels Midland Company	1,094,208	73,958
	Mondelez International, Inc.	1,071,593	71,057
	Conagra Brands, Inc.	1,241,167	42,386
	Hormel Foods Corp.	743,373	36,284
	Procter & Gamble Company	207,613	33,961
	Church & Dwight Co., Inc.	294,392	30,175
	Reckitt Benckiser Group PLC (ADR)	1,711,879	29,958
	Kraft Heinz Company	782,631	28,097
	Costco Wholesale Corp.	44,478	25,250
	General Mills, Inc.	372,233	25,081
	Unilever PLC (ADR)	375,851	20,217
	Walgreens Boots Alliance, Inc.	351,887	18,355
	Kimberly-Clark Corp.	59,250	8,468
	Danone (ADR)	426,506	5,284
			643,641
Energy 4.36%	Chevron Corp.	937,492	110,015
	Pioneer Natural Resources Company	446,017	81,121
	Baker Hughes Co., Class A	3,073,144	73,940
	ConocoPhillips	935,811	67,547
	EOG Resources, Inc.	684,148	60,773
	Exxon Mobil Corp.	511,484	31,298
	Coterra Energy, Inc.	1,132,982	21,527
	Enbridge, Inc.	496,460	19,401
	TC Energy Corp.	398,990	18,569
	Valero Energy Corp.	215,538	16,189
			500,380
Materials 3.38%	LyondellBasell Industries NV	884,714	81,597
	Dow, Inc.	1,362,977	77,308
	Nucor Corp.	564,327	64,418
	Rio Tinto PLC (ADR)[2]	669,108	44,790
	Linde PLC	124,156	43,011
	Air Products and Chemicals, Inc.	92,564	28,164
	Huntsman Corp.	488,698	17,046
	Sherwin-Williams Company	38,831	13,675
	Corteva, Inc.	221,486	10,472
	Celanese Corp.	39,510	6,640
			387,121

Washington Mutual Investors Fund (continued)
(formerly Blue Chip Income and Growth Fund)

Common stocks (continued)		Shares	Value (000)
Utilities 2.84%	Exelon Corp.	1,518,667	$ 87,718
	Sempra Energy	434,821	57,518
	Entergy Corp.	424,589	47,830
	NextEra Energy, Inc.	361,780	33,776
	CMS Energy Corp.	438,140	28,501
	Evergy, Inc.	295,519	20,275
	Public Service Enterprise Group, Inc.	268,764	17,935
	Edison International	173,784	11,861
	Dominion Energy, Inc.	150,784	11,845
	Xcel Energy, Inc.	116,833	7,910
			325,169
Real estate 2.46%	Digital Realty Trust, Inc. REIT	533,914	94,433
	Regency Centers Corp. REIT	764,675	57,618
	Alexandria Real Estate Equities, Inc. REIT	206,219	45,979
	Mid-America Apartment Communities, Inc. REIT	148,230	34,010
	American Tower Corp. REIT	71,386	20,881
	Boston Properties, Inc. REIT	129,978	14,971
	Extra Space Storage, Inc. REIT	63,512	14,400
			282,292
	Total common stocks (cost: $8,137,294,000)		11,033,122

Convertible stocks 0.98%

Information technology 0.40%	Broadcom, Inc., Series A, cumulative convertible preferred shares, 8.00% 2022	22,140	45,949
Health care 0.24%	Danaher Corp., Series B, cumulative convertible preferred shares, 5.00% 2023[2]	10,121	17,592
	Becton, Dickinson and Company, Series B, convertible preferred shares, 6.00% 2023[2]	197,800	10,434
			28,026
Utilities 0.22%	NextEra Energy, Inc., convertible preferred units, 5.279% 2023	336,900	19,385
	NextEra Energy, Inc., convertible preferred units, 6.219% 2023	41,000	2,374
	American Electric Power Company, Inc., convertible preferred units, 6.125% 2023	56,400	2,967
			24,726
Financials 0.12%	KKR & Co., Inc., Series C, convertible preferred shares, 6.00% 2023	144,500	13,460
	Total convertible stocks (cost: $92,500,000)		112,161

Short-term securities 2.98%

Money market investments 2.81%			
	Capital Group Central Cash Fund 0.09%[3,4]	3,218,378	321,870

Washington Mutual Investors Fund (continued)
(formerly Blue Chip Income and Growth Fund)

Short-term securities (continued)	Shares	Value (000)
Money market investments purchased with collateral from securities on loan 0.17%		
Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[3,5]	9,833,226	$ 9,833
Capital Group Central Cash Fund 0.09%[3,4,5]	92,720	9,273
Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[3,5]	662,357	663
		19,769
Total short-term securities (cost: $341,597,000)		341,639
Total investment securities 100.19% (cost: $8,571,391,000)		11,486,922
Other assets less liabilities (0.19)%		(21,785)
Net assets 100.00%		$11,465,137

Investments in affiliates[4]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 2.89%							
Money market investments 2.81%							
Capital Group Central Cash Fund 0.09%[3]	$178,532	$2,747,857	$2,604,532	$5	$8	$321,870	$158
Money market investments purchased with collateral from securities on loan 0.08%							
Capital Group Central Cash Fund 0.09%[3,5]	–	9,273[6]				9,273	–[7]
Total short-term securities						331,143	
Total 2.89%				$5	$8	$331,143	$158

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $89,518,000, which represented .78% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Rate represents the seven-day yield at 12/31/2021.
[4]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[5]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[6]Represents net activity. Refer to Note 5 for more information on securities lending.
[7]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Key to abbreviation
ADR = American Depositary Receipts

See notes to financial statements.

Capital World Growth and Income Fund

(formerly Global Growth and Income Fund)

Investment portfolio December 31, 2021

Common stocks 95.36%		Shares	Value (000)
Information technology 20.11%	Broadcom, Inc.	136,351	$ 90,729
	Microsoft Corp.	268,851	90,420
	Taiwan Semiconductor Manufacturing Company, Ltd.	3,255,800	72,372
	ASML Holding NV	51,729	41,620
	Tokyo Electron, Ltd.	58,900	33,938
	Apple, Inc.	118,634	21,066
	Accenture PLC, Class A	27,709	11,487
	MediaTek, Inc.	254,000	10,925
	Keyence Corp.	15,600	9,802
	Delta Electronics, Inc.	753,000	7,485
	EPAM Systems, Inc.[1]	9,246	6,180
	Logitech International SA	72,348	6,104
	Snowflake, Inc., Class A[1]	17,145	5,808
	Capgemini SE	22,716	5,573
	Fujitsu, Ltd.	31,700	5,437
	Applied Materials, Inc.	32,607	5,131
	Mastercard, Inc., Class A	13,216	4,749
	Hexagon AB, Class B	289,046	4,595
	Adobe, Inc.[1]	7,598	4,309
	GlobalWafers Co., Ltd.	127,000	4,076
	Advanced Micro Devices, Inc.[1]	27,570	3,967
	OBIC Co., Ltd.	16,600	3,117
	SK hynix, Inc.	26,182	2,885
	PagSeguro Digital, Ltd., Class A[1]	102,692	2,693
	Ceridian HCM Holding, Inc.[1]	25,738	2,689
	Worldline SA, non-registered shares[1]	47,988	2,678
	Micron Technology, Inc.	27,876	2,597
	ServiceNow, Inc.[1]	3,886	2,522
	Paycom Software, Inc.[1]	5,660	2,350
	TE Connectivity, Ltd.	14,501	2,340
	NortonLifeLock, Inc.	71,608	1,860
	Shopify, Inc., Class A, subordinate voting shares (CAD denominated)[1]	1,179	1,623
	Nomura Research Institute, Ltd.	36,900	1,583
	RingCentral, Inc., Class A[1]	7,468	1,399
	Samsung Electronics Co., Ltd.	20,872	1,375
	SS&C Technologies Holdings, Inc.	12,082	990
	Atlassian Corp. PLC, Class A[1]	2,187	834
			479,308
Financials 14.67%	Kotak Mahindra Bank, Ltd.	931,634	22,510
	Zurich Insurance Group AG	47,679	20,951
	AIA Group, Ltd.	2,050,799	20,672
	Toronto-Dominion Bank (CAD denominated)	264,826	20,303
	CME Group, Inc., Class A	80,532	18,398
	ING Groep NV	1,262,761	17,600
	Sberbank of Russia PJSC (ADR)	925,176	14,849
	JPMorgan Chase & Co.	92,806	14,696
	KBC Groep NV	131,857	11,328
	Nasdaq, Inc.	50,753	10,659
	HDFC Bank, Ltd.	468,575	9,325
	HDFC Bank, Ltd. (ADR)	16,964	1,104
	DNB Bank ASA	446,331	10,238
	HDFC Life Insurance Company, Ltd.	1,030,738	9,007
	PNC Financial Services Group, Inc.	43,101	8,643
	BlackRock, Inc.	9,083	8,316
	Ping An Insurance (Group) Company of China, Ltd., Class H	1,070,000	7,705
	Ping An Insurance (Group) Company of China, Ltd., Class A	31,800	252
	Blackstone, Inc., nonvoting shares	60,151	7,783
	B3 SA-Brasil, Bolsa, Balcao	3,886,144	7,772
	Intercontinental Exchange, Inc.	55,456	7,585

Capital World Growth and Income Fund (continued)

(formerly Global Growth and Income Fund)

Common stocks (continued)		Shares	Value (000)
Financials (continued)	Wells Fargo & Company	142,482	$ 6,836
	S&P Global, Inc.	13,267	6,261
	Macquarie Group, Ltd.	40,902	6,112
	Lufax Holding, Ltd. (ADR)[1]	1,084,885	6,108
	Discover Financial Services	49,680	5,741
	Banco Santander, SA	1,589,003	5,320
	Tradeweb Markets, Inc., Class A	51,782	5,185
	Hong Kong Exchanges and Clearing, Ltd.	83,300	4,865
	American International Group, Inc.	85,032	4,835
	Citigroup, Inc.	68,153	4,116
	Deutsche Bank AG[1]	307,073	3,852
	St. James's Place PLC	163,292	3,721
	Bank of America Corp.	83,584	3,719
	Moody's Corp.	7,587	2,963
	BNP Paribas SA	39,668	2,744
	Berkshire Hathaway, Inc., Class B[1]	8,739	2,613
	Legal & General Group PLC	643,174	2,590
	FinecoBank SpA	145,321	2,554
	Power Corporation of Canada, subordinate voting shares	75,066	2,480
	China Pacific Insurance (Group) Co., Ltd., Class H	796,200	2,160
	AXA SA	64,417	1,920
	Marsh & McLennan Companies, Inc.	11,030	1,917
	Morgan Stanley	19,050	1,870
	Blue Owl Capital, Inc., Class A	119,174	1,777
	Bajaj Finance, Ltd.	16,137	1,515
	DBS Group Holdings, Ltd.	61,800	1,498
	National Bank of Canada[2]	19,203	1,464
	Tryg A/S	48,816	1,207
	Swedbank AB, Class A	56,092	1,130
	Aegon NV	204,110	1,021
			349,790
Health care 12.03%	Abbott Laboratories	286,270	40,290
	UnitedHealth Group, Inc.	71,624	35,965
	Thermo Fisher Scientific, Inc.	34,587	23,078
	Gilead Sciences, Inc.	314,904	22,865
	Novartis AG	206,328	18,178
	Amgen, Inc.	62,337	14,024
	Daiichi Sankyo Company, Ltd.	521,900	13,271
	AstraZeneca PLC	89,259	10,485
	Stryker Corp.	38,863	10,393
	Pfizer, Inc.	140,643	8,305
	Eli Lilly and Company	29,163	8,055
	Centene Corp.[1]	86,477	7,126
	Sanofi	70,085	7,068
	PerkinElmer, Inc.	31,792	6,392
	Olympus Corp.	237,100	5,461
	Siemens Healthineers AG[1]	72,545	5,436
	Medtronic PLC	43,425	4,492
	Coloplast A/S, Class B	24,429	4,305
	Guardant Health, Inc.[1]	36,431	3,644
	Carl Zeiss Meditec AG, non-registered shares	16,485	3,469
	Zoetis, Inc., Class A	12,774	3,117
	Intuitive Surgical, Inc.[1]	8,085	2,905
	Insulet Corp.[1]	10,829	2,881
	DexCom, Inc.[1]	5,213	2,799
	Baxter International, Inc.	27,735	2,381
	Teva Pharmaceutical Industries, Ltd. (ADR)[1]	274,710	2,200
	Alcon, Inc.	24,235	2,147
	Chugai Pharmaceutical Co., Ltd.	63,700	2,068

Capital World Growth and Income Fund (continued)

(formerly Global Growth and Income Fund)

Common stocks (continued)		Shares	Value (000)
Health care (continued)	Merck KGaA	7,610	$ 1,967
	Illumina, Inc.[1]	4,940	1,879
	Cigna Corp.	7,371	1,693
	Novo Nordisk A/S, Class B	14,326	1,612
	Edwards Lifesciences Corp.[1]	12,324	1,597
	Vertex Pharmaceuticals, Inc.[1]	6,224	1,367
	GlaxoSmithKline PLC	42,120	916
	Hypera SA, ordinary nominative shares	179,438	911
	M3, Inc.	17,700	891
	CSL, Ltd.	2,472	523
	Agilon Health, Inc.[1]	14,065	380
	CanSino Biologics, Inc., Class H[1]	11,200	259
			286,795
Consumer discretionary 11.08%	LVMH Moët Hennessy-Louis Vuitton SE	44,206	36,589
	Amazon.com, Inc.[1]	9,604	32,023
	Home Depot, Inc.	74,629	30,972
	General Motors Company[1]	412,329	24,175
	Flutter Entertainment PLC[1]	63,146	9,993
	Rivian Automotive, Inc., Class A[1]	82,794	8,585
	Rivian Automotive, Inc., Class A[1,3,4]	11,070	1,044
	Stellantis NV	478,108	9,080
	Barratt Developments PLC	802,149	8,121
	Midea Group Co., Ltd., Class A	698,797	8,093
	MercadoLibre, Inc.[1]	5,656	7,627
	Marriott International, Inc., Class A[1]	42,874	7,085
	Sony Group Corp.	47,200	5,940
	Chipotle Mexican Grill, Inc.[1]	3,354	5,864
	Restaurant Brands International, Inc. (CAD denominated)	83,274	5,049
	Restaurant Brands International, Inc.	12,226	742
	Shimano, Inc.	21,600	5,757
	Booking Holdings, Inc.[1]	2,169	5,204
	Astra International Tbk PT	11,337,300	4,534
	Compagnie Financière Richemont SA, Class A	29,716	4,466
	Evolution AB	30,899	4,398
	Moncler SpA	47,558	3,466
	adidas AG	11,713	3,377
	NIKE, Inc., Class B	20,021	3,337
	EssilorLuxottica	13,676	2,915
	Nokian Renkaat OYJ	66,103	2,506
	Taylor Wimpey PLC	1,022,679	2,429
	Darden Restaurants, Inc.	15,588	2,348
	Industria de Diseño Textil, SA	56,688	1,841
	Kindred Group PLC (SDR)	145,423	1,733
	Target Corp.	5,981	1,384
	Prosus NV, Class N	16,460	1,378
	DraftKings, Inc., Class A[1]	49,904	1,371
	Pan Pacific International Holdings Corp.	98,500	1,359
	Tesla, Inc.[1]	1,209	1,278
	Wayfair, Inc., Class A[1]	6,644	1,262
	Kering SA	1,529	1,231
	Meituan, Class B[1]	29,100	841
	Just Eat Takeaway (GBP denominated)[1]	14,906	822
	Wynn Macau, Ltd.[1,2]	946,400	773
	Cazoo Group, Ltd., Class A[1]	117,813	710
	InterContinental Hotels Group PLC[1]	10,909	706
	Naspers, Ltd., Class N	4,292	666

Capital World Growth and Income Fund (continued)
(formerly Global Growth and Income Fund)

Common stocks (continued)		Shares	Value (000)
Consumer discretionary (continued)	Domino's Pizza Enterprises, Ltd.	5,655	$ 486
	Aptiv PLC[1]	2,518	415
	Faurecia SA	984	47
			264,022
Industrials 9.01%	CSX Corp.	602,883	22,668
	General Electric Co.	239,731	22,647
	Airbus SE, non-registered shares[1]	161,342	20,639
	Safran SA	73,809	9,047
	Carrier Global Corp.	161,966	8,785
	LIXIL Corp.	323,500	8,620
	Deere & Company	24,478	8,393
	Raytheon Technologies Corp.	83,021	7,145
	BAE Systems PLC	913,120	6,795
	Lockheed Martin Corp.	18,634	6,623
	VINCI SA	57,984	6,133
	Melrose Industries PLC	2,819,112	6,102
	Compagnie de Saint-Gobain SA, non-registered shares	80,700	5,684
	Recruit Holdings Co., Ltd.	93,600	5,673
	Johnson Controls International PLC	58,928	4,791
	L3Harris Technologies, Inc.	22,049	4,702
	RELX PLC	133,116	4,328
	TransDigm Group, Inc.[1]	6,748	4,294
	Nidec Corp.	35,800	4,208
	Schneider Electric SE[1]	18,727	3,677
	ManpowerGroup, Inc.	33,145	3,226
	Bunzl PLC	77,229	3,016
	Caterpillar, Inc.	13,844	2,862
	Eiffage SA	25,514	2,628
	Stanley Black & Decker, Inc.	13,208	2,491
	Ryanair Holdings PLC (ADR)[1]	21,553	2,206
	Honeywell International, Inc.	10,330	2,154
	Rockwell Automation	6,028	2,103
	SMC Corp.	3,100	2,091
	ASSA ABLOY AB, Class B	68,318	2,088
	Daikin Industries, Ltd.	8,800	1,996
	Union Pacific Corp.	7,669	1,932
	Zhejiang Sanhua Intelligent Controls Co., Ltd., Class A	439,500	1,745
	Ritchie Bros. Auctioneers, Inc.	27,952	1,711
	Adecco Group AG	32,531	1,664
	ACS, Actividades de Construcción y Servicios, SA[1]	61,429	1,648
	Atlas Copco AB, Class B	27,077	1,595
	Interpump Group SpA	20,048	1,471
	AB Volvo, Class B	59,393	1,378
	Wizz Air Holdings PLC[1]	22,268	1,262
	Brenntag SE	12,183	1,104
	InPost SA[1]	65,667	792
	Lilium NV, Class A[1,2]	59,454	412
	Otis Worldwide Corp.	4,082	355
			214,884
Communication services 8.26%	Alphabet, Inc., Class C[1]	13,294	38,467
	Alphabet, Inc., Class A[1]	6,704	19,422
	Netflix, Inc.[1]	55,837	33,638
	Meta Platforms, Inc., Class A[1]	70,173	23,603
	Comcast Corp., Class A	368,104	18,527
	SoftBank Corp.	1,296,103	16,389
	Yandex NV, Class A[1]	193,646	11,716
	NetEase, Inc.	380,300	7,681

Capital World Growth and Income Fund (continued)

(formerly Global Growth and Income Fund)

Common stocks (continued)		Shares	Value (000)
Communication services (continued)	Sea, Ltd., Class A (ADR)[1]	26,716	$ 5,977
	Tencent Holdings, Ltd.	80,700	4,728
	Universal Music Group NV	148,049	4,177
	Cellnex Telecom, SA, non-registered shares	53,156	3,097
	Bharti Airtel, Ltd.[1]	208,066	1,914
	Bharti Airtel, Ltd., interim shares[1]	13,994	66
	Omnicom Group, Inc.	24,376	1,786
	Activision Blizzard, Inc.	26,125	1,738
	ITV PLC[1]	1,096,106	1,640
	Bilibili, Inc., Class Z[1]	25,345	1,166
	Bilibili, Inc., Class Z (ADR)[1,2]	4,489	208
	SoftBank Group Corp.	19,800	935
			196,875
Consumer staples 7.08%	Philip Morris International, Inc.	283,612	26,943
	Nestlé SA	146,080	20,431
	Ocado Group PLC[1]	812,478	18,453
	Keurig Dr Pepper, Inc.	428,942	15,811
	Kweichow Moutai Co., Ltd., Class A	31,600	10,164
	British American Tobacco PLC	227,510	8,418
	British American Tobacco PLC (ADR)	9,738	364
	Swedish Match AB	1,042,224	8,307
	Kroger Co.	167,474	7,580
	Altria Group, Inc.	136,773	6,481
	Heineken NV	51,210	5,764
	Bunge, Ltd.	56,609	5,285
	Imperial Brands PLC	213,360	4,668
	Constellation Brands, Inc., Class A	18,117	4,547
	Treasury Wine Estates, Ltd.	474,087	4,270
	Danone SA	64,339	3,999
	Inner Mongolia Yili Industrial Group Co., Ltd., Class A	546,300	3,554
	PepsiCo, Inc.	17,432	3,028
	Arca Continental, SAB de CV	412,000	2,626
	Mondelez International, Inc.	36,482	2,419
	Ajinomoto Co., Inc.	69,100	2,101
	ITC, Ltd.	651,059	1,910
	Pernod Ricard SA	6,537	1,574
			168,697
Materials 4.92%	Vale SA, ordinary nominative shares	1,674,800	23,441
	Vale SA, ordinary nominative shares (ADR)	974,038	13,656
	Rio Tinto PLC	246,347	16,312
	Fortescue Metals Group, Ltd.	1,124,633	15,718
	Freeport-McMoRan, Inc.	203,451	8,490
	Linde PLC	22,166	7,679
	BHP Group PLC	151,886	4,522
	Shin-Etsu Chemical Co., Ltd.	23,300	4,035
	Albemarle Corp.	12,627	2,952
	HeidelbergCement AG	40,935	2,774
	Akzo Nobel NV	25,024	2,749
	Dow, Inc.	47,548	2,697
	Barrick Gold Corp. (CAD denominated)	138,973	2,642
	CRH PLC	49,376	2,615
	Amcor PLC (CDI)	165,731	1,992
	Koninklijke DSM NV	7,690	1,734

Capital World Growth and Income Fund (continued)

(formerly Global Growth and Income Fund)

Common stocks (continued)		Shares	Value (000)
Materials (continued)	Lynas Rare Earths, Ltd.[1]	163,843	$ 1,212
	Air Liquide SA, non-registered shares	6,630	1,157
	Evonik Industries AG	28,154	913
			117,290
Energy 3.34%	Canadian Natural Resources, Ltd. (CAD denominated)	521,996	22,057
	EOG Resources, Inc.	117,171	10,408
	Gazprom PJSC (ADR)	1,084,575	10,022
	TotalEnergies SE	110,306	5,605
	TC Energy Corp. (CAD denominated)	111,856	5,202
	Baker Hughes Co., Class A	215,538	5,186
	Reliance Industries, Ltd.	161,241	5,137
	BP PLC	994,134	4,447
	ConocoPhillips	53,575	3,867
	Suncor Energy, Inc.	89,850	2,248
	Royal Dutch Shell PLC, Class B	98,951	2,173
	Tourmaline Oil Corp.	41,394	1,336
	Coterra Energy, Inc.	64,779	1,231
	Lundin Energy AB[1]	20,939	752
			79,671
Utilities 2.82%	China Resources Gas Group, Ltd.	1,444,000	8,157
	E.ON SE	544,715	7,561
	DTE Energy Company	56,345	6,735
	National Grid PLC	446,821	6,410
	Iberdrola SA, non-registered shares[1]	536,381	6,357
	Engie SA	418,841	6,206
	NextEra Energy, Inc.	47,963	4,478
	Enel SpA	551,606	4,425
	Edison International	58,822	4,015
	PG&E Corp.[1]	265,891	3,228
	Power Grid Corporation of India, Ltd.	721,893	1,985
	Entergy Corp.	16,397	1,847
	Endesa, SA	76,908	1,769
	Ørsted AS	11,362	1,453
	AES Corp.	52,478	1,275
	China Gas Holdings, Ltd.	578,200	1,201
			67,102
Real estate 2.04%	Crown Castle International Corp. REIT	76,898	16,052
	Longfor Group Holdings, Ltd.	1,614,500	7,599
	American Tower Corp. REIT	24,900	7,283
	VICI Properties, Inc. REIT	166,637	5,017
	Country Garden Services Holdings Co., Ltd.	772,968	4,629
	Boston Properties, Inc. REIT	20,698	2,384
	China Resources Mixc Lifestyle Services, Ltd.	417,600	1,947
	Equinix, Inc. REIT	2,288	1,935
	Sun Hung Kai Properties, Ltd.	81,500	989
	Iron Mountain, Inc. REIT	14,006	733
			48,568
	Total common stocks (cost: $1,660,965,000)		2,273,002

Capital World Growth and Income Fund (continued)
(formerly Global Growth and Income Fund)

Preferred securities 0.74%		Shares	Value (000)
Consumer discretionary 0.43%	Volkswagen AG, nonvoting preferred shares	51,509	$10,408
Financials 0.17%	Banco Bradesco SA, preferred nominative shares	1,048,670	3,617
	Fannie Mae, Series S, 8.25% noncumulative preferred shares[1]	58,870	184
	Federal Home Loan Mortgage Corp., Series Z, 8.375% noncumulative preferred shares[1]	61,516	176
			3,977
Information technology 0.11%	Samsung Electronics Co., Ltd., nonvoting preferred shares	42,831	2,565
Health care 0.03%	Grifols, SA, Class B, nonvoting non-registered preferred shares	72,318	832
	Total preferred securities (cost: $21,946,000)		17,782

Convertible stocks 0.18%			
Information technology 0.14%	Broadcom, Inc., Series A, cumulative convertible preferred shares, 8.00% 2022	1,566	3,250
Financials 0.04%	2020 Cash Mandatory Exchangeable Trust, convertible preferred shares, 5.25% 2023[4]	900	941
	Total convertible stocks (cost: $3,505,000)		4,191

Convertible bonds & notes 0.16%		Principal amount (000)	
Communication services 0.16%	Sea, Ltd., convertible notes, 2.375% 2025	$ 1,500	3,844
	Total convertible bonds & notes (cost: $3,840,000)		3,844

Bonds, notes & other debt instruments 0.24%			
Corporate bonds, notes & loans 0.20%			
Health care 0.11%	Teva Pharmaceutical Finance Co. BV 6.00% 2024	1,600	1,678
	Teva Pharmaceutical Finance Co. BV 3.15% 2026	1,100	1,036
			2,714
Energy 0.05%	TransCanada PipeLines, Ltd. 5.10% 2049	800	1,057
Consumer discretionary 0.04%	General Motors Company 5.40% 2023	300	321
	Royal Caribbean Cruises, Ltd. 11.50% 2025[4]	477	535
			856
	Total corporate bonds, notes & loans		4,627

Capital World Growth and Income Fund (continued)
(formerly Global Growth and Income Fund)

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Bonds & notes of governments & government agencies outside the U.S. 0.04%		
United Mexican States, Series M, 8.00% 2023	MXN20,000	$ 991
Total bonds, notes & other debt instruments (cost: $5,624,000)		5,618

Short-term securities 3.12%	Weighted average yield at acquisition		
Commercial paper 2.55%			
Bank of Montreal 1/31/2022	0.107%	$ 10,000	9,999
Canadian Imperial Bank of Commerce 1/14/2022[4]	0.125	10,000	10,000
LVMH Moët Hennessy Louis Vuitton, Inc. 2/14/2022[4]	0.118	10,800	10,799
Toronto-Dominion Bank 1/24/2022[4]	0.058	30,000	29,998
			60,796
		Shares	
Money market investments 0.54%			
Capital Group Central Cash Fund 0.09%[5,6]		129,879	12,989
Money market investments purchased with collateral from securities on loan 0.03%			
Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[5,7]		310,193	310
Capital Group Central Cash Fund 0.09%[5,6,7]		2,925	293
Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[5,7]		20,894	21
			624
Total short-term securities (cost: $74,409,000)			74,409
Total investment securities 99.80% (cost: $1,770,289,000)			2,378,846
Other assets less liabilities 0.20%			4,809
Net assets 100.00%			$2,383,655

Investments in affiliates[6]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized depreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 0.55%							
Money market investments 0.54%							
Capital Group Central Cash Fund 0.09%[5]	$66,489	$566,964	$620,462	$5	$(7)	$12,989	$50
Money market investments purchased with collateral from securities on loan 0.01%							
Capital Group Central Cash Fund 0.09%[5,7]	–	293[8]				293	–[9]
Total short-term securities						13,282	
Total 0.55%				$5	$(7)	$13,282	$50

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $2,444,000, which represented .10% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Valued under fair value procedures adopted by authority of the board of trustees. The total value of the security was $1,044,000, which represented .04% of the net assets of the fund.
[4]Acquired in a transaction exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $53,317,000, which represented 2.24% of the net assets of the fund.
[5]Rate represents the seven-day yield at 12/31/2021.
[6]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[7]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[8]Represents net activity. Refer to Note 5 for more information on securities lending.
[9]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Key to abbreviations
ADR = American Depositary Receipts
CAD = Canadian dollars
CDI = CREST Depository Interest
GBP = British pounds
MXN = Mexican pesos
SDR = Swedish Depositary Receipts

See notes to financial statements.

Growth-Income Fund

Investment portfolio December 31, 2021

Common stocks 95.86%		Shares	Value (000)
Information technology 23.94%	Microsoft Corp.	10,125,024	$ 3,405,248
	Broadcom, Inc.	2,238,001	1,489,188
	Mastercard, Inc., Class A	1,656,021	595,042
	Apple, Inc.	2,608,900	463,262
	Accenture PLC, Class A	991,200	410,902
	Visa, Inc., Class A	1,567,091	339,604
	ASML Holding NV	254,068	204,418
	ASML Holding NV (New York registered) (ADR)	147,800	117,669
	Taiwan Semiconductor Manufacturing Company, Ltd.	13,692,000	304,355
	Automatic Data Processing, Inc.	845,000	208,360
	Concentrix Corp.	904,367	161,538
	Applied Materials, Inc.	950,400	149,555
	Fidelity National Information Services, Inc.	1,268,981	138,509
	ServiceNow, Inc.[1]	205,938	133,676
	Cognizant Technology Solutions Corp., Class A	1,489,400	132,140
	Global Payments, Inc.	973,628	131,615
	Ceridian HCM Holding, Inc.[1]	1,240,574	129,590
	QUALCOMM, Inc.	708,211	129,511
	GoDaddy, Inc., Class A[1]	1,402,444	119,011
	Analog Devices, Inc.	629,402	110,630
	Micron Technology, Inc.	1,140,549	106,242
	Adobe, Inc.[1]	175,373	99,447
	Intel Corp.	1,884,384	97,046
	FleetCor Technologies, Inc.[1]	420,507	94,126
	Euronet Worldwide, Inc.[1]	763,602	90,999
	MKS Instruments, Inc.	481,000	83,776
	Shopify, Inc., Class A, subordinate voting shares[1]	60,000	82,643
	Atlassian Corp. PLC, Class A[1]	199,100	75,915
	Affirm Holdings, Inc., Class A[1]	693,650	69,753
	KLA Corp.	155,000	66,667
	TELUS International (Cda), Inc., subordinate voting shares[1]	1,879,800	62,146
	Texas Instruments, Inc.	308,278	58,101
	Datadog, Inc., Class A[1]	314,200	55,962
	Fiserv, Inc.[1]	536,700	55,704
	Snowflake, Inc., Class A[1]	160,000	54,200
	Block, Inc., Class A[1]	301,422	48,683
	Dye & Durham, Ltd.	1,322,100	46,908
	Lam Research Corp.	62,390	44,868
	Samsung Electronics Co., Ltd.	570,000	37,545
	Trimble, Inc.[1]	413,300	36,036
	StoneCo, Ltd., Class A[1]	1,659,500	27,979
	VeriSign, Inc.[1]	61,000	15,483
			10,284,052
Communication services 14.77%	Alphabet, Inc., Class A[1]	393,780	1,140,796
	Alphabet, Inc., Class C[1]	352,067	1,018,738
	Meta Platforms, Inc., Class A[1]	4,489,266	1,509,964
	Netflix, Inc.[1]	2,288,284	1,378,554
	Comcast Corp., Class A	14,034,950	706,379
	Charter Communications, Inc., Class A[1]	440,020	286,880
	Electronic Arts, Inc.	1,168,000	154,059
	Tencent Holdings, Ltd.	1,782,100	104,400
	Activision Blizzard, Inc.	687,264	45,724
			6,345,494
Health care 11.58%	UnitedHealth Group, Inc.	2,508,200	1,259,468
	Abbott Laboratories	6,794,592	956,271
	Gilead Sciences, Inc.	5,288,700	384,012
	Novo Nordisk A/S, Class B	2,446,056	275,235
	Amgen, Inc.	1,036,000	233,069

Growth-Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Health care (continued)	Thermo Fisher Scientific, Inc.	336,353	$ 224,428
	Anthem, Inc.	474,750	220,066
	Humana, Inc.	415,407	192,691
	AstraZeneca PLC	1,249,112	146,722
	AstraZeneca PLC (ADR)	721,200	42,010
	AbbVie, Inc.	1,296,036	175,483
	PerkinElmer, Inc.	769,600	154,736
	GlaxoSmithKline PLC	6,402,300	139,225
	Medtronic PLC	860,000	88,967
	Edwards Lifesciences Corp.[1]	604,506	78,314
	Eli Lilly and Company	248,703	68,697
	Guardant Health, Inc.[1]	555,900	55,601
	Royalty Pharma PLC, Class A	1,170,161	46,631
	Vertex Pharmaceuticals, Inc.[1]	192,000	42,163
	Stryker Corp.	148,897	39,818
	Roche Holding AG, nonvoting non-registered shares	93,081	38,726
	Seagen, Inc.[1]	215,292	33,284
	AmerisourceBergen Corp.	192,000	25,515
	Zimmer Biomet Holdings, Inc.	198,766	25,251
	NovoCure, Ltd.[1]	193,600	14,535
	Vir Biotechnology, Inc.[1]	258,400	10,819
			4,971,737
Consumer discretionary 10.39%	Amazon.com, Inc.[1]	433,108	1,444,129
	General Motors Company[1]	8,736,000	512,192
	MercadoLibre, Inc.[1]	250,000	337,100
	Home Depot, Inc.	667,661	277,086
	Royal Caribbean Cruises, Ltd.[1]	2,765,845	212,693
	Hilton Worldwide Holdings, Inc.[1]	1,337,320	208,609
	Wyndham Hotels & Resorts, Inc.	2,093,300	187,664
	Dollar Tree Stores, Inc.[1]	1,325,018	186,191
	Rivian Automotive, Inc., Class A[1,2]	1,075,659	111,535
	Rivian Automotive, Inc., Class A[1,3,4]	199,291	18,805
	NVR, Inc.[1]	15,904	93,975
	Chipotle Mexican Grill, Inc.[1]	53,110	92,850
	Lowe's Companies, Inc.	345,000	89,176
	Dollar General Corp.	368,755	86,963
	Kering SA	101,695	81,845
	Ford Motor Co.[1]	3,848,000	79,923
	Aptiv PLC[1]	427,399	70,499
	Hasbro, Inc.	558,000	56,793
	McDonald's Corp.	198,000	53,078
	DoorDash, Inc., Class A[1]	310,000	46,159
	Darden Restaurants, Inc.	296,000	44,589
	Starbucks Corp.	367,800	43,022
	CarMax, Inc.[1]	300,000	39,069
	Lear Corp.	188,000	34,395
	VF Corp.	390,000	28,556
	YUM! Brands, Inc.	196,630	27,304
			4,464,200
Industrials 10.29%	Raytheon Technologies Corp.	6,196,850	533,301
	Carrier Global Corp.	6,905,267	374,542
	Northrop Grumman Corp.	733,200	283,800
	TFI International, Inc.	2,436,287	273,132
	Woodward, Inc.	2,204,500	241,305
	General Electric Co.	2,551,781	241,067
	Airbus SE, non-registered shares[1]	1,617,590	206,925
	Waste Connections, Inc.	1,516,231	206,617
	TransDigm Group, Inc.[1]	302,520	192,487

Growth-Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Industrials (continued)	General Dynamics Corp.	848,975	$ 176,986
	Union Pacific Corp.	697,700	175,771
	Norfolk Southern Corp.	482,759	143,722
	CSX Corp.	3,681,700	138,432
	Old Dominion Freight Line, Inc.	350,000	125,433
	ITT, Inc.	1,204,930	123,132
	Waste Management, Inc.	625,300	104,363
	Equifax, Inc.	354,108	103,679
	BWX Technologies, Inc.	2,159,505	103,397
	L3Harris Technologies, Inc.	446,960	95,310
	Air Lease Corp., Class A	2,097,300	92,764
	Honeywell International, Inc.	409,067	85,294
	Fortive Corp.	1,085,000	82,775
	Lockheed Martin Corp.	230,000	81,744
	Safran SA	539,713	66,153
	Ryanair Holdings PLC (ADR)[1]	445,550	45,593
	Ryanair Holdings PLC[1]	611,907	10,624
	Fastenal Co.	635,000	40,678
	Montana Aerospace AG[1]	658,516	24,463
	Otis Worldwide Corp.	268,100	23,343
	Cummins, Inc.	100,000	21,814
			4,418,646
Financials 9.36%	JPMorgan Chase & Co.	4,714,632	746,562
	Marsh & McLennan Companies, Inc.	1,744,801	303,281
	Chubb, Ltd.	1,239,153	239,541
	Aon PLC, Class A	702,062	211,012
	BlackRock, Inc.	205,800	188,422
	PNC Financial Services Group, Inc.	928,464	186,176
	Intercontinental Exchange, Inc.	1,346,662	184,183
	S&P Global, Inc.	357,338	168,638
	Moody's Corp.	425,900	166,348
	Arthur J. Gallagher & Co.	966,650	164,011
	American International Group, Inc.	2,851,000	162,108
	Discover Financial Services	1,019,080	117,765
	KeyCorp	4,886,953	113,035
	Bank of America Corp.	2,445,755	108,812
	Nasdaq, Inc.	499,700	104,942
	State Street Corp.	1,077,260	100,185
	Hong Kong Exchanges and Clearing, Ltd.	1,659,500	96,920
	CME Group, Inc., Class A	409,200	93,486
	Webster Financial Corp.	1,601,139	89,408
	Power Corporation of Canada, subordinate voting shares	2,443,100	80,732
	B3 SA-Brasil, Bolsa, Balcao	39,829,500	79,659
	Charles Schwab Corp.	879,000	73,924
	Travelers Companies, Inc.	443,055	69,307
	Truist Financial Corp.	870,732	50,981
	Signature Bank[1]	139,521	45,131
	Morgan Stanley	431,267	42,333
	Citizens Financial Group, Inc.	728,750	34,433
			4,021,335
Materials 4.43%	Linde PLC	1,010,978	350,233
	Vale SA, ordinary nominative shares (ADR)	17,488,480	245,188
	Vale SA, ordinary nominative shares	3,404,848	47,656
	LyondellBasell Industries NV	2,760,446	254,596
	Air Products and Chemicals, Inc.	825,991	251,316
	Celanese Corp.	1,250,900	210,226
	International Flavors & Fragrances, Inc.	1,075,001	161,949
	Freeport-McMoRan, Inc.	3,803,000	158,699

Growth-Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Materials (continued)	Dow, Inc.	1,650,000	$ 93,588
	Sherwin-Williams Company	162,300	57,156
	Barrick Gold Corp.	2,373,000	45,087
	Allegheny Technologies, Inc.[1]	1,769,447	28,187
			1,903,881
Consumer staples 3.19%	Philip Morris International, Inc.	5,517,126	524,127
	Keurig Dr Pepper, Inc.	5,357,676	197,484
	British American Tobacco PLC	4,663,859	172,559
	Nestlé SA	731,589	102,320
	Anheuser-Busch InBev SA/NV	1,358,211	82,218
	Molson Coors Beverage Company, Class B, restricted voting shares	1,620,313	75,102
	General Mills, Inc.	968,800	65,278
	Mondelez International, Inc.	945,300	62,683
	Church & Dwight Co., Inc.	424,500	43,511
	Constellation Brands, Inc., Class A	100,700	25,273
	Kraft Heinz Company	567,200	20,362
			1,370,917
Energy 3.14%	Canadian Natural Resources, Ltd. (CAD denominated)	7,948,000	335,840
	Chevron Corp.	1,813,200	212,779
	EOG Resources, Inc.	2,215,000	196,758
	ConocoPhillips	2,699,104	194,821
	Baker Hughes Co., Class A	7,686,224	184,931
	Equitrans Midstream Corp.	10,215,807	105,631
	TC Energy Corp. (CAD denominated)	1,821,019	84,692
	Exxon Mobil Corp.	500,000	30,595
	Weatherford International[1]	128,424	3,560
			1,349,607
Utilities 2.47%	Edison International	2,508,200	171,185
	AES Corp.	6,608,200	160,579
	Enel SpA	18,469,069	148,157
	Entergy Corp.	966,900	108,921
	PG&E Corp.[1]	8,919,700	108,285
	Sempra Energy	750,000	99,210
	Exelon Corp.	1,576,100	91,036
	CenterPoint Energy, Inc.	2,840,104	79,267
	CMS Energy Corp.	918,200	59,729
	Evergy, Inc.	463,246	31,783
			1,058,152
Real estate 2.30%	Equinix, Inc. REIT	514,777	435,419
	Crown Castle International Corp. REIT	883,033	184,324
	VICI Properties, Inc. REIT[2]	5,878,938	177,015
	MGM Growth Properties LLC REIT, Class A	3,996,000	163,237
	Digital Realty Trust, Inc. REIT	160,000	28,299
			988,294
	Total common stocks (cost: $22,026,883,000)		41,176,315

Convertible stocks 1.34%

Health care 0.65%	Danaher Corp., Series A, cumulative convertible preferred shares, 4.75% 2022	78,600	172,448
	Danaher Corp., Series B, cumulative convertible preferred shares, 5.00% 2023[2]	61,857	107,518
			279,966

Growth-Income Fund (continued)

Convertible stocks (continued)		Shares	Value (000)
Information technology 0.50%	Broadcom, Inc., Series A, cumulative convertible preferred shares, 8.00% 2022	102,783	$ 213,315
Consumer discretionary 0.10%	Aptiv PLC, Series A, convertible preferred shares, 5.50% 2023	238,475	43,901
Financials 0.08%	KKR & Co., Inc., Series C, convertible preferred shares, 6.00% 2023	390,600	36,384
Industrials 0.01%	Stanley Black & Decker, Inc., convertible preferred shares, 5.25% 2022[2]	35,448	3,871
	Total convertible stocks (cost: $347,295,000)		577,437

Bonds, notes & other debt instruments 0.02%		Principal amount (000)	
Corporate bonds, notes & loans 0.02%			
Industrials 0.01%	Boeing Company 4.875% 2025	$ 4,706	5,152
Consumer discretionary 0.01%	General Motors Financial Co. 4.30% 2025	160	173
	General Motors Financial Co. 5.25% 2026	827	928
			1,101
Energy 0.00%	Weatherford International, Ltd. 11.00% 2024[4]	637	657
	Total corporate bonds, notes & loans		6,910
	Total bonds, notes & other debt instruments (cost: $6,212,000)		6,910

Short-term securities 3.04%		Shares	
Money market investments 2.84%			
	Capital Group Central Cash Fund 0.09%[5,6]	12,206,384	1,220,761
Money market investments purchased with collateral from securities on loan 0.20%			
	Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[5,7]	41,513,132	41,513
	Capital Group Central Cash Fund 0.09%[5,6,7]	391,441	39,148
	Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[5,7]	2,796,285	2,796
			83,457
	Total short-term securities (cost: $1,304,022,000)		1,304,218
	Total investment securities 100.26% (cost: $23,684,412,000)		43,064,880
	Other assets less liabilities (0.26)%		(112,395)
	Net assets 100.00%		$42,952,485

Growth-Income Fund (continued)

Investments in affiliates[6]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized depreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)
Short-term securities 2.93%							
Money market investments 2.84%							
Capital Group Central Cash Fund 0.09%[5]	$1,005,764	$6,747,287	$6,532,241	$(41)	$(8)	$1,220,761	$857
Money market investments purchased with collateral from securities on loan 0.09%							
Capital Group Central Cash Fund 0.09%[5,7]	–	39,148[8]				39,148	–[9]
Total short-term securities						1,259,909	
Total 2.93%				$(41)	$(8)	$1,259,909	$857

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $91,976,000, which represented .21% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Valued under fair value procedures adopted by authority of the board of trustees. The total value of the security was $18,805,000, which represented .04% of the net assets of the fund.
[4]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $19,462,000, which represented .05% of the net assets of the fund.
[5]Rate represents the seven-day yield at 12/31/2021.
[6]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[7]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[8]Represents net activity. Refer to Note 5 for more information on securities lending.
[9]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Key to abbreviations
ADR = American Depositary Receipts
CAD = Canadian dollars

See notes to financial statements.

International Growth and Income Fund

Investment portfolio December 31, 2021

Common stocks 91.67%		Shares	Value (000)
Financials 17.66%	AXA SA	166,169	$ 4,954
	EQT AB	84,290	4,599
	Toronto-Dominion Bank (CAD denominated)	55,026	4,219
	Ping An Insurance (Group) Company of China, Ltd., Class H	544,500	3,921
	AIA Group, Ltd.	378,800	3,818
	HDFC Bank, Ltd.	162,019	3,224
	Hong Kong Exchanges and Clearing, Ltd.	42,500	2,482
	Sberbank of Russia PJSC (ADR)	150,727	2,419
	Société Générale	66,336	2,281
	Euronext NV	19,767	2,054
	KBC Groep NV	21,168	1,819
	DNB Bank ASA	74,495	1,709
	Partners Group Holding AG	989	1,642
	Prudential PLC	94,788	1,635
	Zurich Insurance Group AG	3,298	1,449
	HDFC Life Insurance Company, Ltd.	155,156	1,356
	UniCredit SpA	85,931	1,325
	Aon PLC, Class A	4,311	1,296
	Skandinaviska Enskilda Banken AB, Class A	85,756	1,194
	London Stock Exchange Group PLC	12,357	1,159
	UBS Group AG	61,966	1,117
	DBS Group Holdings, Ltd.	44,700	1,083
	3i Group PLC	52,180	1,023
	Banco Santander, SA	291,373	975
	Kotak Mahindra Bank, Ltd.	38,175	922
	Bank of Nova Scotia (CAD denominated)	12,583	891
	Fairfax Financial Holdings, Ltd., subordinate voting shares	1,686	829
	Brookfield Asset Management, Inc., Class A (CAD denominated)	13,447	812
	CaixaBank, SA[1]	294,385	809
	Banco Bilbao Vizcaya Argentaria, SA	128,854	770
	Banca Generali SpA	16,866	744
	Moscow Exchange MICEX-RTS PJSC	359,371	733
	QBE Insurance Group, Ltd.	78,766	650
	Aviva PLC	116,201	646
	Macquarie Group, Ltd.	4,195	627
	FinecoBank SpA	35,022	615
	Islandsbanki hf.[1]	608,273	592
	Investor AB, Class B	22,996	580
	Discovery, Ltd.[1]	58,697	529
	Intesa Sanpaolo SpA	202,500	524
	Allfunds Group PLC[1]	26,191	516
	Grupo Financiero Banorte, SAB de CV, Series O	70,936	461
	Postal Savings Bank of China Co., Ltd., Class H	636,000	446
	B3 SA-Brasil, Bolsa, Balcao	216,504	433
	ICICI Securities, Ltd.	34,073	363
	ING Groep NV	17,945	250
	China Merchants Bank Co., Ltd., Class H	23,000	179
	ICICI Bank, Ltd. (ADR)	8,627	171
			66,845
Information technology 15.82%	Taiwan Semiconductor Manufacturing Company, Ltd.	666,000	14,804
	ASML Holding NV	11,356	9,137
	Tokyo Electron, Ltd.	12,400	7,145
	Broadcom, Inc.	6,152	4,094
	MediaTek, Inc.	84,000	3,613
	Samsung Electronics Co., Ltd.	41,052	2,704
	Edenred SA	50,432	2,329
	Keyence Corp.	2,900	1,822
	SAP SE	9,669	1,375
	Kingdee International Software Group Co., Ltd.[1]	445,000	1,370
	Nokia Corp.[1]	198,935	1,263

International Growth and Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Information technology (continued)	Logitech International SA	14,120	$ 1,191
	Vanguard International Semiconductor Corp.	206,000	1,176
	ITOCHU Techno-Solutions Corp.	32,800	1,055
	Amadeus IT Group SA, Class A, non-registered shares[1]	15,420	1,047
	TDK Corp.	25,200	984
	SK hynix, Inc.	5,419	597
	STMicroelectronics NV	10,769	532
	Halma PLC	11,655	505
	PagSeguro Digital, Ltd., Class A[1]	18,278	479
	Nexi SpA[1]	24,528	391
	Infosys, Ltd. (ADR)	13,724	347
	AVEVA Group PLC	7,355	339
	Worldline SA, non-registered shares[1]	5,273	294
	Nemetschek SE	1,820	234
	Nomura Research Institute, Ltd.	5,300	227
	Nice, Ltd. (ADR)[1]	745	226
	Fujitsu, Ltd.	1,000	172
	Lightspeed Commerce, Inc., subordinate voting shares[1]	2,166	88
	Lightspeed Commerce, Inc., subordinate voting shares (CAD denominated)[1]	1,792	72
	Otsuka Corp.	2,500	119
	Capita PLC[1]	177,406	88
	DLocal, Ltd., Class A[1]	2,309	82
			59,901
Industrials 12.05%	Airbus SE, non-registered shares[1]	49,147	6,287
	SMC Corp.	4,500	3,035
	BAE Systems PLC	365,430	2,719
	ABB, Ltd.	68,957	2,641
	Alliance Global Group, Inc.	7,814,200	1,808
	LIXIL Corp.	67,400	1,796
	SITC International Holdings Co., Ltd.	488,000	1,765
	Lifco AB, Class B	53,600	1,606
	Husqvarna AB, Class B	96,797	1,552
	RELX PLC	44,588	1,450
	Ryanair Holdings PLC (ADR)[1]	13,434	1,375
	CCR SA, ordinary nominative shares	659,442	1,372
	Deutsche Post AG	20,123	1,295
	IMCD NV	5,722	1,268
	Daikin Industries, Ltd.	5,500	1,247
	Bunzl PLC	27,867	1,088
	Cathay Pacific Airways, Ltd.[1]	1,317,000	1,079
	Storskogen Group AB, Class B[1]	148,922	1,004
	Safran SA	7,743	949
	Siemens AG[1]	5,132	892
	Kone OYJ, Class B	12,219	877
	InPost SA[1]	72,694	877
	Experian PLC	17,314	851
	Interpump Group SpA	11,310	830
	Epiroc AB, Class A	19,321	490
	Epiroc AB, Class B	10,286	218
	Waste Connections, Inc. (CAD denominated)	5,192	708
	BELIMO Holding AG	1,088	693
	Rheinmetall AG	7,289	689
	TFI International, Inc. (CAD denominated)	5,854	657
	Coor Service Management Holding AB	57,898	530
	Wizz Air Holdings PLC[1]	9,173	520
	Meggitt PLC[1]	38,316	383
	AB Volvo, Class B	15,927	370
	Contemporary Amperex Technology Co., Ltd., Class A	2,100	194

International Growth and Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Industrials (continued)	Daimler Truck Holding AG[1]	5,233	$ 192
	ACS, Actividades de Construcción y Servicios, SA[1]	6,430	173
	Hitachi, Ltd.	2,400	130
			45,610
Consumer discretionary 11.65%	Evolution AB	42,578	6,061
	LVMH Moët Hennessy-Louis Vuitton SE	5,756	4,764
	Coupang, Inc., Class A[1]	100,186	2,944
	Stellantis NV	151,469	2,877
	Renault SA[1]	74,525	2,592
	Prosus NV, Class N	22,234	1,861
	B&M European Value Retail SA	213,880	1,835
	Wynn Macau, Ltd.[1]	1,954,800	1,597
	Restaurant Brands International, Inc. (CAD denominated)	25,729	1,560
	Li Ning Co., Ltd.	124,000	1,357
	Sands China, Ltd.[1]	540,000	1,258
	InterContinental Hotels Group PLC[1]	19,112	1,237
	D'Ieteren Group[1]	6,180	1,207
	Valeo SA, non-registered shares	39,137	1,184
	EssilorLuxottica	5,466	1,165
	Barratt Developments PLC	101,945	1,032
	Sodexo SA	11,425	1,002
	OPAP SA	66,578	945
	Paltac Corp.	21,700	893
	Daimler AG[1]	10,900	839
	Industria de Diseño Textil, SA	24,641	800
	MGM China Holdings, Ltd.[1]	1,148,000	696
	Compagnie Financière Richemont SA, Class A	4,422	665
	Americanas SA, ordinary nominative shares[1]	96,134	545
	Kindred Group PLC (SDR)	44,778	534
	adidas AG	1,423	410
	Entain PLC[1]	17,515	399
	Domino's Pizza Enterprises, Ltd.	4,056	348
	JD.com, Inc., Class A[1]	9,550	336
	Games Workshop Group PLC	2,455	331
	Kering SA	286	230
	Nitori Holdings Co., Ltd.	1,200	180
	Naspers, Ltd., Class N	816	127
	MercadoLibre, Inc.[1]	87	117
	Pop Mart International Group, Ltd.	19,000	109
	Grab Holdings, Ltd., Class A[1]	8,914	64
			44,101
Consumer staples 9.77%	British American Tobacco PLC	207,956	7,694
	Philip Morris International, Inc.	55,234	5,247
	Nestlé SA	30,215	4,226
	Kweichow Moutai Co., Ltd., Class A	12,100	3,892
	Associated British Foods PLC	84,235	2,289
	Anheuser-Busch InBev SA/NV	37,328	2,259
	Pernod Ricard SA	8,248	1,986
	Carlsberg A/S, Class B	11,155	1,929
	Ocado Group PLC[1]	67,396	1,531
	Wuliangye Yibin Co., Ltd., Class A	40,300	1,408
	Foshan Haitian Flavouring and Food Co., Ltd., Class A	65,104	1,074
	Reckitt Benckiser Group PLC	12,218	1,049
	L'Oréal SA, non-registered shares	1,160	551
	Unilever PLC (GBP denominated)	7,740	413
	Unilever PLC (EUR denominated)	1,561	84
	Yihai International Holding, Ltd.	67,000	310
	Arca Continental, SAB de CV	43,200	275

International Growth and Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Consumer staples (continued)	Danone SA	4,133	$ 257
	Dabur India, Ltd.	23,930	187
	Avenue Supermarts, Ltd.[1]	2,332	146
	X5 Retail Group NV (GDR)	4,521	120
	Shiseido Company, Ltd.	1,200	67
			36,994
Health care 7.25%	AstraZeneca PLC	70,219	8,248
	Sanofi	32,369	3,264
	Novo Nordisk A/S, Class B	20,737	2,333
	GlaxoSmithKline PLC	104,148	2,265
	Bayer AG	34,814	1,863
	Siemens Healthineers AG[1]	19,397	1,454
	Shionogi & Co., Ltd.	19,300	1,363
	Koninklijke Philips NV (EUR denominated)	24,141	900
	Novartis AG	8,954	789
	CanSino Biologics, Inc., Class H[1,2]	28,600	661
	Hutchmed China, Ltd. (ADR)[1]	17,864	627
	Mettler-Toledo International, Inc.[1]	350	594
	BioNTech SE (ADR)[1]	2,069	533
	Sonova Holding AG	1,311	515
	Grifols, SA, Class B (ADR)	39,407	443
	Genus PLC	6,606	441
	BeiGene, Ltd. (ADR)[1]	1,336	362
	Roche Holding AG, nonvoting non-registered shares	666	277
	Takeda Pharmaceutical Company, Ltd.	9,500	259
	Hypera SA, ordinary nominative shares	28,197	143
	M3, Inc.	2,500	126
			27,460
Materials 4.40%	Vale SA, ordinary nominative shares	279,305	3,909
	Vale SA, ordinary nominative shares (ADR)	108,286	1,518
	Koninklijke DSM NV	11,167	2,517
	Rio Tinto PLC	25,234	1,671
	Linde PLC	4,741	1,642
	Barrick Gold Corp.	60,673	1,153
	Barrick Gold Corp. (CAD denominated)	18,704	355
	Asahi Kasei Corp.	98,400	925
	LyondellBasell Industries NV	6,512	601
	Fortescue Metals Group, Ltd.	42,542	595
	Sika AG	1,210	505
	Shin-Etsu Chemical Co., Ltd.	1,900	329
	Verallia SAS[1]	9,168	323
	Givaudan SA	52	273
	Air Liquide SA, non-registered shares	1,516	265
	Alrosa PJSC	53,607	88
			16,669
Communication services 4.21%	Koninklijke KPN NV	927,344	2,882
	Tencent Holdings, Ltd.	39,600	2,320
	Vodafone Group PLC	1,203,294	1,828
	América Móvil, SAB de CV, Series L (ADR)	83,686	1,767
	BT Group PLC	682,159	1,565
	Publicis Groupe SA	17,526	1,181
	Nordic Entertainment Group AB, Class B[1]	19,101	992
	Indus Towers, Ltd.	253,129	845
	WPP PLC	49,010	743
	MTN Group, Ltd.[1]	51,303	550
	Sea, Ltd., Class A (ADR)[1]	1,730	387

International Growth and Income Fund (continued)

Common stocks (continued)		Shares	Value (000)
Communication services (continued)	Playtika Holding Corp.[1]	17,302	$ 299
	NetEase, Inc.	10,700	216
	Universal Music Group NV	7,429	210
	Yandex NV, Class A[1]	2,342	142
			15,927
Energy 4.11%	TotalEnergies SE	89,779	4,562
	Gazprom PJSC (ADR)	399,825	3,694
	TC Energy Corp. (CAD denominated)	46,171	2,147
	Schlumberger, Ltd.	33,877	1,015
	Cameco Corp.	42,360	924
	LUKOIL Oil Co. PJSC (ADR)	10,043	899
	Reliance Industries, Ltd.	19,151	610
	Lundin Energy AB[1]	15,860	569
	Royal Dutch Shell PLC, Class B	15,745	346
	Royal Dutch Shell PLC, Class B (ADR)	3,296	143
	Sovcomflot PAO	356,717	348
	Canadian Natural Resources, Ltd. (CAD denominated)	6,652	281
			15,538
Utilities 2.89%	Engie SA	209,396	3,103
	Brookfield Infrastructure Partners LP	36,934	2,248
	Enel SpA	254,456	2,041
	ENN Energy Holdings, Ltd.	89,100	1,677
	Ørsted AS	7,274	930
	Guangdong Investment, Ltd.	392,000	498
	Iberdrola SA, non-registered shares[1]	36,164	429
			10,926
Real estate 1.86%	Longfor Group Holdings, Ltd.	553,000	2,603
	CK Asset Holdings, Ltd.	340,500	2,146
	Link Real Estate Investment Trust REIT	105,700	931
	Unibail-Rodamco-Westfield REIT, non-registered shares[1]	10,450	733
	Country Garden Services Holdings Co., Ltd.	55,000	329
	Sirius Real Estate, Ltd.	146,074	280
			7,022
	Total common stocks (cost: $303,007,000)		346,993

Preferred securities 1.70%

Information technology 1.15%	Samsung Electronics Co., Ltd., nonvoting preferred shares	72,570	4,347
Consumer discretionary 0.21%	Volkswagen AG, nonvoting preferred shares	3,447	697
	Lojas Americanas SA, preferred nominative	91,100	96
			793
Materials 0.18%	Gerdau SA, preferred nominative shares	139,449	682
Health care 0.16%	Sartorius AG, nonvoting non-registered preferred shares	920	623
	Total preferred securities (cost: $6,538,000)		6,445

International Growth and Income Fund (continued)

Short-term securities 5.73%	Shares	Value (000)
Money market investments 5.73%		
Capital Group Central Cash Fund 0.09%[3,4]	216,965	$ 21,699
Total short-term securities (cost: $21,694,000)		21,699
Total investment securities 99.10% (cost: $331,239,000)		375,137
Other assets less liabilities 0.90%		3,405
Net assets 100.00%		$378,542

Investments in affiliates[4]

	Value of affiliate at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized depreciation (000)	Value of affiliate at 12/31/2021 (000)	Dividend income (000)
Short-term securities 5.73%							
Money market investments 5.73%							
Capital Group Central Cash Fund 0.09%[3]	$31,755	$1,405,200	$1,415,336	$82	$(2)	$21,699	$48
Money market investments purchased with collateral from securities on loan 0.00%							
Capital Group Central Cash Fund 0.09%[3,5,6]	—	—[7]				—	—[8]
Total short-term securities						21,699	
Total 5.73%				$82	$(2)	$21,699	$48

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $53,000, which represented .01% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Rate represents the seven-day yield at 12/31/2021.
[4]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[5]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[6]Affiliated issuer during the reporting period but no longer held at 12/31/2021.
[7]Represents net activity. Refer to Note 5 for more information on securities lending.
[8]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Key to abbreviations
ADR = American Depositary Receipts
CAD = Canadian dollars
EUR = Euros
GBP = British pounds
GDR = Global Depositary Receipts
SDR = Swedish Depositary Receipts

See notes to financial statements.

Capital Income Builder

Investment portfolio December 31, 2021

Common stocks 78.14%		Shares	Value (000)
Financials 16.16%	Toronto-Dominion Bank (CAD denominated)	203,225	$ 15,581
	Zurich Insurance Group AG	33,060	14,527
	JPMorgan Chase & Co.	83,345	13,198
	CME Group, Inc., Class A	51,062	11,666
	PNC Financial Services Group, Inc.	54,996	11,028
	Münchener Rückversicherungs-Gesellschaft AG	30,852	9,150
	DNB Bank ASA	270,938	6,215
	ING Groep NV	415,816	5,795
	Power Corporation of Canada, subordinate voting shares	169,417	5,598
	DBS Group Holdings, Ltd.	204,506	4,956
	Principal Financial Group, Inc.	64,158	4,641
	Hong Kong Exchanges and Clearing, Ltd.	77,400	4,520
	Great-West Lifeco, Inc. (CAD denominated)	149,064	4,473
	Intesa Sanpaolo SpA	1,636,720	4,237
	KBC Groep NV	46,906	4,030
	Ping An Insurance (Group) Company of China, Ltd., Class H	454,000	3,269
	Ping An Insurance (Group) Company of China, Ltd., Class A	86,557	685
	KeyCorp	169,905	3,930
	American International Group, Inc.	66,186	3,763
	Kaspi.kz JSC[1]	29,855	3,463
	Kaspi.kz JSC (GDR)	1,981	230
	Swedbank AB, Class A	178,598	3,599
	Morgan Stanley	36,080	3,542
	Truist Financial Corp.	50,999	2,986
	Tryg A/S	112,594	2,784
	Webster Financial Corp.	38,194	2,133
	East West Bancorp, Inc.	25,615	2,015
	B3 SA-Brasil, Bolsa, Balcao	973,825	1,948
	AIA Group, Ltd.	191,600	1,931
	Moscow Exchange MICEX-RTS PJSC	875,002	1,785
	Citizens Financial Group, Inc.	37,354	1,765
	China Pacific Insurance (Group) Co., Ltd., Class H	626,150	1,698
	Travelers Companies, Inc.	10,321	1,614
	BlackRock, Inc.	1,722	1,577
	National Bank of Canada[2]	20,610	1,571
	U.S. Bancorp	26,785	1,504
	OneMain Holdings, Inc.[3]	29,833	1,493
	PICC Property and Casualty Co., Ltd., Class H	1,748,000	1,428
	State Street Corp.	14,395	1,339
	China Merchants Bank Co., Ltd., Class H	172,500	1,339
	Franklin Resources, Inc.	38,834	1,301
	BNP Paribas SA	16,736	1,158
	Euronext NV	10,067	1,046
	Everest Re Group, Ltd.	3,339	915
	Citigroup, Inc.	15,041	908
	Sberbank of Russia PJSC (ADR)	55,569	892
	Marsh & McLennan Companies, Inc.	4,925	856
	Discover Financial Services	6,027	696
	UBS Group AG	34,827	628
	Banco Santander, SA	185,078	620
	EFG International AG	62,707	478
	Vontobel Holding AG[3]	5,278	463
	Wells Fargo & Company	9,185	441
	UniCredit SpA	23,741	366
	Blackstone, Inc., nonvoting shares	2,530	327
	Cullen/Frost Bankers, Inc.	2,053	259
	SouthState Corp.	2,873	230
	Skandinaviska Enskilda Banken AB, Class A	15,414	215
	IIFL Wealth Management, Ltd.	8,122	155
			184,960

Capital Income Builder (continued)

Common stocks (continued)		Shares	Value (000)
Information technology 10.82%	Broadcom, Inc.	63,785	$ 42,443
	Microsoft Corp.	77,968	26,222
	Taiwan Semiconductor Manufacturing Company, Ltd.	558,800	12,421
	Intel Corp.	97,838	5,039
	Vanguard International Semiconductor Corp.	761,700	4,350
	NetApp, Inc.	44,355	4,080
	MediaTek, Inc.	94,000	4,043
	Automatic Data Processing, Inc.	15,622	3,852
	GlobalWafers Co., Ltd.	100,938	3,240
	Paychex, Inc.	21,047	2,873
	Apple, Inc.	16,090	2,857
	KLA Corp.	6,181	2,659
	Texas Instruments, Inc.	11,173	2,106
	Tokyo Electron, Ltd.	3,200	1,844
	QUALCOMM, Inc.	9,463	1,731
	Western Union Company	60,329	1,076
	Fidelity National Information Services, Inc.	8,799	960
	Tripod Technology Corp.	129,000	581
	International Business Machines Corp.	2,373	317
	SAP SE	2,197	312
	SINBON Electronics Co., Ltd.	29,000	298
	BE Semiconductor Industries NV	3,388	289
	FDM Group (Holdings) PLC	12,913	222
			123,815
Consumer staples 9.36%	Philip Morris International, Inc.	286,657	27,232
	British American Tobacco PLC	415,750	15,382
	Nestlé SA	67,037	9,376
	PepsiCo, Inc.	48,016	8,341
	General Mills, Inc.	104,609	7,049
	Altria Group, Inc.	111,473	5,283
	Kimberly-Clark Corp.	35,087	5,015
	Unilever PLC (GBP denominated)	78,728	4,204
	Carlsberg A/S, Class B	19,938	3,448
	Danone SA	46,778	2,907
	Keurig Dr Pepper, Inc.	78,172	2,881
	Coca-Cola Company	48,578	2,876
	ITC, Ltd.	957,581	2,809
	Imperial Brands PLC	115,980	2,538
	Anheuser-Busch InBev SA/NV	25,288	1,531
	Kraft Heinz Company	29,820	1,071
	Procter & Gamble Company	6,140	1,004
	Mondelez International, Inc.	13,024	864
	Vector Group, Ltd.	63,092	724
	Inner Mongolia Yili Industrial Group Co., Ltd., Class A	86,900	565
	Wuliangye Yibin Co., Ltd., Class A	15,800	552
	Reckitt Benckiser Group PLC	6,108	524
	Viscofan, SA, non-registered shares	5,067	328
	Scandinavian Tobacco Group A/S	14,647	308
	Hilton Food Group PLC	18,201	281
			107,093
Health care 7.82%	Gilead Sciences, Inc.	265,401	19,271
	Amgen, Inc.	54,050	12,160
	AbbVie, Inc.	88,164	11,937
	GlaxoSmithKline PLC	381,113	8,288
	Abbott Laboratories	55,054	7,748
	Medtronic PLC	69,420	7,181
	Novartis AG	81,036	7,139
	AstraZeneca PLC	50,049	5,879

Capital Income Builder (continued)

Common stocks (continued)		Shares	Value (000)
Health care (continued)	UnitedHealth Group, Inc.	7,100	$ 3,565
	Roche Holding AG, nonvoting non-registered shares	5,624	2,340
	Hikma Pharmaceuticals PLC	58,819	1,767
	Royalty Pharma PLC, Class A	38,140	1,520
	Merck & Co., Inc.	7,223	554
	Koninklijke Philips NV (EUR denominated)	2,984	111
	Organon & Co.	662	20
			89,480
Real estate 7.46%	Crown Castle International Corp. REIT	143,415	29,936
	VICI Properties, Inc. REIT	425,900	12,824
	Digital Realty Trust, Inc. REIT	48,695	8,613
	Gaming and Leisure Properties, Inc. REIT	94,171	4,582
	Link Real Estate Investment Trust REIT	514,766	4,532
	Federal Realty Investment Trust REIT	25,637	3,495
	MGM Growth Properties LLC REIT, Class A	75,918	3,101
	TAG Immobilien AG	76,901	2,155
	Charter Hall Group REIT	134,433	2,013
	CK Asset Holdings, Ltd.	286,500	1,806
	Equinix, Inc. REIT	2,059	1,742
	American Tower Corp. REIT	5,154	1,508
	Longfor Group Holdings, Ltd.	235,000	1,106
	Alexandria Real Estate Equities, Inc. REIT	4,708	1,050
	Embassy Office Parks REIT	222,914	1,018
	CTP NV	45,559	970
	Powergrid Infrastructure Investment Trust	586,900	955
	Americold Realty Trust REIT	28,933	949
	Mindspace Business Parks REIT	214,689	945
	Boston Properties, Inc. REIT	6,411	738
	Sun Hung Kai Properties, Ltd.	56,255	682
	Douglas Elliman, Inc.[3]	31,546	363
	PSP Swiss Property AG	2,270	283
			85,366
Utilities 6.51%	Enel SpA	918,498	7,368
	Dominion Energy, Inc.	87,473	6,872
	Exelon Corp.	112,263	6,484
	DTE Energy Company	51,344	6,138
	Iberdrola SA, non-registered shares[3]	501,288	5,941
	E.ON SE	419,072	5,817
	Power Grid Corporation of India, Ltd.	1,915,312	5,267
	National Grid PLC	307,128	4,406
	Southern Co.	58,113	3,985
	Duke Energy Corp.	30,576	3,207
	Entergy Corp.	24,505	2,760
	AES Corp.	112,543	2,735
	Public Service Enterprise Group, Inc.	39,699	2,649
	Edison International	38,475	2,626
	Engie SA	172,193	2,551
	SSE PLC	96,978	2,165
	Sempra Energy	7,254	960
	Centrica PLC[3]	676,986	655
	Power Assets Holdings, Ltd.	98,000	611
	CenterPoint Energy, Inc.	15,770	440
	China Gas Holdings, Ltd.	189,600	394
	CMS Energy Corp.	3,492	227

Capital Income Builder (continued)

Common stocks (continued)		Shares	Value (000)
Utilities (continued)	NextEra Energy, Inc.	1,381	$ 129
	Evergy, Inc.	1,770	121
	Endesa, SA	1,774	41
			74,549
Energy 4.86%	TC Energy Corp. (CAD denominated)	193,885	9,017
	TC Energy Corp.	48,616	2,263
	Canadian Natural Resources, Ltd. (CAD denominated)	226,854	9,586
	Chevron Corp.	81,551	9,570
	EOG Resources, Inc.	50,650	4,499
	Gazprom PJSC (ADR)	441,992	4,084
	ConocoPhillips	53,634	3,871
	TotalEnergies SE	58,897	2,993
	Equitrans Midstream Corp.	191,717	1,982
	Royal Dutch Shell PLC, Class B	72,254	1,587
	Royal Dutch Shell PLC, Class B (ADR)	8,003	347
	Enbridge, Inc. (CAD denominated)	45,628	1,782
	BP PLC	379,151	1,696
	Schlumberger, Ltd.	34,060	1,020
	Exxon Mobil Corp.	12,844	786
	Petronet LNG, Ltd.	107,402	313
	Baker Hughes Co., Class A	7,400	178
			55,574
Industrials 4.54%	Raytheon Technologies Corp.	189,283	16,290
	Lockheed Martin Corp.	10,756	3,823
	RELX PLC	105,768	3,439
	Singapore Technologies Engineering, Ltd.	1,015,900	2,835
	BAE Systems PLC	377,153	2,807
	VINCI SA	23,704	2,507
	ABB, Ltd.	58,287	2,232
	BOC Aviation, Ltd.	304,100	2,227
	Trinity Industries, Inc.	72,684	2,195
	Honeywell International, Inc.	10,050	2,096
	Waste Management, Inc.	12,220	2,040
	Kone OYJ, Class B	20,648	1,482
	Union Pacific Corp.	5,344	1,346
	LIXIL Corp.	38,500	1,026
	CCR SA, ordinary nominative shares	477,434	993
	Compañia de Distribución Integral Logista Holdings, SA, non-registered shares	49,604	990
	United Parcel Service, Inc., Class B	4,120	883
	Ventia Services Group Pty, Ltd.[3]	490,862	714
	General Dynamics Corp.	2,281	476
	Grupo Aeroportuario del Pacífico, SAB de CV, Class B[3]	27,200	375
	Norfolk Southern Corp.	938	279
	Melrose Industries PLC	122,162	264
	L3Harris Technologies, Inc.	1,207	257
	Sulzer AG[3]	2,347	231
	Atlas Corp.[2]	13,925	197
			52,004
Materials 3.81%	Vale SA, ordinary nominative shares (ADR)	466,117	6,535
	Vale SA, ordinary nominative shares	272,296	3,811
	BHP Group PLC	240,104	7,148
	Rio Tinto PLC	96,398	6,383
	LyondellBasell Industries NV	46,368	4,277
	Air Products and Chemicals, Inc.	13,138	3,997
	Fortescue Metals Group, Ltd.	153,397	2,144
	Dow, Inc.	36,312	2,060

Capital Income Builder (continued)

Common stocks (continued)		Shares	Value (000)
Materials (continued)	Evonik Industries AG	49,884	$ 1,617
	BASF SE	19,490	1,371
	Linde PLC	3,045	1,055
	Celanese Corp.	5,796	974
	Asahi Kasei Corp.	88,600	833
	UPM-Kymmene Oyj[3]	17,746	676
	Nexa Resources SA[2]	47,740	375
	WestRock Co.	6,230	276
	Amcor PLC (CDI)	8,656	104
			43,636
Communication services 3.76%	Comcast Corp., Class A	245,307	12,346
	SoftBank Corp.	556,700	7,039
	BCE, Inc.	115,182	5,993
	Verizon Communications, Inc.	75,874	3,942
	Koninklijke KPN NV	1,107,741	3,443
	HKT Trust and HKT, Ltd., units	1,949,240	2,620
	TELUS Corp.	85,285	2,009
	WPP PLC	105,342	1,596
	Nippon Telegraph and Telephone Corp.	37,400	1,024
	ITV PLC[3]	533,667	799
	Omnicom Group, Inc.	9,475	694
	Indus Towers, Ltd.	198,205	662
	ProSiebenSat.1 Media SE	36,197	577
	Vodafone Group PLC	125,093	190
	HKBN, Ltd.	119,500	147
			43,081
Consumer discretionary 3.04%	McDonald's Corp.	17,808	4,774
	Home Depot, Inc.	11,495	4,771
	Midea Group Co., Ltd., Class A	320,675	3,714
	Industria de Diseño Textil, SA	96,881	3,147
	Compagnie Financière Richemont SA, Class A	16,434	2,470
	Starbucks Corp.	20,534	2,402
	Kering SA	2,624	2,112
	Taylor Wimpey PLC	874,257	2,077
	Hasbro, Inc.	20,103	2,046
	VF Corp.	24,377	1,785
	YUM! Brands, Inc.	11,295	1,568
	Darden Restaurants, Inc.	7,867	1,185
	LVMH Moët Hennessy-Louis Vuitton SE	1,379	1,141
	Sands China, Ltd.[3]	158,800	370
	Inchcape PLC	21,610	266
	Thule Group AB	4,141	251
	Fielmann AG[3]	3,646	246
	Kindred Group PLC (SDR)	19,169	228
	OPAP SA	15,105	214
			34,767
	Total common stocks (cost: $664,964,000)		894,325

Preferred securities 0.17%

Information technology 0.17%	Samsung Electronics Co., Ltd., nonvoting preferred shares	32,453	1,944
	Total preferred securities (cost: $1,292,000)		1,944

Capital Income Builder (continued)

Rights & warrants 0.00%		Shares	Value (000)
Consumer discretionary 0.00%	Compagnie Financière Richemont SA, Class A, warrants, expire 2023[3]	7,130	$ 8
	Total rights & warrants (cost: $0)		8

Convertible stocks 1.19%			
Information technology 0.42%	Broadcom, Inc., Series A, cumulative convertible preferred shares, 8.00% 2022	2,307	4,788
Utilities 0.41%	NextEra Energy, Inc., convertible preferred units, 4.872% 2022	29,485	2,008
	NextEra Energy, Inc., convertible preferred units, 6.219% 2023	8,500	492
	AES Corp., convertible preferred units, 6.875% 2024	8,659	831
	American Electric Power Company, Inc., convertible preferred units, 6.125% 2023[2]	9,704	510
	American Electric Power Company, Inc., convertible preferred shares, 6.125% 2022	4,100	206
	Dominion Energy, Inc., Series A, convertible preferred shares, 7.25% 2022	5,900	594
			4,641
Health care 0.26%	Danaher Corp., Series B, cumulative convertible preferred shares, 5.00% 2023[2]	1,745	3,033
Industrials 0.07%	Stanley Black & Decker, Inc., convertible preferred shares, 5.25% 2022[2]	7,000	764
Consumer discretionary 0.03%	Aptiv PLC, Series A, convertible preferred shares, 5.50% 2023	1,948	359
	Total convertible stocks (cost: $9,063,000)		13,585

Investment funds 2.65%			
	Capital Group Central Corporate Bond Fund[4]	3,051,758	30,304
	Total investment funds (cost: $30,786,000)		30,304

Convertible bonds & notes 0.04%		Principal amount (000)	
Consumer discretionary 0.04%	Royal Caribbean Cruises, Ltd., convertible notes, 4.25% 2023	$ 392	501
	Total convertible bonds & notes (cost: $394,000)		501

Bonds, notes & other debt instruments 15.01%			
U.S. Treasury bonds & notes 9.30%			
U.S. Treasury 6.57%	U.S. Treasury 0.125% 2022	4,875	4,873
	U.S. Treasury 0.125% 2022	3,750	3,750
	U.S. Treasury 0.125% 2022	1,625	1,620
	U.S. Treasury 0.125% 2023	2,200	2,193
	U.S. Treasury 0.125% 2023	1,025	1,021
	U.S. Treasury 0.375% 2023	875	870
	U.S. Treasury 0.625% 2024	11,900	11,806
	U.S. Treasury 0.75% 2024	5,965	5,933
	U.S. Treasury 0.375% 2025	507	496
	U.S. Treasury 0.75% 2026	4,903	4,808
	U.S. Treasury 0.75% 2026	3,850	3,773

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes (continued)			
U.S. Treasury (continued)	U.S. Treasury 0.75% 2026	$ 1	$ 1
	U.S. Treasury 0.875% 2026	2,940	2,889
	U.S. Treasury 1.125% 2026	8,270	8,220
	U.S. Treasury 1.25% 2026	1,000	1,000
	U.S. Treasury 1.875% 2026	6,300	6,480
	U.S. Treasury 2.00% 2026[5]	2,800	2,899
	U.S. Treasury 0.50% 2027	2,900	2,783
	U.S. Treasury 1.25% 2028	1,350	1,339
	U.S. Treasury 1.375% 2031	967	955
	U.S. Treasury 1.125% 2040[5]	2,400	2,105
	U.S. Treasury 1.875% 2051	505	502
	U.S. Treasury 2.00% 2051	4,619	4,714
	U.S. Treasury 2.375% 2051[5]	197	217
			75,247
U.S. Treasury inflation-protected securities 2.73%	U.S. Treasury Inflation-Protected Security 0.125% 2023[6]	2,685	2,775
	U.S. Treasury Inflation-Protected Security 0.375% 2023[6]	1,687	1,775
	U.S. Treasury Inflation-Protected Security 0.625% 2023[6]	3,155	3,301
	U.S. Treasury Inflation-Protected Security 0.125% 2024[6]	4,872	5,199
	U.S. Treasury Inflation-Protected Security 0.125% 2024[6]	4,282	4,577
	U.S. Treasury Inflation-Protected Security 0.50% 2024[6]	574	612
	U.S. Treasury Inflation-Protected Security 0.625% 2024[6]	2,264	2,413
	U.S. Treasury Inflation-Protected Security 0.125% 2025[6]	1,178	1,261
	U.S. Treasury Inflation-Protected Security 0.125% 2025[6]	213	230
	U.S. Treasury Inflation-Protected Security 0.25% 2025[6]	501	537
	U.S. Treasury Inflation-Protected Security 0.375% 2025[6]	350	380
	U.S. Treasury Inflation-Protected Security 0.125% 2026[6]	1,524	1,645
	U.S. Treasury Inflation-Protected Security 0.125% 2030[6]	1,988	2,210
	U.S. Treasury Inflation-Protected Security 0.125% 2031[6]	1,700	1,903
	U.S. Treasury Inflation-Protected Security 0.125% 2031[6]	129	145
	U.S. Treasury Inflation-Protected Security 0.125% 2051[6]	1,885	2,233
			31,196
	Total U.S. Treasury bonds & notes		106,443
Mortgage-backed obligations 3.13%			
Federal agency mortgage-backed obligations 2.39%	Fannie Mae Pool #695412 5.00% 2033[7]	–[8]	–[8]
	Fannie Mae Pool #AD3566 5.00% 2035[7]	2	2
	Fannie Mae Pool #AC0794 5.00% 2039[7]	5	6
	Fannie Mae Pool #931768 5.00% 2039[7]	1	2
	Fannie Mae Pool #AE0311 3.50% 2040[7]	11	12
	Fannie Mae Pool #932606 5.00% 2040[7]	4	5
	Fannie Mae Pool #AJ1873 4.00% 2041[7]	7	8
	Fannie Mae Pool #AE1248 5.00% 2041[7]	10	11
	Fannie Mae Pool #AE1274 5.00% 2041[7]	8	9
	Fannie Mae Pool #AE1277 5.00% 2041[7]	5	5
	Fannie Mae Pool #AE1283 5.00% 2041[7]	3	3
	Fannie Mae Pool #AE1290 5.00% 2042[7]	5	6
	Fannie Mae Pool #AT3954 3.50% 2043[7]	3	3
	Fannie Mae Pool #AT0300 3.50% 2043[7]	2	2
	Fannie Mae Pool #AY1829 3.50% 2044[7]	2	2
	Fannie Mae Pool #AW8240 3.50% 2044[7]	1	1
	Fannie Mae Pool #BJ5015 4.00% 2047[7]	50	54
	Fannie Mae Pool #BH3122 4.00% 2047[7]	1	1
	Fannie Mae Pool #BK6840 4.00% 2048[7]	31	34
	Fannie Mae Pool #BK5232 4.00% 2048[7]	23	25
	Fannie Mae Pool #BK9743 4.00% 2048[7]	9	10
	Fannie Mae Pool #CA2804 4.50% 2048[7]	269	288
	Fannie Mae Pool #BK9761 4.50% 2048[7]	5	6

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Fannie Mae Pool #CA5540 3.00% 2050[7]	$3,858	$ 4,057
	Fannie Mae Pool #BF0497 3.00% 2060[7]	382	403
	Freddie Mac Pool #Q15874 4.00% 2043[7]	2	2
	Freddie Mac Pool #G67711 4.00% 2048[7]	292	320
	Freddie Mac Pool #Q56599 4.00% 2048[7]	37	41
	Freddie Mac Pool #Q56175 4.00% 2048[7]	25	28
	Freddie Mac Pool #Q55971 4.00% 2048[7]	25	27
	Freddie Mac Pool #Q56576 4.00% 2048[7]	22	24
	Freddie Mac Pool #Q55970 4.00% 2048[7]	12	14
	Freddie Mac Pool #Q58411 4.50% 2048[7]	73	80
	Freddie Mac Pool #Q58436 4.50% 2048[7]	33	36
	Freddie Mac Pool #Q58378 4.50% 2048[7]	26	29
	Freddie Mac Pool #Q57242 4.50% 2048[7]	23	26
	Freddie Mac Pool #ZT1704 4.50% 2049[7]	1,581	1,733
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class MA, 3.00% 2056[7]	291	300
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class HA, 3.00% 2056[7,9]	287	296
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-1, Class HA, 3.00% 2056[7,9]	136	140
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class HT, 3.25% 2057[7,9]	113	119
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class MT, 3.50% 2057[7]	94	100
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-3, Class MA, 3.50% 2057[7]	25	26
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1, Class MT, 3.50% 2058[7]	1,146	1,212
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-2, Class MA, 3.50% 2058[7]	779	812
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1, Class MA, 3.50% 2058[7]	514	534
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-3, Class MA, 3.50% 2058[7]	24	24
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-3, Class MT, 3.50% 2058[7]	12	12
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2018-2, Class A1, 3.50% 2028[7]	1,123	1,158
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2019-2, Class A1C, 2.75% 2029[7]	1,610	1,668
	Government National Mortgage Assn. 2.50% 2052[7,10]	2,106	2,157
	Government National Mortgage Assn. Pool #MA5764 4.50% 2049[7]	663	701
	Government National Mortgage Assn. Pool #MA5877 4.50% 2049[7]	75	79
	Government National Mortgage Assn. Pool #694836 5.636% 2059[7]	1	1
	Government National Mortgage Assn. Pool #765152 4.14% 2061[7]	–[8]	–[8]
	Government National Mortgage Assn. Pool #766525 4.70% 2062[7]	–[8]	–[8]
	Government National Mortgage Assn. Pool #725893 5.20% 2064[7]	–[8]	–[8]
	Government National Mortgage Assn. Pool #AA7554 6.64% 2064[7]	1	1
	Uniform Mortgage-Backed Security 2.50% 2037[7,10]	1,608	1,662
	Uniform Mortgage-Backed Security 2.00% 2052[7,10]	1,630	1,618
	Uniform Mortgage-Backed Security 2.00% 2052[7,10]	245	244
	Uniform Mortgage-Backed Security 2.50% 2052[7,10]	96	97
	Uniform Mortgage-Backed Security 2.50% 2052[7,10]	54	55
	Uniform Mortgage-Backed Security 3.00% 2052[7,10]	1,595	1,652
	Uniform Mortgage-Backed Security 3.50% 2052[7,10]	1,773	1,866
	Uniform Mortgage-Backed Security 4.00% 2052[7,10]	2,925	3,111
	Uniform Mortgage-Backed Security 4.50% 2052[7,10]	402	431
			27,391

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Collateralized mortgage-backed obligations (privately originated) 0.50%	Arroyo Mortgage Trust, Series 2021-1R, Class A1, 1.175% 2048[1,7,9]	$ 202	$ 201
	Cascade Funding Mortgage Trust, Series 2020-HB4, Class A, 0.946% 2030[1,7,9]	135	135
	Cascade Funding Mortgage Trust, Series 2021-HB7, Class A, 1.151% 2031[1,7,9]	177	177
	Cascade Funding Mortgage Trust, Series 2021-HB6, Class A, 0.898% 2036[1,7,9]	148	148
	Citigroup Mortgage Loan Trust, Inc., Series 2020-EXP1, Class A1A, 1.804% 2060[1,7,9]	21	21
	Connecticut Avenue Securities, Series 2021-R01, Class 1M1, (1-month USD-SOFR + 0.75%) 0.80% 2041[1,7,9]	20	20
	Flagstar Mortgage Trust, Series 2021-10INV, Class A3, 2.50% 2051[1,7,9]	290	291
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA5, Class B1, (1-month USD-SOFR + 3.05%) 3.10% 2034[1,7,9]	16	16
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA6, Class M2, (1-month USD-SOFR + 1.50%) 1.55% 2041[1,7,9]	130	130
	Legacy Mortgage Asset Trust, Series 2019-GS5, Class A1, 3.20% 2059[1,7,9]	163	163
	Legacy Mortgage Asset Trust, Series 2019-GS2, Class A1, 3.75% 2059[1,7,9]	129	129
	Legacy Mortgage Asset Trust, Series 2021-GS2, Class A1, 1.75% 2061[1,7,9]	91	90
	Legacy Mortgage Asset Trust, Series 2021-GS5, Class A1, 2.25% 2067 (5.25% on 11/25/2024)[1,7,11]	156	156
	Mello Warehouse Securitization Trust, Series 2020-2, Class A, (1-month USD-LIBOR + 0.80%) 0.902% 2053[1,7,9]	175	175
	Mello Warehouse Securitization Trust, Series 2020-1, Class A, (1-month USD-LIBOR + 0.90%) 1.002% 2053[1,7,9]	279	279
	Mello Warehouse Securitization Trust, Series 2021-3, Class A, (1-month USD-LIBOR + 0.85%) 0.952% 2055[1,7,9]	202	202
	MRA Issuance Trust, Series 2020-10, Class A, (1-month USD-LIBOR + 1.70%) 1.786% 2022[1,7,9]	1,057	1,058
	MRA Issuance Trust, Series 2021-16, Class A1, (1-month USD-LIBOR + 1.55%) 1.644% 2051[1,7,9]	523	523
	NewRez Warehouse Securitization Trust, Series 2021-1, Class A, (1-month USD-LIBOR + 0.75%) 0.852% 2055[1,7,9]	281	281
	Reverse Mortgage Investment Trust, Series 2021-HB1, Class A, 1.259% 2031[1,7,9]	133	133
	Towd Point Mortgage Trust, Series 2016-5, Class A1, 2.50% 2056[1,7,9]	50	51
	Towd Point Mortgage Trust, Series 2017-6, Class A1, 2.75% 2057[1,7,9]	59	60
	Towd Point Mortgage Trust, Series 2017-3, Class A1, 2.75% 2057[1,7,9]	36	37
	Towd Point Mortgage Trust, Series 2018-2, Class A1, 3.25% 2058[1,7,9]	71	73
	Towd Point Mortgage Trust, Series 2018-5, Class A1A, 3.25% 2058[1,7,9]	36	37
	Towd Point Mortgage Trust, Series 2020-4, Class A1, 1.75% 2060[1,7]	584	583
	Tricon Residential, Series 2021-SFR1, Class A, 1.943% 2038[1,7]	196	195
	Verus Securitization Trust, Series 2021-7, Class A1, 1.829% 2066[1,7,9]	246	246
	ZH Trust, Series 2021-2, Class A, 2.349% 2027[1,7]	100	100
			5,710
Commercial mortgage-backed securities 0.24%	BX Trust, Series 2021-ACNT, Class C, (1-month USD-LIBOR + 1.50%) 1.60% 2026[1,7,9]	100	100
	BX Trust, Series 2021-VOLT, Class A, (1-month USD-LIBOR + 0.70%) 0.81% 2036[1,7,9]	548	547
	BX Trust, Series 2021-ARIA, Class A, (1-month USD-LIBOR + 0.899%) 1.009% 2036[1,7,9]	266	266
	BX Trust, Series 2021-ARIA, Class C, (1-month USD-LIBOR + 1.646%) 1.756% 2036[1,7,9]	100	100
	BX Trust, Series 2021-SOAR, Class A, (1-month USD-LIBOR + 0.67%) 0.78% 2038[1,7,9]	174	173
	BX Trust, Series 2021-SOAR, Class D, (1-month USD-LIBOR + 1.40%) 1.51% 2038[1,7,9]	100	100
	Extended Stay America Trust, Series 2021-ESH, Class A, (1-month USD-LIBOR + 1.08%) 1.19% 2038[1,7,9]	99	100
	GS Mortgage Securities Trust, Series 2018-HULA, Class A, 1.03% 2025[1,7,9]	231	231
	Hawaii Hotel Trust, Series 2019-MAUI, Class A, (1-month USD-LIBOR + 1.15%) 1.26% 2038[1,7,9]	300	300
	LUXE Commercial Mortgage Trust, Series 2021-TRIP, Class A, (1-month USD-LIBOR + 1.05%) 1.16% 2038[1,7,9]	179	179

Capital Income Builder (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Commercial mortgage-backed securities (continued)	Motel 6 Trust, Series 2021-MTL6, Class A, (1-month USD-LIBOR + 0.90%) 1.01% 2038[1,7,9]	$100	$ 100
	Multi Family Connecticut Avenue Securities, Series 2019-1, Class M10, (1-month USD-LIBOR + 3.25%) 3.352% 2049[1,7,9]	150	148
	SREIT Trust, Series 2021-MFP, Class A, (1-month USD-LIBOR + 0.731%) 0.841% 2038[1,7,9]	361	360
			2,704
	Total mortgage-backed obligations		35,805
Corporate bonds, notes & loans 1.93%			
Energy 0.41%	Apache Corp. 4.25% 2030	385	418
	Baker Hughes, a GE Co. 2.061% 2026	8	8
	BP Capital Markets America, Inc. 3.633% 2030	360	398
	Cenovus Energy, Inc. 5.40% 2047	75	94
	Cheniere Energy, Inc. 3.70% 2029	201	215
	Enbridge Energy Partners LP 7.375% 2045	29	45
	Energy Transfer Operating LP 5.00% 2050	341	393
	Energy Transfer Partners LP 5.30% 2047	29	34
	Energy Transfer Partners LP 6.00% 2048	51	64
	Energy Transfer Partners LP 6.25% 2049	93	122
	EQT Corp. 5.00% 2029	35	39
	EQT Corp. 3.625% 2031[1]	20	21
	Equinor ASA 2.375% 2030	365	371
	Exxon Mobil Corp. 2.995% 2039	200	203
	MPLX LP 5.50% 2049	625	800
	New Fortress Energy, Inc. 6.50% 2026[1]	80	79
	NGL Energy Operating LLC 7.50% 2026[1]	80	83
	ONEOK, Inc. 3.10% 2030	42	43
	ONEOK, Inc. 4.95% 2047	51	59
	ONEOK, Inc. 7.15% 2051	97	140
	Pemex Project Funding Master Trust, Series 13, 6.625% 2035	150	144
	Petróleos Mexicanos 6.50% 2029	20	21
	Petróleos Mexicanos 7.69% 2050	75	73
	Sabine Pass Liquefaction, LLC 4.50% 2030	197	222
	Shell International Finance BV 2.00% 2024	420	431
	TransCanada PipeLines, Ltd. 5.10% 2049	150	198
			4,718
Health care 0.34%	AbbVie, Inc. 4.25% 2049	92	111
	AstraZeneca PLC 3.375% 2025	200	215
	AstraZeneca PLC 3.00% 2051	11	11
	Centene Corp. 4.625% 2029	530	572
	Centene Corp. 3.375% 2030	179	183
	Centene Corp. 2.625% 2031	40	39
	Merck & Co., Inc. 1.70% 2027	118	119
	Merck & Co., Inc. 3.40% 2029	110	120
	Merck & Co., Inc. 2.15% 2031	168	169
	Pfizer, Inc. 2.70% 2050	425	429
	Tenet Healthcare Corp. 7.50% 2025[1]	325	342
	Teva Pharmaceutical Finance Co. BV 6.00% 2024	700	734
	Teva Pharmaceutical Finance Co. BV 3.15% 2026	650	612
	Teva Pharmaceutical Finance Co. BV 4.10% 2046	300	254
			3,910

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer discretionary 0.32%	Bayerische Motoren Werke AG 4.15% 2030[1]	$290	$ 329
	Daimler Trucks Finance North America, LLC 1.125% 2023[1]	495	495
	Daimler Trucks Finance North America, LLC 1.625% 2024[1]	175	176
	Daimler Trucks Finance North America, LLC 2.375% 2028[1]	150	151
	Daimler Trucks Finance North America, LLC 2.50% 2031[1]	150	150
	General Motors Company 5.95% 2049	90	124
	Grand Canyon University 4.125% 2024	200	205
	Marriott International, Inc. 2.85% 2031	50	50
	Royal Caribbean Cruises, Ltd. 10.875% 2023[1]	250	274
	Royal Caribbean Cruises, Ltd. 11.50% 2025[1]	325	364
	Toyota Motor Credit Corp. 2.15% 2022	505	511
	Toyota Motor Credit Corp. 2.60% 2022	856	856
			3,685
Communication services 0.23%	AT&T, Inc. 3.50% 2041	75	77
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2031[1]	360	364
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2034[1]	175	173
	SBA Tower Trust 1.631% 2026[1]	253	249
	Sprint Corp. 6.875% 2028	325	412
	Sprint Corp. 8.75% 2032	275	413
	T-Mobile US, Inc. 3.875% 2030	625	684
	Verizon Communications, Inc. 2.355% 2032[1]	126	124
	Walt Disney Company 4.625% 2040	120	149
			2,645
Utilities 0.16%	AEP Transmission Co., LLC 3.80% 2049	45	51
	Edison International 4.125% 2028	132	139
	FirstEnergy Corp. 2.25% 2030	107	103
	FirstEnergy Corp. 2.65% 2030	493	488
	Pacific Gas and Electric Co. 2.95% 2026	97	99
	Pacific Gas and Electric Co. 3.75% 2028	105	109
	Pacific Gas and Electric Co. 4.65% 2028	284	310
	Pacific Gas and Electric Co. 2.50% 2031	375	358
	Southern California Edison Co., Series C, 3.60% 2045	206	212
			1,869
Information technology 0.13%	Broadcom, Inc. 5.00% 2030	420	490
	Broadcom, Inc. 3.75% 2051[1]	91	95
	Lenovo Group, Ltd. 5.875% 2025	400	441
	Oracle Corp. 2.875% 2031	140	141
	Oracle Corp. 3.60% 2050	150	147
	ServiceNow, Inc. 1.40% 2030	130	121
			1,435
Industrials 0.12%	Boeing Company 2.70% 2022	300	302
	Boeing Company 2.75% 2026	91	94
	Boeing Company 5.15% 2030	284	331
	Boeing Company 5.805% 2050	95	129
	Canadian Pacific Railway, Ltd. 2.45% 2031	76	77
	Canadian Pacific Railway, Ltd. 3.10% 2051	69	71
	CSX Corp. 4.75% 2048	50	65
	Masco Corp. 3.125% 2051	10	10
	Norfolk Southern Corp. 3.00% 2022	224	224
			1,303

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials 0.09%	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.30% 2032	$150	$ 153
	Bank of America Corp. 1.922% 2031 (USD-SOFR + 1.37% on 10/24/2030)[11]	231	221
	Goldman Sachs Group, Inc. 2.65% 2032 (USD-SOFR + 1.264% on 10/21/2031)[11]	75	76
	JPMorgan Chase & Co. 1.953% 2032 (USD-SOFR + 1.065% on 2/4/2031)[11]	227	219
	Navient Corp. 5.00% 2027	150	153
	New York Life Global Funding 3.00% 2028[1]	150	160
	SVB Financial Group 4.70% junior subordinated perpetual bonds (5-year UST Yield Curve Rate T Note Constant Maturity + 3.064% on 11/15/2031)[11]	38	39
			1,021
Consumer staples 0.08%	7-Eleven, Inc. 0.80% 2024[1]	50	49
	7-Eleven, Inc. 0.95% 2026[1]	60	58
	7-Eleven, Inc. 1.30% 2028[1]	45	43
	7-Eleven, Inc. 1.80% 2031[1]	325	308
	Altria Group, Inc. 3.70% 2051	25	23
	British American Tobacco PLC 4.54% 2047	73	77
	British American Tobacco PLC 4.758% 2049	130	140
	Kraft Heinz Company 3.00% 2026	93	97
	Kraft Heinz Company 5.50% 2050	75	102
			897
Materials 0.03%	Dow Chemical Co. 3.60% 2050	75	82
	International Flavors & Fragrances, Inc. 1.832% 2027[1]	100	98
	LYB International Finance III, LLC 4.20% 2050	49	57
	LYB International Finance III, LLC 3.625% 2051	102	108
			345
Real estate 0.02%	Equinix, Inc. 1.55% 2028	25	24
	Equinix, Inc. 3.20% 2029	144	152
	Equinix, Inc. 2.50% 2031	47	47
			223
	Total corporate bonds, notes & loans		22,051
Asset-backed obligations 0.56%			
	Aesop Funding LLC, Series 2020-2, Class A, 2.02% 2027[1,7]	197	200
	Aesop Funding LLC, Series 2020-2A, Class B, 2.96% 2027[1,7]	100	104
	CF Hippolyta LLC, Series 2020-1, Class A1, 1.69% 2060[1,7]	359	356
	CF Hippolyta LLC, Series 2020-1, Class A2, 1.99% 2060[1,7]	91	89
	CF Hippolyta LLC, Series 2020-1, Class B1, 2.28% 2060[1,7]	92	92
	CF Hippolyta LLC, Series 2020-1, Class B2, 2.60% 2060[1,7]	92	92
	CF Hippolyta LLC, Series 2021-1, Class A1, 1.53% 2061[1,7]	323	317
	FREED ABS Trust, Series 2021-2, Class A, 0.68% 2028[1,7]	44	44
	GCI Funding I LLC, Series 2020-1, Class A, 2.82% 2045[1,7]	604	606
	GCI Funding I LLC, Series 2021-1, Class A, 2.38% 2046[1,7]	94	94
	Global SC Finance V SRL, Series 2019-1A, Class B, 4.81% 2039[1,7]	153	164
	Hertz Vehicle Financing III, LLC, Series 2021-1A, Class A, 1.21% 2025[1,7]	247	245
	Hertz Vehicle Financing III, LLC, Series 2021-1A, Class B, 1.56% 2025[1,7]	100	99
	Hertz Vehicle Financing III, LLC, Series 2021-2A, Class A, 1.68% 2027[1,7]	268	265
	Hertz Vehicle Financing III, LLC, Series 2021-2A, Class B, 2.12% 2027[1,7]	100	99
	Hertz Vehicle Financing III, LLC, Series 2021-2A, Class C, 2.52% 2027[1,7]	100	100
	Navient Student Loan Trust, Series 2021-A, Class A, 0.84% 2069[1,7]	63	62
	Navient Student Loan Trust, Series 2021-C, Class A, 1.06% 2069[1,7]	183	180
	Nelnet Student Loan Trust, Series 2021-C, Class AFL, (1-month USD-LIBOR + 0.74%) 0.844% 2062[1,7,9]	289	290
	Nelnet Student Loan Trust, Series 2021-A, Class APT1, 1.36% 2062[1,7]	276	272

Capital Income Builder (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Asset-backed obligations (continued)			
	Nelnet Student Loan Trust, Series 2021-B, Class AFX, 1.42% 2062[1,7]	$ 554	$ 547
	New Economy Assets Phase 1 Issuer, LLC, Series 2021-1, Class A1, 1.91% 2061[1,7]	935	918
	New Economy Assets Phase 1 Issuer, LLC, Series 2021-1, Class B1, 2.41% 2061[1,7]	100	100
	OnDeck Asset Securitization Trust LLC, Series 2021-1A, Class A, 1.59% 2027[1,7]	100	100
	Oportun Funding LLC, Series 2021-B, Class A, 1.47% 2031[1,7]	100	99
	OSW Structured Asset Trust, Series 2020-RPL1, Class A1, 3.072% 2059[1,7,9]	187	187
	SMB Private Education Loan Trust, Series 2021-A, Class APT2, 1.07% 2053[1,7]	99	96
	Stonepeak Infrastructure Partners, Series 2021-1A, Class AA, 2.301% 2033[1,7]	236	234
	Toyota Auto Loan Extended Note Trust, Series 2021-1, Class A, 1.07% 2034[1,7,9]	335	329
			6,380
Bonds & notes of governments & government agencies outside the U.S. 0.07%			
	Peru (Republic of) 2.783% 2031	190	190
	Portuguese Republic 5.125% 2024	18	20
	Qatar (State of) 4.50% 2028	200	230
	Saudi Arabia (Kingdom of) 3.625% 2028	200	218
	United Mexican States 3.25% 2030	200	205
			863
Municipals 0.02%			
California 0.00%	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-B, 2.746% 2034	15	15
Illinois 0.02%	G.O. Bonds, Pension Funding, Series 2003, 5.10% 2033	225	260
	Total municipals		275
	Total bonds, notes & other debt instruments (cost: $170,013,000)		171,817

Short-term securities 4.11%		Shares	
Money market investments 3.75%			
	Capital Group Central Cash Fund 0.09%[4,12]	428,875	42,892
Money market investments purchased with collateral from securities on loan 0.36%			
	Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[12,13]	2,071,892	2,072
	Capital Group Central Cash Fund 0.09%[4,12,13]	19,536	1,954
	Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[12,13]	139,561	139
			4,165
	Total short-term securities (cost: $47,054,000)		47,057
	Total investment securities 101.31% (cost: $923,566,000)		1,159,541
	Other assets less liabilities (1.31)%		(15,014)
	Net assets 100.00%		$1,144,527

Capital Income Builder (continued)

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
90 Day Euro Dollar Futures	Long	94	September 2022	$23,311	$ (47)
2 Year U.S. Treasury Note Futures	Short	38	March 2022	(8,291)	2
5 Year U.S. Treasury Note Futures	Long	73	March 2022	8,831	43
10 Year U.S. Treasury Note Futures	Long	27	March 2022	3,523	37
10 Year Ultra U.S. Treasury Note Futures	Short	22	March 2022	(3,222)	(45)
20 Year U.S. Treasury Bond Futures	Long	4	March 2022	642	6
30 Year Ultra U.S. Treasury Bond Futures	Long	61	March 2022	12,025	236
					$232

Forward currency contracts

Contract amount						Unrealized appreciation at 12/31/2021 (000)
Currency purchased (000)		Currency sold (000)		Counterparty	Settlement date	
MXN	2,000	USD	95	JPMorgan Chase	1/20/2022	$2

Swap contracts

Interest rate swaps

Centrally cleared interest rate swaps

Receive		Pay						
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized appreciation at 12/31/2021 (000)
3-month USD-LIBOR	Quarterly	0.337%	Semi-annual	5/18/2025	$18,500	$541	$–	$ 541
3-month USD-LIBOR	Quarterly	0.5935%	Semi-annual	5/18/2030	7,200	529	–	529
3-month USD-LIBOR	Quarterly	0.807%	Semi-annual	5/18/2050	1,800	381	–	381
							$–	$1,451

Credit default swaps

Centrally cleared credit default swaps on credit indices – sell protection

Financing rate received	Payment frequency	Reference index	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized depreciation at 12/31/2021 (000)
5.00%	Quarterly	CDX.NA.HY.37	12/20/2026	$2,975	$272	$286	$(14)

Investments in affiliates[4]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized (depreciation) appreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Investment funds 2.65%								
Capital Group Central Corporate Bond Fund	$ –	$ 31,111	$ 321	$(3)	$(483)	$30,304	$381	$270
Short-term securities 3.92%								
Money market investments 3.75%								
Capital Group Central Cash Fund 0.09%[12]	56,762	229,039	242,907	(5)	3	42,892	41	–
Money market investments purchased with collateral from securities on loan 0.17%								
Capital Group Central Cash Fund 0.09%[12,13]	–	1,954[14]				1,954	–[15]	–
Total short-term securities						44,846		
Total 6.57%				$(8)	$(480)	$75,150	$422	$270

[1]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $22,442,000, which represented 1.96% of the net assets of the fund.
[2]All or a portion of this security was on loan. The total value of all such securities was $6,084,000, which represented .53% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Security did not produce income during the last 12 months.
[4]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[5]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $1,515,000, which represented .13% of the net assets of the fund.
[6]Index-linked bond whose principal amount moves with a government price index.
[7]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[8]Amount less than one thousand.
[9]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[10]Purchased on a TBA basis.
[11]Step bond; coupon rate may change at a later date.
[12]Rate represents the seven-day yield at 12/31/2021.
[13]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[14]Represents net activity. Refer to Note 5 for more information on securities lending.
[15]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Key to abbreviations and symbol
ADR = American Depositary Receipts
CAD = Canadian dollars
CDI = CREST Depository Interest
EUR = Euros
G.O. = General Obligation
GBP = British pounds
GDR = Global Depositary Receipts
LIBOR = London Interbank Offered Rate
MXN = Mexican pesos
SDR = Swedish Depositary Receipts
SOFR = Secured Overnight Financing Rate
TBA = To-be-announced
USD/$ = U.S. dollars

See notes to financial statements.

Asset Allocation Fund

Investment portfolio December 31, 2021

Common stocks 71.88%		Shares	Value (000)
Information technology 17.18%	Microsoft Corp.	4,562,561	$1,534,480
	Broadcom, Inc.	1,676,447	1,115,525
	Taiwan Semiconductor Manufacturing Company, Ltd. (ADR)	5,111,700	614,989
	ASML Holding NV (New York registered) (ADR)	695,900	554,034
	MKS Instruments, Inc.	1,700,000	296,089
	NVIDIA Corp.	665,393	195,699
	VeriSign, Inc.[1]	700,000	177,674
	Concentrix Corp.	949,617	169,620
	Shopify, Inc., Class A, subordinate voting shares[1]	89,000	122,588
	RingCentral, Inc., Class A[1]	648,389	121,476
	MicroStrategy, Inc., Class A[1,2]	203,897	111,020
	Okta, Inc., Class A[1]	174,680	39,158
	Mastercard, Inc., Class A	103,700	37,261
	DocuSign, Inc.[1]	242,000	36,859
	Paychex, Inc.	240,000	32,760
	Apple, Inc.	150,000	26,635
	GoDaddy, Inc., Class A[1]	281,000	23,846
	Applied Materials, Inc.	135,000	21,244
	KLA Corp.	49,000	21,075
	PayPal Holdings, Inc.[1]	70,000	13,201
	Adobe, Inc.[1]	15,500	8,789
			5,274,022
Financials 11.74%	First Republic Bank	1,480,000	305,635
	Capital One Financial Corp.	1,750,000	253,907
	JPMorgan Chase & Co.	1,505,000	238,317
	CME Group, Inc., Class A	977,200	223,251
	Synchrony Financial	4,750,000	220,352
	Bank of America Corp.	4,750,000	211,327
	Apollo Asset Management, Inc.	2,769,732	200,612
	Chubb, Ltd.	1,000,000	193,310
	KKR & Co., Inc.	2,277,000	169,636
	Blackstone, Inc., nonvoting shares	1,192,091	154,245
	Toronto-Dominion Bank (CAD denominated)	1,996,383	153,057
	Intercontinental Exchange, Inc.	1,076,000	147,164
	Western Alliance Bancorporation	1,182,849	127,334
	Nasdaq, Inc.	557,500	117,081
	Signature Bank[1]	271,435	87,801
	Webster Financial Corp.	1,478,124	82,538
	Ares Management Corp., Class A	1,015,403	82,522
	EQT AB	1,446,647	78,927
	Brookfield Asset Management, Inc., Class A	1,260,000	76,079
	Citigroup, Inc.	1,200,000	72,468
	SLM Corp.	2,960,000	58,223
	BlackRock, Inc.	62,000	56,765
	S&P Global, Inc.	118,700	56,018
	Antin Infrastructure Partners SA[1]	1,243,300	48,835
	Citizens Financial Group, Inc.	940,000	44,415
	Bridgepoint Group PLC[1]	5,809,554	38,767
	Aon PLC, Class A	87,000	26,149
	Blue Owl Capital, Inc., Class A	1,205,000	17,967
	The Bank of N.T. Butterfield & Son, Ltd.	421,585	16,067
	OneMain Holdings, Inc.[1]	300,000	15,012
	Progressive Corp.	105,000	10,778
	Hong Kong Exchanges and Clearing, Ltd.	170,000	9,928
	Islandsbanki hf.[1]	9,555,235	9,301
	Jonah Energy Parent LLC[1,3,4]	32,117	1,375
			3,605,163

Asset Allocation Fund (continued)

Common stocks (continued)		Shares	Value (000)
Health care 9.15%	UnitedHealth Group, Inc.	1,311,800	$ 658,707
	Johnson & Johnson	2,750,000	470,443
	Cigna Corp.	1,100,000	252,593
	Humana, Inc.	522,000	242,135
	Abbott Laboratories	1,400,000	197,036
	CVS Health Corp.	1,638,000	168,976
	Vertex Pharmaceuticals, Inc.[1]	567,500	124,623
	Eli Lilly and Company	431,969	119,318
	Gilead Sciences, Inc.	1,600,000	116,176
	Daiichi Sankyo Company, Ltd.	3,873,900	98,506
	Regeneron Pharmaceuticals, Inc.[1]	150,000	94,728
	Thermo Fisher Scientific, Inc.	116,000	77,400
	IDEXX Laboratories, Inc.[1]	94,102	61,962
	AbCellera Biologics, Inc.[1]	2,345,741	33,544
	Rotech Healthcare, Inc.[1,3,4,5]	184,138	19,887
	Ultragenyx Pharmaceutical, Inc.[1]	217,400	18,281
	Centene Corp.[1]	190,000	15,656
	Viatris, Inc.	1,121,937	15,180
	Oak Street Health, Inc.[1,2]	311,768	10,332
	NuCana PLC (ADR)[1,2,6]	2,977,153	7,086
	Pfizer, Inc.	102,973	6,081
			2,808,650
Consumer discretionary 8.58%	Home Depot, Inc.	1,281,200	531,711
	Amazon.com, Inc.[1]	158,460	528,360
	Aramark	11,000,000	405,350
	General Motors Company[1]	3,750,000	219,862
	Dollar General Corp.	927,387	218,706
	LVMH Moët Hennessy-Louis Vuitton SE	256,896	212,630
	Lear Corp.	600,000	109,770
	Etsy, Inc.[1]	418,825	91,698
	Booking Holdings, Inc.[1]	32,700	78,455
	Royal Caribbean Cruises, Ltd.[1]	1,014,324	78,001
	Caesars Entertainment, Inc.[1]	828,892	77,526
	Xpeng, Inc., Class A (ADR)[1]	703,800	35,422
	Darden Restaurants, Inc.	142,000	21,391
	Dr. Martens PLC[1]	2,375,000	13,759
	Chipotle Mexican Grill, Inc.[1]	5,800	10,140
			2,632,781
Communication services 6.76%	Meta Platforms, Inc., Class A[1]	1,966,385	661,394
	Alphabet, Inc., Class C[1]	183,643	531,388
	Alphabet, Inc., Class A[1]	8,450	24,480
	Charter Communications, Inc., Class A[1]	721,000	470,070
	Comcast Corp., Class A	3,307,000	166,441
	Netflix, Inc.[1]	241,500	145,489
	Activision Blizzard, Inc.	1,075,500	71,553
	Electronic Arts, Inc.	35,000	4,616
			2,075,431
Consumer staples 5.75%	Philip Morris International, Inc.	8,467,421	804,405
	Nestlé SA	2,500,000	349,649
	Altria Group, Inc.	4,072,000	192,972
	Archer Daniels Midland Company	2,000,000	135,180
	British American Tobacco PLC (ADR)	1,927,543	72,109
	British American Tobacco PLC	1,390,000	51,429
	Mondelez International, Inc.	1,200,000	79,572

Asset Allocation Fund (continued)

Common stocks (continued)		Shares	Value (000)
Consumer staples (continued)	Avenue Supermarts, Ltd.[1]	970,539	$ 60,991
	Costco Wholesale Corp.	26,000	14,760
	Estée Lauder Companies, Inc., Class A	13,700	5,072
			1,766,139
Industrials 4.38%	Northrop Grumman Corp.	903,553	349,738
	CSX Corp.	6,455,369	242,722
	Lockheed Martin Corp.	595,000	211,469
	L3Harris Technologies, Inc.	971,000	207,056
	Storskogen Group AB, Class B[1]	19,218,526	129,631
	Waste Management, Inc.	249,000	41,558
	Boeing Company[1]	183,000	36,842
	Raytheon Technologies Corp.	395,000	33,994
	Cintas Corp.	60,000	26,590
	AMETEK, Inc.	140,000	20,586
	New AMI I, LLC[1,3,4]	1,588,250	12,007
	Copart, Inc.[1]	75,000	11,371
	Chart Industries, Inc.[1]	68,000	10,845
	Air Lease Corp., Class A	220,000	9,731
			1,344,140
Materials 3.46%	Dow, Inc.	3,500,000	198,520
	Vale SA, ordinary nominative shares	10,893,465	152,469
	LyondellBasell Industries NV	1,250,000	115,287
	Nucor Corp.	1,000,000	114,150
	Royal Gold, Inc.	845,000	88,902
	First Quantum Minerals, Ltd.	3,580,000	85,669
	Rio Tinto PLC	1,250,000	82,770
	Newmont Corp.	900,000	55,818
	Franco-Nevada Corp.	347,089	48,002
	Wheaton Precious Metals Corp.	970,000	41,642
	Allegheny Technologies, Inc.[1]	2,589,437	41,250
	Air Products and Chemicals, Inc.	84,000	25,558
	Sherwin-Williams Company	37,000	13,030
			1,063,067
Real estate 2.24%	MGM Growth Properties LLC REIT, Class A	4,216,800	172,256
	VICI Properties, Inc. REIT	5,165,000	155,518
	Gaming and Leisure Properties, Inc. REIT	2,595,400	126,292
	Alexandria Real Estate Equities, Inc. REIT	399,000	88,961
	American Tower Corp. REIT	183,000	53,528
	STORE Capital Corp. REIT	1,370,000	47,128
	Crown Castle International Corp. REIT	166,000	34,651
	Equinix, Inc. REIT	12,700	10,742
			689,076
Energy 1.79%	Canadian Natural Resources, Ltd. (CAD denominated)	7,210,100	304,660
	Pioneer Natural Resources Company	827,000	150,415
	Chevron Corp.	270,000	31,685
	ConocoPhillips	402,000	29,016
	Equitrans Midstream Corp.	1,060,000	10,960
	Chesapeake Energy Corp.	130,681	8,432
	Euronav NV	750,000	6,668
	Scorpio Tankers, Inc.	345,000	4,419
	Civitas Resources, Inc.	55,144	2,700

Asset Allocation Fund (continued)

Common stocks (continued)		Shares	Value (000)
Energy (continued)	Diamond Offshore Drilling, Inc.[1]	247,104	$ 1,050
	Diamond Offshore Drilling, Inc.[1,3,7]	86,354	338
	McDermott International, Ltd.[1]	40,219	16
			550,359
Utilities 0.85%	Enel SpA	26,980,000	216,430
	Exelon Corp.	416,000	24,028
	Evergy, Inc.	298,000	20,446
			260,904
	Total common stocks (cost: $12,488,113,000)		22,069,732

Preferred securities 0.00%

Industrials 0.00%	ACR III LSC Holdings LLC, Series B, preferred shares[1,3,4,7]	450	317
	Total preferred securities (cost: $466,000)		317

Rights & warrants 0.00%

Energy 0.00%	Chesapeake Energy Corp., Class C, warrants, expire 2026[1]	1,480	48
	Sable Permian Resources, LLC, Class A, warrants, expire 2024[1,3,4]	4,392	–[8]
	Total rights & warrants (cost: $446,000)		48

Convertible stocks 0.16%

Health care 0.16%	Carbon Health Technologies, Inc., convertible preferred shares, 1.00% 2024[3,4,5]	50,000	50,000
	Total convertible stocks (cost: $50,000,000)		50,000

Investment funds 5.27%

	Capital Group Central Corporate Bond Fund[6]	162,866,206	1,617,261
	Total investment funds (cost: $1,643,007,000)		1,617,261

Bonds, notes & other debt instruments 20.82%		Principal amount (000)	
U.S. Treasury bonds & notes 8.03%			
U.S. Treasury 6.12%	U.S. Treasury 0.125% 2022	$ 83,545	83,516
	U.S. Treasury 0.125% 2022	10,000	10,000
	U.S. Treasury 1.375% 2022	5,000	5,005
	U.S. Treasury 1.375% 2022	280	282
	U.S. Treasury 1.50% 2022	9,407	9,488
	U.S. Treasury 1.625% 2022	94	95
	U.S. Treasury 1.875% 2022	80,000	80,226
	U.S. Treasury 0.125% 2023	44,825	44,651
	U.S. Treasury 0.125% 2023	3,425	3,396
	U.S. Treasury 0.25% 2023	7,232	7,198
	U.S. Treasury 0.25% 2023	1,229	1,221
	U.S. Treasury 0.375% 2023	100,089	99,524
	U.S. Treasury 2.25% 2023	5,000	5,150
	U.S. Treasury 2.375% 2023	5,000	5,104
	U.S. Treasury 2.75% 2023	15,000	15,440
	U.S. Treasury 0.25% 2024	15,000	14,827
	U.S. Treasury 0.375% 2024	40,000	39,443
	U.S. Treasury 1.50% 2024	22,500	22,856

Asset Allocation Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes (continued)			
U.S. Treasury (continued)	U.S. Treasury 1.50% 2024	$ 907	$ 921
	U.S. Treasury 2.125% 2024	5,000	5,148
	U.S. Treasury 2.25% 2024	5,000	5,154
	U.S. Treasury 2.375% 2024	70,000	72,705
	U.S. Treasury 2.50% 2024	225,000	233,056
	U.S. Treasury 2.50% 2024	700	727
	U.S. Treasury 0.25% 2025	43,812	42,630
	U.S. Treasury 2.50% 2025	3,500	3,660
	U.S. Treasury 2.75% 2025	3,229	3,414
	U.S. Treasury 3.00% 2025	10,000	10,697
	U.S. Treasury 0.375% 2026	75,000	72,604
	U.S. Treasury 0.50% 2026	53,869	52,358
	U.S. Treasury 0.75% 2026	49,333	48,377
	U.S. Treasury 0.75% 2026	52	51
	U.S. Treasury 0.875% 2026	565	555
	U.S. Treasury 1.125% 2026	471	468
	U.S. Treasury 1.50% 2026	500	506
	U.S. Treasury 1.625% 2026	60,000	61,057
	U.S. Treasury 1.625% 2026	27,000	27,475
	U.S. Treasury 1.625% 2026	7,000	7,124
	U.S. Treasury 1.625% 2026	1,500	1,526
	U.S. Treasury 0.50% 2027	36,300	34,747
	U.S. Treasury 0.50% 2027	20,000	19,158
	U.S. Treasury 0.625% 2027	7,109	6,805
	U.S. Treasury 1.125% 2027	762	757
	U.S. Treasury 2.25% 2027	78,250	82,027
	U.S. Treasury 2.375% 2027	880	929
	U.S. Treasury 1.25% 2028	3,142	3,107
	U.S. Treasury 1.50% 2028	50,000	50,222
	U.S. Treasury 2.875% 2028	5,217	5,687
	U.S. Treasury 0.625% 2030	20,225	18,916
	U.S. Treasury 0.875% 2030	6,640	6,315
	U.S. Treasury 1.50% 2030	36,651	36,853
	U.S. Treasury 1.375% 2031	92,870	91,716
	U.S. Treasury 1.125% 2040	62,775	55,060
	U.S. Treasury 1.375% 2040	52,695	48,026
	U.S. Treasury 1.75% 2041	47,854	46,388
	U.S. Treasury 2.50% 2046	3,755	4,155
	U.S. Treasury 3.00% 2047	9,355	11,371
	U.S. Treasury 3.00% 2048	336	411
	U.S. Treasury 2.25% 2049	15,000	16,082
	U.S. Treasury 2.375% 2049[9]	75,000	82,554
	U.S. Treasury 1.375% 2050	12,500	10,974
	U.S. Treasury 2.00% 2050	13,825	14,070
	U.S. Treasury 2.00% 2051[9]	127,770	130,415
	U.S. Treasury 2.375% 2051[9]	4,757	5,264
			1,879,644
U.S. Treasury inflation-protected securities 1.91%	U.S. Treasury Inflation-Protected Security 0.125% 2024[10]	91,610	97,916
	U.S. Treasury Inflation-Protected Security 0.625% 2024[10]	92,898	98,989
	U.S. Treasury Inflation-Protected Security 0.125% 2025[10]	24,622	26,360
	U.S. Treasury Inflation-Protected Security 0.125% 2025[10]	3,623	3,910
	U.S. Treasury Inflation-Protected Security 0.375% 2025[10]	4,314	4,694
	U.S. Treasury Inflation-Protected Security 0.125% 2026[10]	40,436	43,661
	U.S. Treasury Inflation-Protected Security 0.125% 2026[10]	7,589	8,260
	U.S. Treasury Inflation-Protected Security 0.75% 2028[10]	19,278	22,117
	U.S. Treasury Inflation-Protected Security 0.875% 2029[10]	21,732	25,171
	U.S. Treasury Inflation-Protected Security 0.125% 2030[10]	24,943	27,721

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes (continued)			
U.S. Treasury inflation-protected securities (continued)	U.S. Treasury Inflation-Protected Security 0.125% 2031[10]	$ 41,268	$ 46,389
	U.S. Treasury Inflation-Protected Security 0.125% 2031[10]	25,122	28,129
	U.S. Treasury Inflation-Protected Security 1.00% 2049[10]	108,876	154,595
			587,912
	Total U.S. Treasury bonds & notes		2,467,556
Corporate bonds, notes & loans 6.48%			
Financials 1.17%	ACE INA Holdings, Inc. 2.875% 2022	3,880	3,940
	ACE INA Holdings, Inc. 3.35% 2026	880	944
	ACE INA Holdings, Inc. 4.35% 2045	400	496
	Advisor Group Holdings, LLC 6.25% 2028[7]	4,255	4,421
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 2.45% 2026	5,457	5,505
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.00% 2028	4,501	4,568
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.30% 2032	2,838	2,894
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.40% 2033	1,781	1,815
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.85% 2041	1,970	2,056
	AG Merger Sub II, Inc. 10.75% 2027[7]	2,420	2,690
	Alliant Holdings Intermediate, LLC / Alliant Holdings 4.25% 2027[7]	2,100	2,102
	Alliant Holdings Intermediate, LLC / Alliant Holdings 5.875% 2029[7]	2,295	2,338
	Ally Financial, Inc. 8.00% 2031	3,000	4,128
	American International Group, Inc. 2.50% 2025	15,800	16,304
	American International Group, Inc. 4.20% 2028	565	631
	Bangkok Bank PCL 3.733% 2034 (5-year UST Yield Curve Rate T Note Constant Maturity + 1.90% on 9/25/2029)[11]	2,428	2,485
	Bank of America Corp. 3.55% 2024 (3-month USD-LIBOR + 0.78% on 3/5/2023)[11]	6,000	6,180
	Bank of America Corp. 1.197% 2026 (USD-SOFR + 1.01% on 10/24/2025)[11]	2,500	2,451
	Bank of America Corp. 1.734% 2027 (USD-SOFR + 0.96% on 7/22/2026)[11]	1,565	1,554
	Bank of America Corp. 3.419% 2028 (3-month USD-LIBOR + 1.04% on 12/20/2027)[11]	2,345	2,505
	Bank of America Corp. 1.898% 2031 (USD-SOFR + 1.53% on 7/23/2030)[11]	1,500	1,437
	Bank of America Corp. 1.922% 2031 (USD-SOFR + 1.37% on 10/24/2030)[11]	1,000	959
	Bank of America Corp. 2.299% 2032 (USD-SOFR + 1.22% on 7/21/2031)[11]	5,000	4,921
	Bank of America Corp. 2.572% 2032 (USD-SOFR + 1.21% on 10/20/2031)[11]	1,953	1,964
	Bank of Nova Scotia 1.625% 2023	5,000	5,058
	Berkshire Hathaway Finance Corp. 4.20% 2048	6,570	7,992
	Berkshire Hathaway Finance Corp. 4.25% 2049	550	677
	Berkshire Hathaway, Inc. 2.75% 2023	1,615	1,649
	Berkshire Hathaway, Inc. 3.125% 2026	500	534
	BNP Paribas 3.375% 2025[7]	3,225	3,388
	BNP Paribas 2.159% 2029 (USD-SOFR + 1.218% on 9/15/2028)[7,11]	2,400	2,355
	Castlelake Aviation Finance DAC 5.00% 2027[7]	3,370	3,348
	Citigroup, Inc. 2.976% 2030 (USD-SOFR + 1.422% on 11/5/2029)[11]	3,254	3,383
	CME Group, Inc. 3.75% 2028	3,425	3,813
	Coinbase Global, Inc. 3.375% 2028[7]	2,300	2,152
	Coinbase Global, Inc. 3.625% 2031[7]	1,900	1,751
	Commonwealth Bank of Australia 3.35% 2024	1,225	1,291
	Commonwealth Bank of Australia 3.35% 2024[7]	1,000	1,054
	Commonwealth Bank of Australia 2.688% 2031[7]	4,575	4,504
	Compass Diversified Holdings 5.25% 2029[7]	640	672
	Compass Diversified Holdings 5.00% 2032[7]	715	734
	Crédit Agricole SA 4.375% 2025[7]	850	914
	Credit Suisse Group AG 3.80% 2023	1,625	1,684
	Credit Suisse Group AG 3.869% 2029 (3-month USD-LIBOR + 1.41% on 1/12/2028)[7,11]	800	857
	Danske Bank AS 2.70% 2022[7]	1,000	1,004
	Digital Currency Group, Inc., Term Loan, (3-month USD-LIBOR + 7.00%) 7.00% 2026[3,4,12,13]	816	773
	Digital Currency Group, Inc., Term Loan, 8.75% 2026[3,4,12]	1,089	1,031
	FS Energy and Power Fund 7.50% 2023[7]	1,995	2,083
	Goldman Sachs Group, Inc. 0.925% 2024 (USD-SOFR + 0.50% on 10/21/2023)[11]	5,000	4,980

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials (continued)	Goldman Sachs Group, Inc. 1.093% 2026 (USD-SOFR + 0.789% on 12/9/2025)[11]	$3,425	$3,339
	Goldman Sachs Group, Inc. 1.948% 2027 (USD-SOFR + 0.913% on 10/21/2026)[11]	4,396	4,379
	Goldman Sachs Group, Inc. 3.814% 2029 (3-month USD-LIBOR + 1.158% on 4/23/2028)[11]	390	425
	Goldman Sachs Group, Inc. 2.615% 2032 (USD-SOFR + 1.281% on 4/22/2031)[11]	4,036	4,069
	Goldman Sachs Group, Inc. 3.21% 2042 (USD-SOFR + 1.513% on 4/22/2041)[11]	2,000	2,078
	Groupe BPCE SA 2.75% 2023[7]	600	613
	Groupe BPCE SA 5.70% 2023[7]	2,250	2,420
	Groupe BPCE SA 5.15% 2024[7]	3,710	4,020
	Groupe BPCE SA 1.00% 2026[7]	3,000	2,905
	Groupe BPCE SA 2.277% 2032 (USD-SOFR + 1.312% on 1/20/2031)[7,11]	2,250	2,170
	Hightower Holding, LLC 6.75% 2029[7]	430	442
	HSBC Holdings PLC 3.262% 2023 (3-month USD-LIBOR + 1.055% on 3/13/2022)[11]	1,500	1,507
	HSBC Holdings PLC 4.25% 2024	3,000	3,170
	HSBC Holdings PLC 2.633% 2025 (3-month USD-LIBOR + 1.14% on 11/7/2024)[11]	625	641
	HSBC Holdings PLC 2.099% 2026 (USD-SOFR + 1.929% on 6/4/2025)[11]	3,000	3,022
	HSBC Holdings PLC 3.973% 2030 (3-month USD-LIBOR + 1.61% on 5/22/2029)[11]	1,500	1,629
	Icahn Enterprises Finance Corp. 5.25% 2027	1,185	1,220
	Icahn Enterprises Finance Corp. 4.375% 2029	2,200	2,148
	Intercontinental Exchange, Inc. 2.65% 2040	7,425	7,196
	Intesa Sanpaolo SpA 3.375% 2023[7]	750	767
	Intesa Sanpaolo SpA 3.25% 2024[7]	750	781
	Intesa Sanpaolo SpA 5.017% 2024[7]	1,730	1,855
	Intesa Sanpaolo SpA 3.875% 2027[7]	300	319
	JPMorgan Chase & Co. 3.559% 2024 (3-month USD-LIBOR + 0.73% on 4/23/2023)[11]	4,725	4,884
	JPMorgan Chase & Co. 2.58% 2032 (USD-SOFR + 1.25% on 4/22/2031)[11]	3,101	3,144
	JPMorgan Chase & Co. 3.157% 2042 (USD-SOFR + 1.46% on 4/22/2041)[11]	5,325	5,569
	Kasikornbank PCL HK 3.343% 2031 (5-year UST Yield Curve Rate T Note Constant Maturity + 1.70% on 10/2/2026)[11]	1,222	1,224
	Ladder Capital Corp. 4.25% 2027[7]	3,757	3,786
	Lloyds Banking Group PLC 2.907% 2023 (3-month USD-LIBOR + 0.81% on 11/7/2022)[11]	750	762
	Lloyds Banking Group PLC 4.05% 2023	2,000	2,096
	Lloyds Banking Group PLC 1.627% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.85% on 5/11/2026)[11]	800	788
	Lloyds Banking Group PLC 4.375% 2028	2,150	2,414
	LPL Holdings, Inc. 4.625% 2027[7]	2,700	2,798
	LPL Holdings, Inc. 4.375% 2031[7]	1,805	1,849
	Marsh & McLennan Companies, Inc. 3.875% 2024	820	868
	Marsh & McLennan Companies, Inc. 4.375% 2029	1,705	1,945
	Marsh & McLennan Companies, Inc. 4.90% 2049	1,539	2,074
	MGIC Investment Corp. 5.25% 2028	1,175	1,235
	Mitsubishi UFJ Financial Group, Inc. 2.801% 2024	1,610	1,670
	Morgan Stanley 3.737% 2024 (3-month USD-LIBOR + 0.847% on 4/24/2023)[11]	300	310
	Morgan Stanley 1.164% 2025 (USD-SOFR + 0.56% on 10/21/2024)[11]	5,977	5,933
	Morgan Stanley 0.985% 2026 (USD-SOFR + 0.72% on 12/10/2025)[11]	3,766	3,655
	Morgan Stanley 3.125% 2026	325	345
	Morgan Stanley 1.593% 2027 (USD-SOFR + 0.879% on 5/4/2026)[11]	3,290	3,259
	Morgan Stanley 2.699% 2031 (USD-SOFR + 1.143% on 1/22/2030)[11]	2,000	2,048
	Morgan Stanley 2.511% 2032 (USD-SOFR + 1.20% on 10/20/2031)[11]	2,421	2,421
	Morgan Stanley 3.217% 2042 (USD-SOFR + 1.485% on 4/22/2041)[11]	856	898
	MSCI, Inc. 3.625% 2031[7]	2,225	2,312
	MSCI, Inc. 3.25% 2033[7]	1,350	1,367
	Navient Corp. 5.50% 2023	7,515	7,836
	Navient Corp. 7.25% 2023	435	469
	Navient Corp. 5.875% 2024	1,005	1,073
	Navient Corp. 6.125% 2024	8,030	8,570
	Navient Corp. 5.50% 2029	3,290	3,287
	New York Life Global Funding 2.35% 2026[7]	590	610
	Owl Rock Capital Corp. 3.75% 2025	2,874	2,980
	Owl Rock Capital Corp. 4.00% 2025	102	106

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials (continued)	Owl Rock Capital Corp. 3.375% 2026	$1,290	$ 1,312
	Owl Rock Capital Corp. II 4.625% 2024[7]	2,305	2,416
	Owl Rock Capital Corp. III 3.125% 2027[7]	2,520	2,466
	PNC Financial Services Group, Inc. 2.854% 2022[11]	1,445	1,472
	PNC Financial Services Group, Inc. 3.90% 2024	2,000	2,120
	Power Financial Corp., Ltd. 5.25% 2028	383	430
	Power Financial Corp., Ltd. 6.15% 2028	350	413
	Power Financial Corp., Ltd. 4.50% 2029	554	592
	Power Financial Corp., Ltd. 3.95% 2030	1,213	1,256
	Prudential Financial, Inc. 4.35% 2050	7,000	8,754
	Quicken Loans, LLC 3.625% 2029[7]	1,505	1,513
	Rabobank Nederland 2.75% 2022	2,250	2,251
	Rabobank Nederland 4.375% 2025	4,500	4,879
	Rocket Mortgage / Rocket Mortgage Co-Issuer, Inc. 2.875% 2026[7]	2,110	2,097
	Royal Bank of Canada 1.15% 2025	4,711	4,674
	Skandinaviska Enskilda Banken AB 2.80% 2022	700	703
	Springleaf Finance Corp. 6.125% 2024	2,550	2,707
	Starwood Property Trust, Inc. 5.50% 2023[7]	1,160	1,202
	Swiss Re Finance (Luxembourg) SA 5.00% 2049 (5-year UST Yield Curve Rate T Note Constant Maturity + 3.582% on 4/2/2029)[7,11]	2,800	3,143
	Toronto-Dominion Bank 2.65% 2024	625	649
	Toronto-Dominion Bank 0.75% 2025	5,375	5,236
	Toronto-Dominion Bank 1.25% 2026	4,000	3,933
	Travelers Companies, Inc. 4.00% 2047	860	1,030
	U.S. Bancorp 2.375% 2026	4,000	4,158
	UBS Group AG 4.125% 2025[7]	2,750	2,972
	UniCredit SpA 3.75% 2022[7]	5,725	5,769
	UniCredit SpA 6.572% 2022[7]	475	476
	UniCredit SpA 4.625% 2027[7]	625	686
	Wells Fargo & Company 2.164% 2026 (3-month USD-LIBOR + 0.75% on 2/11/2025)[11]	8,000	8,124
	Wells Fargo & Company 2.879% 2030 (3-month USD-LIBOR + 1.17% on 10/30/2029)[11]	729	759
	Westpac Banking Corp. 2.75% 2023	1,750	1,788
	Westpac Banking Corp. 2.894% 2030 (5-year UST Yield Curve Rate T Note Constant Maturity + 1.35% on 2/4/2025)[11]	3,000	3,065
	Westpac Banking Corp. 2.668% 2035 (5-year UST Yield Curve Rate T Note Constant Maturity + 1.75% on 11/15/2030)[11]	3,325	3,243
	Westpac Banking Corp. 2.963% 2040	1,500	1,474
			360,431
Energy 0.84%	Antero Midstream Partners LP 5.375% 2029[7]	2,170	2,293
	Antero Resources Corp. 7.625% 2029[7]	1,634	1,816
	Ascent Resources - Utica LLC 5.875% 2029[7]	1,040	1,002
	Bonanza Creek Energy, Inc. 5.00% 2026[7]	480	485
	BP Capital Markets America, Inc. 2.772% 2050	681	643
	Canadian Natural Resources, Ltd. 2.95% 2023	1,935	1,972
	Canadian Natural Resources, Ltd. 2.05% 2025	961	971
	Canadian Natural Resources, Ltd. 2.95% 2030	3,142	3,186
	Canadian Natural Resources, Ltd. 4.95% 2047	1,559	1,918
	Cenovus Energy, Inc. 4.25% 2027	5,690	6,206
	Cheniere Energy Partners LP 4.50% 2029	1,085	1,152
	Cheniere Energy Partners LP 4.00% 2031	4,485	4,711
	Cheniere Energy Partners LP 3.25% 2032[7]	998	1,010
	Cheniere Energy, Inc. 4.625% 2028	4,645	4,949
	Chesapeake Energy Corp. 4.875% 2022[14]	7,225	145
	Chesapeake Energy Corp. 5.50% 2026[7]	685	722
	Chesapeake Energy Corp. 5.875% 2029[7]	2,240	2,399
	Chevron Corp. 1.995% 2027	2,631	2,672
	Chevron USA, Inc. 1.018% 2027	2,850	2,747

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	CNX Midstream Partners LP 4.75% 2030[7]	$ 580	$ 579
	CNX Resources Corp. 7.25% 2027[7]	1,725	1,832
	CNX Resources Corp. 6.00% 2029[7]	1,475	1,536
	Comstock Resources, Inc. 5.875% 2030[7]	450	462
	Constellation Oil Services Holding SA 10.00% PIK 2024[7,14,15]	1,084	339
	Continental Resources, Inc. 5.75% 2031[7]	1,430	1,686
	Diamond Foreign Asset Co. / Diamond Finance, LLC 9.00% Cash 2027[7,13,15]	204	202
	Diamond Foreign Asset Co. / Diamond Finance, LLC 9.00% Cash 2027[13,15]	185	183
	Diamondback Energy, Inc. 4.40% 2051	3,896	4,476
	DT Midstream, Inc. 4.375% 2031[7]	1,680	1,750
	Enbridge Energy Partners LP, Series B, 7.50% 2038	300	450
	Enbridge, Inc. 4.00% 2023	278	290
	Enbridge, Inc. 2.50% 2025	300	309
	Enbridge, Inc. 3.70% 2027	62	67
	Energy Transfer Operating LP 5.00% 2050	11,807	13,619
	Energy Transfer Partners LP 4.50% 2024	1,210	1,283
	Energy Transfer Partners LP 4.75% 2026	2,494	2,731
	Energy Transfer Partners LP 5.25% 2029	757	868
	Energy Transfer Partners LP 6.00% 2048	774	964
	Energy Transfer Partners LP 6.25% 2049	757	991
	Enterprise Products Operating LLC 4.90% 2046	500	606
	EQM Midstream Partners LP 4.125% 2026	686	704
	EQM Midstream Partners LP 6.50% 2027[7]	1,690	1,895
	EQM Midstream Partners LP 5.50% 2028	2,588	2,831
	EQM Midstream Partners LP 4.75% 2031[7]	1,635	1,732
	EQT Corp. 6.625% 2025[11]	795	897
	EQT Corp. 3.90% 2027	450	483
	EQT Corp. 5.00% 2029	340	377
	EQT Corp. 7.50% 2030[11]	1,110	1,428
	EQT Corp. 3.625% 2031[7]	400	416
	Equinor ASA 3.00% 2027	4,000	4,225
	Equinor ASA 3.625% 2028	3,685	4,052
	Exxon Mobil Corp. 2.019% 2024	643	659
	Exxon Mobil Corp. 2.44% 2029	1,963	2,015
	Genesis Energy, LP 6.50% 2025	3,572	3,531
	Genesis Energy, LP 6.25% 2026	905	883
	Genesis Energy, LP 8.00% 2027	2,690	2,775
	Halliburton Company 3.80% 2025	16	17
	Harvest Midstream I, LP 7.50% 2028[7]	850	911
	Hess Midstream Operations LP 4.25% 2030[7]	960	954
	Hess Midstream Partners LP 5.125% 2028[7]	2,155	2,247
	Hilcorp Energy I, LP 6.00% 2031[7]	460	477
	Kinder Morgan, Inc. 3.60% 2051	3,634	3,663
	Marathon Oil Corp. 4.40% 2027	1,005	1,102
	MPLX LP 4.125% 2027	500	547
	MPLX LP 2.65% 2030	4,273	4,258
	MPLX LP 4.50% 2038	750	841
	MPLX LP 4.70% 2048	1,101	1,273
	MPLX LP 5.50% 2049	4,491	5,749
	New Fortress Energy, Inc. 6.50% 2026[7]	235	234
	NGL Energy Operating LLC 7.50% 2026[7]	9,015	9,309
	NGL Energy Partners LP 6.125% 2025	3,222	2,758
	Oasis Midstream Partners LP / OMP Finance Corp. 8.00% 2029[7]	4,265	4,655
	Oasis Petroleum, Inc. 6.375% 2026[7]	1,865	1,961
	ONEOK, Inc. 5.85% 2026	2,469	2,834
	ONEOK, Inc. 5.20% 2048	2,500	3,029
	Parkland Corp. 4.625% 2030[7]	1,035	1,030
	Petróleos Mexicanos 6.875% 2025[7]	3,755	4,107
	Petróleos Mexicanos 5.35% 2028	1,870	1,862
	Phillips 66 Partners LP 3.55% 2026	160	170
	Phillips 66 Partners LP 4.68% 2045	400	471

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	Phillips 66 Partners LP 4.90% 2046	$ 275	$ 336
	Pioneer Natural Resources Company 1.125% 2026	1,053	1,023
	Pioneer Natural Resources Company 2.15% 2031	1,669	1,612
	Plains All American Pipeline LP 3.80% 2030	113	118
	Range Resources Corp. 4.875% 2025	565	584
	Range Resources Corp. 8.25% 2029	520	581
	Rockcliff Energy II LLC 5.50% 2029[7]	310	320
	Rockies Express Pipeline LLC 4.95% 2029[7]	2,689	2,867
	SA Global Sukuk, Ltd. 1.602% 2026[7]	13,915	13,717
	SA Global Sukuk, Ltd. 2.694% 2031[7]	4,825	4,862
	Sabine Pass Liquefaction, LLC 4.50% 2030	4,044	4,566
	Schlumberger BV 3.75% 2024[7]	495	520
	Schlumberger BV 4.00% 2025[7]	70	75
	Southwestern Energy Co. 7.75% 2027	2,450	2,645
	Southwestern Energy Co. 8.375% 2028	395	441
	Southwestern Energy Co. 5.375% 2029	1,355	1,435
	Southwestern Energy Co. 5.375% 2030	1,945	2,087
	Southwestern Energy Co. 4.75% 2032	960	1,013
	Statoil ASA 3.25% 2024	2,850	3,005
	Statoil ASA 4.25% 2041	2,000	2,412
	Suncor Energy, Inc. 3.10% 2025	3,687	3,856
	Suncor Energy, Inc. 3.75% 2051	142	153
	Sunoco Logistics Operating Partners LP 5.40% 2047	650	764
	Sunoco LP 4.50% 2029	1,050	1,068
	Sunoco LP 4.50% 2030[7]	1,255	1,288
	Targa Resources Partners LP 5.50% 2030	2,260	2,473
	Targa Resources Partners LP 4.875% 2031	1,665	1,811
	Targa Resources Partners LP 4.00% 2032[7]	1,750	1,832
	Teekay Offshore Partners LP 8.50% 2023[3,4,7]	3,550	3,231
	Total SE 2.986% 2041	4,544	4,613
	TransCanada PipeLines, Ltd. 4.25% 2028	1,090	1,217
	TransCanada PipeLines, Ltd. 4.10% 2030	1,821	2,033
	TransCanada PipeLines, Ltd. 4.75% 2038	2,000	2,394
	TransCanada PipeLines, Ltd. 4.875% 2048	700	892
	Valero Energy Corp. 4.00% 2029	4,000	4,357
	Venture Global Calcasieu Pass, LLC 4.125% 2031[7]	840	892
	Weatherford International, Ltd. 11.00% 2024[7]	1,196	1,233
	Weatherford International, Ltd. 6.50% 2028[7]	2,380	2,522
	Weatherford International, Ltd. 8.625% 2030[7]	4,355	4,528
	Western Gas Partners LP 4.50% 2028	4,468	4,873
	Western Midstream Operating, LP 5.30% 2030 (5.05% on 2/1/2022)[11]	1,925	2,120
	Williams Companies, Inc. 3.50% 2030	6,129	6,522
	Williams Partners LP 4.30% 2024	85	90
			258,565
Health care 0.73%	Abbott Laboratories 3.75% 2026	1,811	2,003
	AbbVie, Inc. 2.60% 2024	3,000	3,115
	AbbVie, Inc. 3.80% 2025	206	219
	AbbVie, Inc. 2.95% 2026	1,445	1,524
	AdaptHealth, LLC 5.125% 2030[7]	830	846
	AmerisourceBergen Corp. 0.737% 2023	2,918	2,911
	Amgen, Inc. 2.20% 2027	2,429	2,488
	Anthem, Inc. 2.375% 2025	818	844
	AstraZeneca Finance LLC 1.20% 2026	3,786	3,741
	AstraZeneca Finance LLC 1.75% 2028	1,871	1,862
	AstraZeneca Finance LLC 2.25% 2031	146	147
	AstraZeneca PLC 3.375% 2025	1,140	1,225
	AstraZeneca PLC 3.00% 2051	573	602
	Bausch Health Companies, Inc. 4.875% 2028[7]	2,125	2,171

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Health care (continued)	Bausch Health Companies, Inc. 5.00% 2028[7]	$ 1,735	$ 1,599
	Bausch Health Companies, Inc. 5.25% 2031[7]	3,910	3,442
	Baxter International, Inc. 1.322% 2024[7]	7,109	7,103
	Baxter International, Inc. 1.915% 2027[7]	4,739	4,759
	Baxter International, Inc. 2.272% 2028[7]	3,180	3,206
	Bayer US Finance II LLC 3.875% 2023[7]	1,685	1,762
	Becton, Dickinson and Company 3.363% 2024	198	207
	Boston Scientific Corp. 3.45% 2024	715	748
	Boston Scientific Corp. 3.85% 2025	1,780	1,915
	Boston Scientific Corp. 3.75% 2026	645	694
	Boston Scientific Corp. 4.00% 2029	1,550	1,723
	Centene Corp. 4.25% 2027	565	590
	Centene Corp. 2.45% 2028	1,325	1,307
	Centene Corp. 4.625% 2029	4,785	5,169
	Centene Corp. 3.00% 2030	5,865	5,972
	Cigna Corp. 3.75% 2023	245	255
	Cigna Corp. 4.80% 2038	2,692	3,317
	CVS Health Corp. 4.30% 2028	588	660
	DaVita, Inc. 4.625% 2030[7]	1,025	1,051
	Eli Lilly and Company 3.375% 2029	1,353	1,492
	Endo International PLC 5.75% 2022[7]	6,945	6,329
	Endo Luxembourg Finance Co. I SARL / Endo U.S., Inc. 6.125% 2029[7]	560	550
	GlaxoSmithKline PLC 3.625% 2025	3,585	3,864
	HCA, Inc. 5.375% 2025	515	567
	HCA, Inc. 3.50% 2030	4,050	4,288
	Jazz Securities DAC 4.375% 2029[7]	1,975	2,048
	Medtronic, Inc. 3.50% 2025	467	498
	Merck & Co., Inc. 1.90% 2028	2,611	2,625
	Merck & Co., Inc. 2.15% 2031	2,309	2,317
	Merck & Co., Inc. 2.75% 2051	1,103	1,094
	Molina Healthcare, Inc. 3.875% 2030[7]	2,899	3,012
	Molina Healthcare, Inc. 3.875% 2032[7]	1,820	1,834
	Novant Health, Inc. 3.168% 2051	3,750	3,945
	Novartis Capital Corp. 1.75% 2025	1,250	1,268
	Novartis Capital Corp. 2.00% 2027	2,386	2,426
	Owens & Minor, Inc. 4.375% 2024	5,615	5,974
	Owens & Minor, Inc. 4.50% 2029[7]	3,685	3,782
	Par Pharmaceutical, Inc. 7.50% 2027[7]	7,828	8,011
	Pfizer, Inc. 2.95% 2024	825	859
	Rotech Healthcare, Inc., Term Loan, (3-month USD-LIBOR + 11.00%) 13.00% PIK 2023[3,4,12,13,15]	4,649	4,649
	Shire PLC 2.875% 2023	3,413	3,512
	Summa Health 3.511% 2051	1,655	1,750
	Tenet Healthcare Corp. 4.875% 2026[7]	13,225	13,604
	Tenet Healthcare Corp. 4.25% 2029[7]	2,060	2,096
	Tenet Healthcare Corp. 4.375% 2030[7]	1,925	1,954
	Teva Pharmaceutical Finance Co. BV 6.00% 2024	12,016	12,606
	Teva Pharmaceutical Finance Co. BV 7.125% 2025	1,935	2,073
	Teva Pharmaceutical Finance Co. BV 3.15% 2026	17,790	16,751
	Teva Pharmaceutical Finance Co. BV 5.125% 2029	5,895	5,789
	Teva Pharmaceutical Finance Co. BV 4.10% 2046	3,550	3,005
	Thermo Fisher Scientific, Inc. 1.75% 2028	2,252	2,239
	Thermo Fisher Scientific, Inc. 2.00% 2031	5,159	5,088
	UnitedHealth Group, Inc. 1.15% 2026	2,610	2,584
	UnitedHealth Group, Inc. 2.30% 2031	2,286	2,328
	UnitedHealth Group, Inc. 3.05% 2041	3,875	4,061
	UnitedHealth Group, Inc. 3.25% 2051	2,504	2,714
	Valeant Pharmaceuticals International, Inc. 6.125% 2025[7]	7,602	7,753
	Zimmer Holdings, Inc. 3.15% 2022	4,070	4,078
			224,594

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Communication services 0.60%	Alphabet, Inc. 1.998% 2026	$ 3,000	$ 3,095
	Alphabet, Inc. 1.90% 2040	1,375	1,255
	Alphabet, Inc. 2.25% 2060	1,265	1,131
	AT&T, Inc. 2.25% 2032	1,000	967
	AT&T, Inc. 2.55% 2033	1,348	1,320
	AT&T, Inc. 3.30% 2052	1,825	1,792
	AT&T, Inc. 3.50% 2053	6,050	6,115
	AT&T, Inc. 3.55% 2055	1,125	1,131
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.908% 2025	500	551
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2030[7]	3,500	3,588
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.75% 2030[7]	2,500	2,604
	CCO Holdings LLC and CCO Holdings Capital Corp. 2.80% 2031	3,996	3,959
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2031[7]	4,075	4,119
	CCO Holdings LLC and CCO Holdings Capital Corp. 2.30% 2032	2,500	2,376
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2032	2,710	2,792
	Comcast Corp. 2.35% 2027	4,000	4,146
	Comcast Corp. 3.20% 2036	375	401
	Comcast Corp. 3.90% 2038	250	283
	Comcast Corp. 2.80% 2051	791	764
	Comcast Corp. 2.887% 2051[7]	2,571	2,493
	CSC Holdings, LLC 3.375% 2031[7]	1,875	1,759
	Deutsche Telekom International Finance BV 9.25% 2032	3,570	5,709
	DIRECTV Holdings LLC and DIRECTV Financing Co., Inc. 5.875% 2027[7]	2,205	2,261
	Embarq Corp. 7.995% 2036	4,575	5,132
	Fox Corp. 4.03% 2024	1,120	1,183
	Frontier Communications Corp. 5.875% 2027[7]	2,225	2,356
	Frontier Communications Corp. 5.00% 2028[7]	5,550	5,727
	Frontier Communications Corp. 6.75% 2029[7]	3,550	3,697
	Frontier Communications Holdings, LLC 5.875% 2029	1,850	1,853
	Frontier Communications Holdings, LLC 6.00% 2030[7]	1,900	1,913
	Gray Escrow II, Inc. 5.375% 2031[7]	900	928
	iHeartCommunications, Inc. 5.25% 2027[7]	3,093	3,220
	Intelsat Jackson Holding Co. 8.00% 2024[7]	7,275	7,398
	Intelsat Jackson Holding Co. 8.50% 2024[7,14]	845	388
	Intelsat Jackson Holding Co., Term Loan, (3-month USD-LIBOR + 4.75%) 5.75% 2022[12,13]	1,727	1,733
	Intelsat Jackson Holding Co., Term Loan, 6.625% 2024[12]	1,400	1,403
	Ligado Networks LLC 15.50% PIK 2023[7,15]	2,583	2,096
	Live Nation Entertainment, Inc. 3.75% 2028[7]	1,350	1,343
	Midas OpCo Holdings LLC 5.625% 2029[7]	3,205	3,286
	News Corp. 3.875% 2029[7]	875	885
	Nexstar Broadcasting, Inc. 4.75% 2028[7]	3,175	3,240
	SBA Tower Trust 1.631% 2026[7]	8,707	8,577
	Scripps Escrow II, Inc. 3.875% 2029[7]	2,325	2,326
	Sinclair Television Group, Inc. 4.125% 2030[7]	1,175	1,115
	Sirius XM Radio, Inc. 4.00% 2028[7]	3,075	3,098
	Sirius XM Radio, Inc. 4.125% 2030[7]	950	952
	Sirius XM Radio, Inc. 3.875% 2031[7]	1,975	1,940
	Sprint Corp. 7.625% 2026	3,625	4,357
	Sprint Corp. 6.875% 2028	7,550	9,563
	TEGNA, Inc. 4.75% 2026[7]	2,350	2,447
	TEGNA, Inc. 5.00% 2029	1,500	1,536
	T-Mobile US, Inc. 1.50% 2026	500	494
	T-Mobile US, Inc. 2.05% 2028	325	323
	T-Mobile US, Inc. 3.375% 2029[7]	2,200	2,246
	Trilogy International South Pacific LLC / TISP Finance, Inc. 8.875% 2023[7]	13,597	13,288
	Univision Communications, Inc. 6.625% 2027[7]	5,800	6,255
	Univision Communications, Inc. 4.50% 2029[7]	3,475	3,516
	Verizon Communications, Inc. 2.10% 2028	1,835	1,840
	Verizon Communications, Inc. 2.875% 2050	2,500	2,379
	Virgin Media O2 4.25% 2031[7]	5,025	4,933

Asset Allocation Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Communication services (continued)	Virgin Media Secured Finance PLC 4.50% 2030[7]	$2,115	$ 2,132
	VMED O2 UK Financing I PLC 4.75% 2031[7]	225	228
	Vodafone Group PLC 4.375% 2028	350	394
	Vodafone Group PLC 5.25% 2048	500	653
	Vodafone Group PLC 4.25% 2050	4,350	5,034
	Ziggo Bond Co. BV 5.125% 2030[7]	1,775	1,787
	Ziggo Bond Finance BV 4.875% 2030[7]	725	745
			184,550
Consumer discretionary 0.59%	Allied Universal Holdco LLC 4.625% 2028[7]	1,660	1,662
	Amazon.com, Inc. 2.70% 2060	2,765	2,673
	American Honda Finance Corp. 3.50% 2028	750	820
	Asbury Automotive Group, Inc. 4.625% 2029[7]	640	653
	Atlas LuxCo 4 SARL 4.625% 2028[7]	1,065	1,047
	Bayerische Motoren Werke AG 2.25% 2023[7]	300	307
	Bayerische Motoren Werke AG 3.45% 2023[7]	1,870	1,929
	Bayerische Motoren Werke AG 0.80% 2024[7]	1,532	1,523
	Caesars Entertainment, Inc. 6.25% 2025[7]	2,815	2,958
	Carnival Corp. 4.00% 2028[7]	3,875	3,854
	Carvana Co. 5.625% 2025[7]	600	601
	Carvana Co. 5.50% 2027[7]	2,496	2,474
	Carvana Co. 5.875% 2028[7]	3,474	3,466
	Carvana Co. 4.875% 2029[7]	2,150	2,051
	Daimler Trucks Finance North America, LLC 2.00% 2026[7]	2,400	2,412
	Daimler Trucks Finance North America, LLC 2.375% 2028[7]	1,350	1,357
	First Student Bidco, Inc. / First Transit Parent, Inc. 4.00% 2029[7]	1,300	1,266
	Ford Motor Credit Company LLC 3.375% 2025	4,475	4,655
	Ford Motor Credit Company LLC 5.125% 2025	8,355	9,097
	Ford Motor Credit Company LLC 2.70% 2026	2,110	2,131
	Ford Motor Credit Company LLC 4.542% 2026	2,455	2,669
	Ford Motor Credit Company LLC 3.815% 2027	250	265
	General Motors Financial Co. 3.50% 2024	4,145	4,354
	General Motors Financial Co. 4.30% 2025	400	432
	General Motors Financial Co. 2.70% 2027	467	475
	Hanesbrands, Inc. 4.875% 2026[7]	2,700	2,889
	Hilton Grand Vacations Borrower 5.00% 2029[7]	3,580	3,675
	Hilton Worldwide Holdings, Inc. 4.00% 2031[7]	1,885	1,930
	Home Depot, Inc. 1.50% 2028	3,000	2,963
	Home Depot, Inc. 3.90% 2028	825	930
	Home Depot, Inc. 2.95% 2029	4,000	4,265
	Home Depot, Inc. 1.875% 2031	3,000	2,954
	Home Depot, Inc. 4.25% 2046	2,000	2,495
	Home Depot, Inc. 4.50% 2048	428	555
	Hyundai Capital America 3.25% 2022[7]	480	489
	Hyundai Capital America 1.00% 2024[7]	3,025	2,975
	Hyundai Capital America 1.50% 2026[7]	850	827
	Hyundai Capital America 1.65% 2026[7]	3,075	3,017
	Hyundai Capital America 2.375% 2027[7]	2,579	2,567
	Hyundai Capital America 2.10% 2028[7]	3,075	2,990
	International Game Technology PLC 6.50% 2025[7]	3,555	3,862
	International Game Technology PLC 5.25% 2029[7]	5,675	6,022
	Kontoor Brands, Inc. 4.125% 2029[7]	910	912
	Lithia Motors, Inc. 3.875% 2029[7]	675	690
	Lithia Motors, Inc. 4.375% 2031[7]	1,025	1,096
	Lowe's Companies, Inc. 1.70% 2030	966	919
	Marriott International, Inc. 2.75% 2033	2,500	2,428
	Melco International Development, Ltd. 5.75% 2028[7]	1,485	1,495
	MGM Growth Properties LLC 5.625% 2024	775	829
	MGM Growth Properties LLC 4.625% 2025[7]	1,050	1,121

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer discretionary (continued)	MGM Growth Properties LLC 3.875% 2029[7]	$2,225	$ 2,339
	MGM Resorts International 4.50% 2026	600	646
	Neiman Marcus Group, LLC 7.125% 2026[7]	1,345	1,430
	Penske Automotive Group, Inc., 3.75% 2029	1,375	1,365
	Premier Entertainment Sub LLC 5.625% 2029[7]	1,690	1,679
	Premier Entertainment Sub LLC 5.875% 2031[7]	1,690	1,698
	Royal Caribbean Cruises, Ltd. 11.50% 2025[7]	2,023	2,268
	Royal Caribbean Cruises, Ltd. 4.25% 2026[7]	3,120	3,025
	Sally Holdings LLC and Sally Capital, Inc. 5.625% 2025	2,705	2,768
	Sally Holdings LLC and Sally Capital, Inc. 8.75% 2025[7]	1,347	1,436
	Sands China, Ltd. 2.30% 2027[7]	2,075	1,956
	Scientific Games Corp. 8.25% 2026[7]	6,905	7,276
	Scientific Games Corp. 7.25% 2029[7]	1,615	1,803
	Sonic Automotive, Inc. 4.625% 2029[7]	2,435	2,462
	Stellantis Finance US, Inc. 1.711% 2027[7]	2,200	2,164
	Stellantis Finance US, Inc. 2.691% 2031[7]	2,150	2,117
	Tempur Sealy International, Inc. 4.00% 2029[7]	1,070	1,090
	Tempur Sealy International, Inc. 3.875% 2031[7]	1,205	1,209
	The Gap, Inc. 3.625% 2029[7]	486	481
	The Gap, Inc. 3.875% 2031[7]	323	319
	Toyota Motor Credit Corp. 0.80% 2026	2,265	2,204
	Toyota Motor Credit Corp. 3.05% 2028	2,430	2,609
	Travel + Leisure Co. 4.50% 2029[7]	2,100	2,121
	VICI Properties LP 4.625% 2029[7]	995	1,061
	VICI Properties LP / VICI Note Co., Inc. 3.50% 2025[7]	1,100	1,118
	VICI Properties LP / VICI Note Co., Inc. 3.75% 2027[7]	450	465
	VICI Properties LP / VICI Note Co., Inc. 4.125% 2030[7]	3,100	3,284
	Volkswagen Group of America Finance, LLC 4.25% 2023[7]	3,770	3,983
	Volkswagen Group of America Finance, LLC 4.625% 2025[7]	3,845	4,239
	Volkswagen Group of America Finance, LLC 3.20% 2026[7]	3,201	3,370
	Wyndham Destinations, Inc. 4.625% 2030[7]	1,300	1,310
	Wyndham Worldwide Corp. 4.375% 2028[7]	2,255	2,326
	Wynn Las Vegas, LLC and Wynn Capital Corp. 4.25% 2023[7]	2,193	2,212
			179,859
Industrials 0.55%	ADT Security Corp. 4.125% 2029[7]	1,630	1,609
	Allison Transmission Holdings, Inc. 3.75% 2031[7]	3,965	3,873
	Associated Materials, LLC 9.00% 2025[7]	3,749	4,015
	Avis Budget Car Rental, LLC 5.75% 2027[7]	1,025	1,067
	Avis Budget Group, Inc. 5.375% 2029[7]	2,450	2,588
	Avolon Holdings Funding, Ltd. 3.625% 2022[7]	1,254	1,262
	Avolon Holdings Funding, Ltd. 3.95% 2024[7]	1,587	1,664
	Avolon Holdings Funding, Ltd. 4.25% 2026[7]	1,126	1,194
	Avolon Holdings Funding, Ltd. 4.375% 2026[7]	1,975	2,118
	Boeing Company 4.875% 2025	1,555	1,703
	Boeing Company 3.10% 2026	251	262
	Boeing Company 3.25% 2028	4,000	4,171
	Boeing Company 5.15% 2030	1,100	1,283
	Boeing Company 3.625% 2031	2,950	3,149
	Boeing Company 3.60% 2034	6,250	6,559
	Boeing Company 5.805% 2050	4,000	5,427
	Bombardier, Inc. 7.50% 2024[7]	950	991
	Bombardier, Inc. 7.125% 2026[7]	2,900	3,012
	Bombardier, Inc. 7.875% 2027[7]	5,245	5,446
	Bombardier, Inc. 6.00% 2028[7]	1,010	1,015
	Burlington Northern Santa Fe LLC 4.40% 2042	5,000	6,105
	BWX Technologies, Inc. 4.125% 2029[7]	1,025	1,039
	Canadian National Railway Company 3.20% 2046	930	975
	Canadian Pacific Railway, Ltd. 1.75% 2026	1,385	1,391

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Industrials (continued)	Canadian Pacific Railway, Ltd. 2.45% 2031	$1,738	$ 1,774
	Canadian Pacific Railway, Ltd. 3.10% 2051	1,829	1,884
	Clarivate Science Holdings Corp. 3.875% 2028[7]	590	594
	Clarivate Science Holdings Corp. 4.875% 2029[7]	520	528
	CoreLogic, Inc. 4.50% 2028[7]	6,075	6,061
	Covert Mergeco, Inc. 4.875% 2029[7]	680	691
	CSX Corp. 4.25% 2029	1,062	1,195
	CSX Corp. 4.30% 2048	1,125	1,377
	CSX Corp. 2.50% 2051	1,125	1,043
	General Electric Capital Corp. 4.418% 2035	649	776
	Honeywell International, Inc. 2.30% 2024	2,640	2,729
	Honeywell International, Inc. 1.35% 2025	5,947	5,975
	Honeywell International, Inc. 2.70% 2029	1,470	1,541
	Icahn Enterprises Finance Corp. 4.75% 2024	2,090	2,171
	L3Harris Technologies, Inc. 1.80% 2031	2,625	2,509
	LSC Communications, Inc. 8.75% 2023[3,4,7,14]	4,063	39
	Masco Corp. 1.50% 2028	774	750
	Masco Corp. 2.00% 2031	497	477
	Masco Corp. 3.125% 2051	230	229
	MasTec, Inc. 4.50% 2028[7]	1,425	1,482
	Meritor, Inc. 4.50% 2028[7]	1,025	1,029
	Norfolk Southern Corp. 3.05% 2050	2,746	2,805
	Northrop Grumman Corp. 2.93% 2025	1,820	1,897
	Northrop Grumman Corp. 3.25% 2028	3,495	3,744
	Otis Worldwide Corp. 2.293% 2027	2,135	2,177
	Raytheon Technologies Corp. 1.90% 2031	2,615	2,526
	Raytheon Technologies Corp. 2.82% 2051	3,000	2,904
	Roller Bearing Company of America, Inc. 4.375% 2029[7]	195	199
	Rolls-Royce PLC 5.75% 2027[7]	765	847
	Siemens AG 1.20% 2026[7]	3,887	3,827
	Siemens AG 1.70% 2028[7]	3,700	3,671
	SkyMiles IP, Ltd. 4.75% 2028[7]	3,475	3,797
	The Brink's Co. 4.625% 2027[7]	2,385	2,459
	TransDigm, Inc. 6.25% 2026[7]	3,476	3,617
	TransDigm, Inc. 5.50% 2027	2,200	2,270
	Triumph Group, Inc. 6.25% 2024[7]	970	977
	Triumph Group, Inc. 8.875% 2024[7]	1,002	1,094
	Triumph Group, Inc. 7.75% 2025[7]	875	869
	Union Pacific Corp. 3.15% 2024	1,133	1,182
	Union Pacific Corp. 2.15% 2027	2,318	2,382
	Union Pacific Corp. 2.40% 2030	2,414	2,463
	Union Pacific Corp. 2.375% 2031	650	663
	Union Pacific Corp. 2.891% 2036	1,650	1,732
	Union Pacific Corp. 2.95% 2052	4,719	4,787
	Union Pacific Corp. 3.75% 2070	546	621
	Union Pacific Corp. 3.799% 2071	545	633
	United Airlines Holdings, Inc. 6.50% 2027[7]	2,200	2,352
	United Airlines, Inc. 4.625% 2029[7]	2,225	2,299
	United Rentals, Inc. 3.875% 2031	2,050	2,084
	United Technologies Corp. 3.65% 2023	52	54
	United Technologies Corp. 3.95% 2025	3,155	3,424
	United Technologies Corp. 4.125% 2028	1,075	1,204
	Vertical U.S. Newco, Inc. 5.25% 2027[7]	2,000	2,105
	Vinci SA 3.75% 2029[7]	1,167	1,276
	WESCO Distribution, Inc. 7.125% 2025[7]	1,210	1,284
			166,997

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Utilities	AEP Transmission Co. LLC 3.75% 2047	$2,390	$ 2,696
0.49%	Ameren Corp. 2.50% 2024	969	996
	American Electric Power Company, Inc. 2.95% 2022	3,020	3,069
	Calpine Corp. 3.75% 2031[7]	1,975	1,906
	CenterPoint Energy, Inc. 3.85% 2024	1,638	1,717
	Comisión Federal de Electricidad 4.75% 2027[7]	645	715
	Commonwealth Edison Co. 4.35% 2045	1,085	1,320
	Commonwealth Edison Co. 4.00% 2048	2,600	3,044
	Consolidated Edison Company of New York, Inc. 3.60% 2061	5,380	5,694
	Consumers Energy Co. 4.05% 2048	3,017	3,608
	Dominion Resources, Inc. 2.85% 2026	750	783
	Dominion Resources, Inc., junior subordinated, 3.071% 2024[11]	1,775	1,838
	Duke Energy Carolinas, LLC 3.95% 2028	1,250	1,396
	Duke Energy Florida, LLC 3.20% 2027	1,445	1,538
	Duke Energy Indiana, Inc. 3.25% 2049	1,225	1,272
	Duke Energy Progress, LLC 3.70% 2046	457	512
	Duke Energy Progress, LLC 2.50% 2050	202	187
	Duke Energy Progress, LLC 2.90% 2051	91	90
	Edison International 3.55% 2024	2,200	2,303
	EDP Finance BV 3.625% 2024[7]	4,100	4,305
	Electricité de France SA 4.75% 2035[7]	1,250	1,476
	Electricité de France SA 4.875% 2038[7]	2,750	3,337
	Electricité de France SA 5.60% 2040	525	691
	Emera US Finance LP 3.55% 2026	320	341
	Enersis Américas SA 4.00% 2026	245	261
	Entergy Corp. 2.80% 2030	3,325	3,388
	Entergy Texas, Inc. 1.75% 2031	3,650	3,427
	Eversource Energy 3.80% 2023	2,730	2,867
	Exelon Corp., junior subordinated, 3.497% 2022[11]	1,075	1,085
	FirstEnergy Corp. 3.40% 2050	6,975	6,853
	FirstEnergy Transmission LLC 2.866% 2028[7]	675	677
	Northern States Power Co. 4.125% 2044	6,000	7,186
	NRG Energy, Inc. 3.625% 2031[7]	2,600	2,539
	Pacific Gas and Electric Co. 1.75% 2022	1,575	1,575
	Pacific Gas and Electric Co. 2.10% 2027	125	121
	Pacific Gas and Electric Co. 2.50% 2031	4,750	4,530
	Pacific Gas and Electric Co. 3.30% 2040	100	93
	Pacific Gas and Electric Co. 4.20% 2041	9,100	9,174
	Pacific Gas and Electric Co. 3.50% 2050	2,500	2,322
	PacifiCorp, First Mortgage Bonds, 4.125% 2049	4,000	4,624
	PG&E Corp. 5.00% 2028	3,750	3,951
	PG&E Corp. 5.25% 2030	3,400	3,572
	Public Service Company of Colorado 1.875% 2031	2,775	2,701
	Public Service Electric and Gas Co. 3.60% 2047	548	617
	Public Service Electric and Gas Co. 3.15% 2050	2,451	2,577
	Public Service Enterprise Group, Inc. 2.65% 2022	1,900	1,927
	Southern California Edison Co. 2.85% 2029	4,450	4,608
	Southern California Edison Co. 6.00% 2034	2,500	3,247
	Southern California Edison Co. 5.35% 2035	3,000	3,741
	Southern California Edison Co. 5.75% 2035	675	870
	Southern California Edison Co. 4.00% 2047	456	504
	Southern California Edison Co. 3.65% 2050	3,652	3,874
	Talen Energy Corp. 7.25% 2027[7]	4,775	4,231
	Talen Energy Supply, LLC 7.625% 2028[7]	3,030	2,701
	Union Electric Co. 2.625% 2051	5,625	5,407
	Venture Global Calcasieu Pass, LLC 3.875% 2029[7]	1,030	1,070
	Virginia Electric and Power Co. 3.80% 2028	2,000	2,191
	Virginia Electric and Power Co. 4.60% 2048	2,650	3,389
	Xcel Energy, Inc. 2.60% 2029	1,950	1,995
			148,729

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Materials 0.43%	Alcoa Netherlands Holding BV 4.125% 2029[7]	$ 950	$ 980
	Allegheny Technologies, Inc. 4.875% 2029	490	491
	Allegheny Technologies, Inc. 5.125% 2031	875	883
	Anglo American Capital PLC 2.25% 2028[7]	484	476
	Anglo American Capital PLC 2.625% 2030[7]	5,000	4,909
	Anglo American Capital PLC 3.95% 2050[7]	2,281	2,428
	Arconic Rolled Products Corp. 6.125% 2028[7]	750	799
	Ball Corp. 3.125% 2031	3,520	3,481
	Canpack SA / Canpack US, LLC 3.875% 2029[7]	935	914
	Chevron Phillips Chemical Co. LLC 3.30% 2023[7]	595	613
	Cleveland-Cliffs, Inc. 5.875% 2027	10,500	10,944
	Cleveland-Cliffs, Inc. 4.625% 2029[7]	1,825	1,864
	Cleveland-Cliffs, Inc. 4.875% 2031[7]	2,051	2,134
	CVR Partners LP 9.25% 2023[7]	236	238
	CVR Partners LP 6.125% 2028[7]	745	787
	Dow Chemical Co. 3.625% 2026	1,884	2,032
	Dow Chemical Co. 3.60% 2050	1,328	1,442
	First Quantum Minerals, Ltd. 6.50% 2024[7]	3,704	3,754
	First Quantum Minerals, Ltd. 7.50% 2025[7]	11,350	11,690
	First Quantum Minerals, Ltd. 6.875% 2026[7]	3,625	3,770
	First Quantum Minerals, Ltd. 6.875% 2027[7]	3,240	3,491
	Freeport-McMoRan, Inc. 4.25% 2030	2,125	2,245
	FXI Holdings, Inc. 7.875% 2024[7]	726	740
	FXI Holdings, Inc. 12.25% 2026[7]	4,392	4,947
	Glencore Funding LLC 4.125% 2024[7]	945	994
	Hexion, Inc. 7.875% 2027[7]	2,045	2,159
	International Flavors & Fragrances, Inc. 1.832% 2027[7]	5,400	5,305
	International Flavors & Fragrances, Inc. 3.468% 2050[7]	2,285	2,399
	International Paper Co. 7.30% 2039	2,005	3,078
	Joseph T. Ryerson & Son, Inc. 8.50% 2028[7]	765	833
	LSB Industries, Inc. 6.25% 2028[7]	860	896
	LYB International Finance III, LLC 2.25% 2030	1,198	1,193
	LYB International Finance III, LLC 3.375% 2040	5,848	6,104
	LYB International Finance III, LLC 3.625% 2051	5,787	6,141
	LYB International Finance III, LLC 3.80% 2060	1,186	1,257
	Methanex Corp. 5.125% 2027	6,000	6,306
	Mosaic Co. 3.25% 2022	1,125	1,147
	Mosaic Co. 4.05% 2027	1,050	1,160
	Nova Chemicals Corp. 4.25% 2029[7]	1,875	1,885
	Novelis Corp. 3.875% 2031[7]	1,115	1,110
	Praxair, Inc. 1.10% 2030	2,938	2,748
	Rio Tinto Finance (USA), Ltd. 2.75% 2051	1,837	1,825
	SCIH Salt Holdings, Inc. 4.875% 2028[7]	1,185	1,139
	SCIH Salt Holdings, Inc. 6.625% 2029[7]	1,230	1,152
	Sherwin-Williams Company 2.75% 2022	29	29
	Sherwin-Williams Company 3.125% 2024	275	287
	Sherwin-Williams Company 3.80% 2049	5,208	5,882
	Venator Materials Corp. 5.75% 2025[7]	5,845	5,617
	Venator Materials Corp. 9.50% 2025[7]	1,495	1,636
	Warrior Met Coal, Inc. 7.875% 2028[7]	2,900	2,977
	Westlake Chemical Corp. 4.375% 2047	500	589
			131,900
Real estate 0.41%	Alexandria Real Estate Equities, Inc. 3.80% 2026	315	341
	Alexandria Real Estate Equities, Inc. 3.95% 2028	1,220	1,348
	Alexandria Real Estate Equities, Inc. 2.75% 2029	1,940	2,003
	Alexandria Real Estate Equities, Inc. 3.375% 2031	1,320	1,423
	Alexandria Real Estate Equities, Inc. 1.875% 2033	4,095	3,854
	Alexandria Real Estate Equities, Inc. 4.85% 2049	410	531

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Real estate (continued)	American Campus Communities, Inc. 3.75% 2023	$3,055	$ 3,139
	American Campus Communities, Inc. 4.125% 2024	2,075	2,218
	American Campus Communities, Inc. 3.625% 2027	9,545	10,205
	American Campus Communities, Inc. 3.875% 2031	331	367
	American Tower Corp. 1.45% 2026	2,369	2,321
	American Tower Corp. 1.60% 2026	2,347	2,325
	American Tower Corp. 3.55% 2027	1,425	1,523
	American Tower Corp. 1.50% 2028	2,500	2,394
	American Tower Corp. 3.60% 2028	1,000	1,078
	American Tower Corp. 2.30% 2031	3,249	3,159
	American Tower Corp. 2.95% 2051	3,250	3,087
	Brandywine Operating Partnership LP 3.95% 2023	1,070	1,096
	Brookfield Property REIT, Inc. 5.75% 2026[7]	2,575	2,668
	Diversified Healthcare Trust 4.375% 2031	2,750	2,645
	Equinix, Inc. 1.45% 2026	2,787	2,734
	Equinix, Inc. 2.90% 2026	1,144	1,186
	Equinix, Inc. 1.80% 2027	1,295	1,275
	Equinix, Inc. 1.55% 2028	3,175	3,057
	Equinix, Inc. 2.00% 2028	2,234	2,194
	Equinix, Inc. 3.20% 2029	1,552	1,633
	Equinix, Inc. 2.50% 2031	1,710	1,711
	Equinix, Inc. 3.00% 2050	912	875
	Equinix, Inc. 3.40% 2052	2,731	2,791
	Essex Portfolio LP 3.875% 2024	1,000	1,053
	Essex Portfolio LP 3.50% 2025	6,825	7,211
	Extra Space Storage, Inc. 2.35% 2032	1,385	1,348
	Gaming and Leisure Properties, Inc. 3.35% 2024	1,263	1,309
	Host Hotels & Resorts LP 4.50% 2026	355	383
	Howard Hughes Corp. 5.375% 2028[7]	1,450	1,546
	Howard Hughes Corp. 4.125% 2029[7]	1,860	1,887
	Howard Hughes Corp. 4.375% 2031[7]	2,615	2,645
	Invitation Homes Operating Partnership LP 2.00% 2031	2,401	2,264
	Iron Mountain, Inc. 5.25% 2030[7]	3,785	3,995
	Iron Mountain, Inc. 4.50% 2031[7]	2,650	2,683
	Kennedy-Wilson Holdings, Inc. 4.75% 2029	2,645	2,709
	Kennedy-Wilson Holdings, Inc. 4.75% 2030	1,140	1,157
	Kennedy-Wilson Holdings, Inc. 5.00% 2031	2,260	2,331
	Park Intermediate Holdings LLC 4.875% 2029[7]	2,280	2,335
	Public Storage 2.37% 2022	565	572
	Public Storage 0.875% 2026	592	577
	Public Storage 1.50% 2026	2,724	2,719
	Public Storage 1.85% 2028	2,490	2,487
	Public Storage 1.95% 2028	2,027	2,022
	Public Storage 2.30% 2031	2,493	2,518
	Realogy Corp. 5.75% 2029[7]	2,260	2,320
	RHP Hotel Properties LP / RHP Finance Corp. 4.50% 2029[7]	1,300	1,302
	RLJ Lodging Trust, LP 4.00% 2029[7]	1,240	1,229
	Scentre Group 3.25% 2025[7]	1,000	1,053
	Scentre Group 3.50% 2025[7]	3,075	3,240
	Scentre Group 3.75% 2027[7]	2,430	2,619
	Sun Communities Operating LP 2.30% 2028	1,845	1,844
	Sun Communities Operating LP 2.70% 2031	876	870
	UDR, Inc. 2.95% 2026	760	791
			126,200
Information technology 0.34%	Adobe, Inc. 1.90% 2025	366	375
	Almonde, Inc., Term Loan, (3-month USD-LIBOR + 7.25%) 8.25% 2025[12,13]	4,150	4,151
	Analog Devices, Inc. 1.70% 2028	1,286	1,283
	Analog Devices, Inc. 2.10% 2031	1,212	1,216

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Information technology (continued)	Analog Devices, Inc. 2.80% 2041	$2,961	$ 3,001
	Analog Devices, Inc. 2.95% 2051	1,955	2,013
	Apple, Inc. 3.00% 2024	625	651
	Apple, Inc. 0.70% 2026	2,500	2,451
	Apple, Inc. 3.35% 2027	40	43
	Apple, Inc. 1.20% 2028	5,000	4,859
	Apple, Inc. 1.65% 2031	2,500	2,443
	Avaya, Inc. 6.125% 2028[7]	1,600	1,699
	Booz Allen Hamilton, Inc. 4.00% 2029[7]	1,000	1,034
	Broadcom, Inc. 1.95% 2028[7]	1,407	1,392
	Broadcom, Inc. 2.45% 2031[7]	2,452	2,407
	Broadcom, Inc. 2.60% 2033[7]	2,524	2,464
	Broadcom, Inc. 3.469% 2034[7]	5,181	5,430
	Broadcom, Inc. 3.50% 2041[7]	3,948	4,059
	Broadcom, Inc. 3.75% 2051[7]	2,604	2,729
	Diebold Nixdorf AG, Term Loan B, (3-month USD-LIBOR + 2.75%) 2.875% 2023[12,13]	1,325	1,314
	Diebold Nixdorf, Inc. 9.375% 2025[7]	5,675	6,117
	Diebold, Inc. 8.50% 2024	1,400	1,402
	Fidelity National Information Services, Inc. 3.10% 2041	302	306
	Fiserv, Inc. 3.50% 2029	1,030	1,109
	Fiserv, Inc. 2.65% 2030	7,348	7,465
	Gartner, Inc. 4.50% 2028[7]	650	680
	Intuit, Inc. 0.95% 2025	1,530	1,509
	Intuit, Inc. 1.35% 2027	1,395	1,365
	Intuit, Inc. 1.65% 2030	1,845	1,782
	Mastercard, Inc. 2.00% 2031	3,874	3,866
	Microsoft Corp. 2.921% 2052	4,814	5,124
	MoneyGram International, Inc. 5.375% 2026[7]	750	762
	Oracle Corp. 3.65% 2041	2,250	2,278
	Oracle Corp. 3.95% 2051	1,826	1,899
	PayPal Holdings, Inc. 2.65% 2026	2,364	2,483
	PayPal Holdings, Inc. 2.30% 2030	2,200	2,237
	Sabre GLBL, Inc. 7.375% 2025[7]	728	762
	Sabre Holdings Corp. 9.25% 2025[7]	1,197	1,354
	salesforce.com, inc. 1.50% 2028	3,200	3,163
	salesforce.com, inc. 1.95% 2031	1,625	1,611
	salesforce.com, inc. 2.70% 2041	1,875	1,876
	Square, Inc. 3.50% 2031[7]	2,325	2,387
	Synaptics, Inc. 4.00% 2029[7]	875	889
	Unisys Corp. 6.875% 2027[7]	725	786
	VeriSign, Inc. 2.70% 2031	625	629
	Veritas Holdings, Ltd. 7.50% 2025[7]	2,860	2,964
	Viavi Solutions, Inc. 3.75% 2029[7]	725	726
	Xerox Corp. 5.00% 2025[7]	2,425	2,573
			105,118
Consumer staples 0.33%	7-Eleven, Inc. 0.80% 2024[7]	1,700	1,681
	7-Eleven, Inc. 0.95% 2026[7]	825	800
	7-Eleven, Inc. 1.30% 2028[7]	2,500	2,383
	Albertsons Companies, Inc. 3.50% 2029[7]	1,385	1,390
	Altria Group, Inc. 4.40% 2026	231	255
	Altria Group, Inc. 5.80% 2039	2,820	3,395
	Altria Group, Inc. 3.40% 2041	1,500	1,386
	Altria Group, Inc. 4.50% 2043	3,000	3,116
	Altria Group, Inc. 5.95% 2049	490	613
	Altria Group, Inc. 3.70% 2051	1,500	1,401
	Anheuser-Busch InBev NV 4.00% 2028	845	940
	Anheuser-Busch InBev NV 5.45% 2039	5,000	6,555
	Anheuser-Busch InBev NV 4.35% 2040	2,500	2,944

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer staples (continued)	Anheuser-Busch InBev NV 4.60% 2048	$1,500	$ 1,838
	British American Tobacco PLC 3.222% 2024	2,826	2,939
	British American Tobacco PLC 3.215% 2026	3,323	3,462
	British American Tobacco PLC 4.39% 2037	3,109	3,281
	British American Tobacco PLC 4.54% 2047	940	985
	Central Garden & Pet Co. 4.125% 2031[7]	1,395	1,404
	Coca-Cola Company 1.00% 2028	940	904
	Conagra Brands, Inc. 1.375% 2027	4,615	4,411
	Constellation Brands, Inc. 3.20% 2023	1,029	1,051
	Constellation Brands, Inc. 3.60% 2028	625	675
	Constellation Brands, Inc. 2.25% 2031	1,487	1,455
	Coty, Inc. 4.75% 2029[7]	1,220	1,242
	Imperial Tobacco Finance PLC 3.50% 2023[7]	4,000	4,075
	Keurig Dr Pepper, Inc. 4.985% 2038	3,351	4,153
	Kimberly-Clark Corp. 3.10% 2030	329	355
	Kraft Heinz Company 3.875% 2027	1,475	1,595
	Kraft Heinz Company 4.375% 2046	560	657
	Kraft Heinz Company 4.875% 2049	3,760	4,732
	Kronos Acquisition Holdings, Inc. 5.00% 2026[7]	1,695	1,676
	Lamb Weston Holdings, Inc. 4.125% 2030[7]	2,210	2,272
	PepsiCo, Inc. 1.95% 2031	3,001	3,003
	PepsiCo, Inc. 2.625% 2041	5,000	5,069
	PepsiCo, Inc. 2.75% 2051	2,500	2,569
	Philip Morris International, Inc. 2.375% 2022	1,960	1,979
	Philip Morris International, Inc. 2.625% 2022	1,670	1,672
	Philip Morris International, Inc. 2.875% 2024	788	820
	Philip Morris International, Inc. 3.25% 2024	2,000	2,117
	Philip Morris International, Inc. 0.875% 2026	2,990	2,885
	Philip Morris International, Inc. 3.375% 2029	788	850
	Philip Morris International, Inc. 1.75% 2030	2,956	2,816
	Post Holdings, Inc. 4.625% 2030[7]	2,886	2,945
	Prestige Brands International, Inc. 3.75% 2031[7]	1,115	1,083
	Reckitt Benckiser Group PLC 2.375% 2022[7]	1,125	1,134
	Reynolds American, Inc. 5.85% 2045	2,030	2,472
	Simmons Foods, Inc. 4.625% 2029[7]	560	553
			101,988
	Total corporate bonds, notes & loans		1,988,931
Mortgage-backed obligations 4.67%			
Federal agency mortgage-backed obligations 4.17%	Fannie Mae Pool #AD7072 4.00% 2025[16]	3	3
	Fannie Mae Pool #AE3069 4.00% 2025[16]	2	2
	Fannie Mae Pool #AE2321 4.00% 2025[16]	1	1
	Fannie Mae Pool #AH6431 4.00% 2026[16]	280	295
	Fannie Mae Pool #890329 4.00% 2026[16]	45	47
	Fannie Mae Pool #AH5618 4.00% 2026[16]	3	3
	Fannie Mae Pool #AH0829 4.00% 2026[16]	2	2
	Fannie Mae Pool #MA1109 4.00% 2027[16]	4	4
	Fannie Mae Pool #MA3653 3.00% 2029[16]	33	35
	Fannie Mae Pool #AL8347 4.00% 2029[16]	324	341
	Fannie Mae Pool #254767 5.50% 2033[16]	253	287
	Fannie Mae Pool #555956 5.50% 2033[16]	165	187
	Fannie Mae Pool #BN1085 4.00% 2034[16]	486	512
	Fannie Mae Pool #BN3172 4.00% 2034[16]	173	181
	Fannie Mae Pool #AS8554 3.00% 2036[16]	7,252	7,616
	Fannie Mae Pool #929185 5.50% 2036[16]	412	470
	Fannie Mae Pool #893641 6.00% 2036[16]	924	1,071
	Fannie Mae Pool #893688 6.00% 2036[16]	200	232
	Fannie Mae Pool #907239 6.00% 2036[16]	57	66
	Fannie Mae Pool #AD0249 5.50% 2037[16]	137	155

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Fannie Mae Pool #190379 5.50% 2037[16]	$ 69	$ 79
	Fannie Mae Pool #924952 6.00% 2037[16]	989	1,146
	Fannie Mae Pool #888292 6.00% 2037[16]	693	804
	Fannie Mae Pool #928031 6.00% 2037[16]	83	96
	Fannie Mae Pool #888637 6.00% 2037[16]	12	14
	Fannie Mae Pool #AD0119 6.00% 2038[16]	1,190	1,381
	Fannie Mae Pool #AD0095 6.00% 2038[16]	870	1,009
	Fannie Mae Pool #995674 6.00% 2038[16]	403	467
	Fannie Mae Pool #AE0021 6.00% 2038[16]	351	408
	Fannie Mae Pool #AL7164 6.00% 2038[16]	226	256
	Fannie Mae Pool #AB0538 6.00% 2038[16]	147	170
	Fannie Mae Pool #995391 6.00% 2038[16]	23	27
	Fannie Mae Pool #889983 6.00% 2038[16]	23	26
	Fannie Mae Pool #995224 6.00% 2038[16]	10	12
	Fannie Mae Pool #AD0833 6.00% 2039[16]	1	1
	Fannie Mae Pool #AL0013 6.00% 2040[16]	225	261
	Fannie Mae Pool #AL0309 6.00% 2040[16]	77	89
	Fannie Mae Pool #MA4387 2.00% 2041[16]	8,492	8,632
	Fannie Mae Pool #AB4536 6.00% 2041[16]	537	619
	Fannie Mae Pool #AL7228 6.00% 2041[16]	304	344
	Fannie Mae Pool #AP2131 3.50% 2042[16]	3,668	3,948
	Fannie Mae Pool #AU8813 4.00% 2043[16]	2,596	2,886
	Fannie Mae Pool #AU9348 4.00% 2043[16]	1,463	1,627
	Fannie Mae Pool #AU9350 4.00% 2043[16]	1,214	1,334
	Fannie Mae Pool #AL8773 3.50% 2045[16]	6,332	6,826
	Fannie Mae Pool #AL8354 3.50% 2045[16]	1,629	1,753
	Fannie Mae Pool #BC4764 3.00% 2046[16]	13,533	14,210
	Fannie Mae Pool #AS8310 3.00% 2046[16]	431	459
	Fannie Mae Pool #AL8522 3.50% 2046[16]	3,405	3,664
	Fannie Mae Pool #BD9699 3.50% 2046[16]	1,686	1,804
	Fannie Mae Pool #BD9307 4.00% 2046[16]	1,531	1,657
	Fannie Mae Pool #BC7611 4.00% 2046[16]	221	240
	Fannie Mae Pool #BM1179 3.00% 2047[16]	553	587
	Fannie Mae Pool #BE1290 3.50% 2047[16]	2,539	2,716
	Fannie Mae Pool #CA0770 3.50% 2047[16]	1,927	2,042
	Fannie Mae Pool #MA3211 4.00% 2047[16]	3,617	3,875
	Fannie Mae Pool #257036 7.00% 2047[16]	6	7
	Fannie Mae Pool #256975 7.00% 2047[16]	2	2
	Fannie Mae Pool #FM3278 3.50% 2048[16]	21,298	22,558
	Fannie Mae Pool #BK7655 3.931% 2048[13,16]	449	465
	Fannie Mae Pool #CA2377 4.00% 2048[16]	8,224	8,762
	Fannie Mae Pool #BK6971 4.00% 2048[16]	112	120
	Fannie Mae Pool #BK5255 4.00% 2048[16]	17	18
	Fannie Mae Pool #MA3277 4.00% 2048[16]	14	15
	Fannie Mae Pool #CA2493 4.50% 2048[16]	987	1,061
	Fannie Mae Pool #CA4756 3.00% 2049[16]	2,048	2,152
	Fannie Mae Pool #BK8767 4.00% 2049[16]	97	105
	Fannie Mae Pool #CB2375 2.50% 2051[16]	8,608	8,854
	Fannie Mae Pool #CB2319 2.50% 2051[16]	209	216
	Fannie Mae Pool #CB2372 2.50% 2051[16]	100	103
	Fannie Mae Pool #BT9510 2.50% 2051[16]	100	103
	Fannie Mae Pool #BT9483 2.50% 2051[16]	100	103
	Fannie Mae Pool #FM8453 3.00% 2051[16]	5,445	5,768
	Fannie Mae, Series 2001-T10, Class A1, 7.00% 2041[16]	102	116
	Fannie Mae, Series 2002-W3, Class A5, 7.50% 2041[16]	29	34
	Fannie Mae, Series 2012-M14, Class A2, Multi Family, 2.301% 2022[13,16]	808	815
	Fannie Mae, Series 2012-M9, Class A2, Multi Family, 2.482% 2022[16]	547	549
	Fannie Mae, Series 2012-M5, Class A2, Multi Family, 2.715% 2022[16]	59	59
	Fannie Mae, Series 2014-M1, Class A2, Multi Family, 3.123% 2023[13,16]	4,068	4,183
	Fannie Mae, Series 2014-M2, Class A2, Multi Family, 3.513% 2023[13,16]	2,921	3,038
	Fannie Mae, Series 2014-M9, Class A2, Multi Family, 3.103% 2024[13,16]	5,268	5,474

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Fannie Mae, Series 2014-M3, Class A2, Multi Family, 3.489% 2024[13,16]	$ 2,456	$ 2,555
	Fannie Mae, Series 2017-M3, Class A2, Multi Family, 2.466% 2026[13,16]	8,957	9,340
	Fannie Mae, Series 2017-M7, Class A2, Multi Family, 2.961% 2027[13,16]	2,891	3,063
	Fannie Mae, Series 2006-43, Class JO, principal only, 0% 2036[16]	51	46
	Freddie Mac Pool #C91912 3.00% 2037[16]	13,210	13,890
	Freddie Mac Pool #G03978 5.00% 2038[16]	516	585
	Freddie Mac Pool #G04553 6.50% 2038[16]	62	70
	Freddie Mac Pool #G08347 4.50% 2039[16]	82	90
	Freddie Mac Pool #C03518 5.00% 2040[16]	702	789
	Freddie Mac Pool #Q05807 4.00% 2042[16]	2,034	2,236
	Freddie Mac Pool #Q23185 4.00% 2043[16]	1,551	1,725
	Freddie Mac Pool #Q23190 4.00% 2043[16]	944	1,034
	Freddie Mac Pool #760014 2.843% 2045[13,16]	239	248
	Freddie Mac Pool #Q37988 4.00% 2045[16]	7,064	7,738
	Freddie Mac Pool #G60344 4.00% 2045[16]	6,100	6,717
	Freddie Mac Pool #Z40130 3.00% 2046[16]	5,192	5,515
	Freddie Mac Pool #Q41090 4.50% 2046[16]	344	375
	Freddie Mac Pool #Q41909 4.50% 2046[16]	338	366
	Freddie Mac Pool #760015 2.627% 2047[13,16]	581	599
	Freddie Mac Pool #Q46021 3.50% 2047[16]	1,181	1,258
	Freddie Mac Pool #SI2002 4.00% 2048[16]	3,139	3,356
	Freddie Mac Pool #SD7507 3.00% 2049[16]	2,269	2,388
	Freddie Mac Pool #SD7528 2.00% 2050[16]	20,064	20,116
	Freddie Mac Pool #SD7545 2.50% 2051[16]	7,793	8,046
	Freddie Mac Pool #RA6483 2.50% 2051[16]	7,454	7,675
	Freddie Mac Pool #QD3220 2.50% 2051[16]	100	103
	Freddie Mac Pool #RA5971 3.00% 2051[16]	7,519	7,929
	Freddie Mac, Series T041, Class 3A, 4.718% 2032[13,16]	208	227
	Freddie Mac, Series K044, Class A2, Multi Family, 2.811% 2025[16]	4,265	4,452
	Freddie Mac, Series K047, Class A2, Multi Family, 3.329% 2025[16]	4,000	4,254
	Freddie Mac, Series K733, Class A2, Multi Family, 3.75% 2025[13,16]	9,778	10,541
	Freddie Mac, Series K055, Class A2, Multi Family, 2.673% 2026[16]	10,050	10,545
	Freddie Mac, Series K734, Class A2, Multi Family, 3.208% 2026[16]	7,370	7,868
	Freddie Mac, Series K066, Class A2, Multi Family, 3.117% 2027[16]	4,755	5,132
	Freddie Mac, Series K076, Class A2, Multi Family, 3.90% 2028[16]	3,237	3,670
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class MA, 3.00% 2056[16]	6,325	6,534
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class HA, 3.00% 2056[13,16]	6,251	6,449
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-1, Class HA, 3.00% 2056[13,16]	3,128	3,226
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-3, Class HA, 3.25% 2056[13,16]	1,358	1,404
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class HT, 3.25% 2057[13,16]	1,066	1,121
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-3, Class MA, 3.50% 2057[16]	2,318	2,405
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-2, Class MT, 3.50% 2057[16]	2,256	2,386
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class MT, 3.50% 2057[16]	882	938
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-2, Class MA, 3.50% 2058[16]	11,751	12,263
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-4, Class MA, 3.00% 2059[16]	6,547	6,762
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2018-2, Class A1, 3.50% 2028[16]	2,621	2,704
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2019-3, Class A1C, 2.75% 2029[16]	3,395	3,505
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2019-1, Class A1, 3.50% 2029[16]	5,162	5,368

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2019-1, Class A2, 3.50% 2029[16]	$ 2,455	$ 2,600
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015-DNA1, Class M3, 3.402% 2027[13,16]	473	481
	Government National Mortgage Assn. 2.00% 2052[16,17]	63,224	63,799
	Government National Mortgage Assn. 2.00% 2052[16,17]	16,310	16,429
	Government National Mortgage Assn. 2.50% 2052[16,17]	4,876	4,973
	Government National Mortgage Assn. 2.50% 2052[16,17]	990	1,014
	Government National Mortgage Assn. 3.00% 2052[16,17]	35,782	37,025
	Government National Mortgage Assn. 3.50% 2052[16,17]	26,752	27,858
	Government National Mortgage Assn. 4.00% 2052[16,17]	9,238	9,728
	Government National Mortgage Assn. Pool #BD7245 4.00% 2048[16]	628	666
	Government National Mortgage Assn. Pool #MA5652 4.50% 2048[16]	489	518
	Government National Mortgage Assn. Pool #MA5876 4.00% 2049[16]	7,322	7,727
	Government National Mortgage Assn. Pool #MA5986 4.00% 2049[16]	940	991
	Government National Mortgage Assn. Pool #MA5764 4.50% 2049[16]	13,796	14,585
	Government National Mortgage Assn. Pool #MA5877 4.50% 2049[16]	4,622	4,886
	Government National Mortgage Assn. Pool #MA6092 4.50% 2049[16]	3,048	3,222
	Government National Mortgage Assn. Pool #MA5711 4.50% 2049[16]	839	888
	Government National Mortgage Assn. Pool #MA6602 4.50% 2050[16]	293	310
	Government National Mortgage Assn. Pool #MA7419 3.00% 2051[16]	28,849	29,893
	Government National Mortgage Assn. Pool #MA7259 4.50% 2051[16]	2,634	2,797
	Government National Mortgage Assn. Pool #MA7316 4.50% 2051[16]	766	813
	Uniform Mortgage-Backed Security 1.50% 2037[16,17]	11,973	11,985
	Uniform Mortgage-Backed Security 1.50% 2037[16,17]	7,822	7,844
	Uniform Mortgage-Backed Security 2.00% 2037[16,17]	27,501	28,161
	Uniform Mortgage-Backed Security 2.00% 2037[16,17]	24,668	25,217
	Uniform Mortgage-Backed Security 2.50% 2037[16,17]	638	659
	Uniform Mortgage-Backed Security 3.00% 2037[16,17]	16,342	17,088
	Uniform Mortgage-Backed Security 2.00% 2052[16,17]	133,694	132,713
	Uniform Mortgage-Backed Security 2.00% 2052[16,17]	12,473	12,408
	Uniform Mortgage-Backed Security 2.50% 2052[16,17]	105,086	106,716
	Uniform Mortgage-Backed Security 2.50% 2052[16,17]	40,552	41,273
	Uniform Mortgage-Backed Security 3.00% 2052[16,17]	162,650	168,512
	Uniform Mortgage-Backed Security 3.50% 2052[16,17]	85,313	89,818
	Uniform Mortgage-Backed Security 4.00% 2052[16,17]	10,520	11,190
	Uniform Mortgage-Backed Security 4.50% 2052[16,17]	41,792	44,776
			1,280,828
Commercial mortgage-backed securities 0.33%	Bank Commercial Mortgage Trust, Series 2020-BN26, Class A4, 2.403% 2063[16]	2,909	2,968
	Barclays Commercial Mortgage Securities LLC, Series 2017-DELC, Class A, 0.96% 2036[7,13,16]	2,000	2,001
	Benchmark Mortgage Trust, Series 2018-B2, Class A4, 3.615% 2051[16]	1,000	1,080
	Benchmark Mortgage Trust, Series 2020-B17, Class A5, 2.289% 2053[16]	2,960	2,983
	BX Trust, Series 2021-ACNT, Class A, (1-month USD-LIBOR + 0.85%) 0.95% 2026[7,13,16]	5,254	5,255
	BX Trust, Series 2021-SDMF, Class A, (1-month USD-LIBOR + 0.589%) 0.699% 2034[7,13,16]	5,954	5,893
	BX Trust, Series 2021-VOLT, Class A, (1-month USD-LIBOR + 0.70%) 0.81% 2036[7,13,16]	4,505	4,496
	BX Trust, Series 2021-ARIA, Class A, (1-month USD-LIBOR + 0.899%) 1.009% 2036[7,13,16]	7,968	7,965
	BX Trust, Series 2021-VOLT, Class B, (1-month USD-LIBOR + 0.95%) 1.06% 2036[7,13,16]	679	676
	BX Trust, Series 2021-ARIA, Class B, (1-month USD-LIBOR + 1.297%) 1.407% 2036[7,13,16]	5,968	5,964
	BX Trust, Series 2021-SOAR, Class A, (1-month USD-LIBOR + 0.67%) 0.78% 2038[7,13,16]	7,538	7,506
	BX Trust, Series 2021-SOAR, Class B, (1-month USD-LIBOR + 0.87%) 0.98% 2038[7,13,16]	1,361	1,355
	BX Trust, Series 2021-SOAR, Class C, (1-month USD-LIBOR + 1.10%) 1.21% 2038[7,13,16]	1,229	1,224
	Citigroup Commercial Mortgage Trust, Series 2015-GC29, Class AAB, 2.984% 2048[16]	748	766
	Commercial Mortgage Trust, Series 2015-PC1, Class A5, 3.902% 2050[16]	4,735	5,050
	CSAIL Commercial Mortgage Trust, Series 2015-C4, Class ASB, 3.617% 2048[16]	1,065	1,107

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Commercial mortgage-backed securities (continued)	Extended Stay America Trust, Series 2021-ESH, Class A, (1-month USD-LIBOR + 1.08%) 1.19% 2038[7,13,16]	$ 1,566	$ 1,570
	Extended Stay America Trust, Series 2021-ESH, Class B, (1-month USD-LIBOR + 1.38%) 1.49% 2038[7,13,16]	1,429	1,432
	Extended Stay America Trust, Series 2021-ESH, Class C, (1-month USD-LIBOR + 1.70%) 1.81% 2038[7,13,16]	1,493	1,496
	Grace Mortgage Trust, Series 2020-GRCE, Class A, 2.347% 2040[7,16]	3,795	3,798
	GS Mortgage Securities Trust, Series 2020-GC47, Class A5, 2.377% 2053[16]	2,489	2,527
	JPMorgan Chase Commercial Mortgage Securities Trust, Series 2021-410T, Class A, 2.287% 2042[7,16]	1,431	1,435
	LUXE Commercial Mortgage Trust, Series 2021-TRIP, Class A, (1-month USD-LIBOR + 1.05%) 1.16% 2038[7,13,16]	3,572	3,576
	LUXE Commercial Mortgage Trust, Series 2021-TRIP, Class B, (1-month USD-LIBOR + 1.40%) 1.51% 2038[7,13,16]	1,904	1,905
	Manhattan West Mortgage Trust, Series 2020-1MW, Class A, 2.13% 2039[7,16]	13,772	13,747
	MHC Commercial Mortgage Trust, CMO, Series 2021-MHC, Class A, (1-month USD-LIBOR + 0.801%) 0.911% 2026[7,13,16]	3,950	3,948
	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C27, Class ASB, 3.557% 2047[16]	768	798
	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C22, Class ASB, 3.04% 2048[16]	815	835
	SLG Office Trust, Series 2021-OVA, Class A, 2.585% 2041[7,16]	3,987	4,090
	SREIT Trust, Series 2021-MFP, Class A, (1-month USD-LIBOR + 0.731%) 0.841% 2038[7,13,16]	4,808	4,793
			102,239
Collateralized mortgage-backed obligations (privately originated) 0.17%	Arroyo Mortgage Trust, Series 2021-1R, Class A1, 1.175% 2048[7,13,16]	1,574	1,567
	Bellemeade Re, Ltd., Series 2019-3A, Class M1B, (1-month USD-LIBOR + 1.60%) 1.702% 2029[7,13,16]	3,251	3,253
	Cascade Funding Mortgage Trust, Series 2018-RM2, Class A, 4.00% 2068[7,13,16]	1,560	1,603
	Connecticut Avenue Securities, Series 2021-R01, Class 1M1, (1-month USD-SOFR + 0.75%) 0.80% 2041[7,13,16]	1,013	1,013
	Credit Suisse Mortgage Trust, Series 2020-NET, Class A, 2.257% 2037[7,16]	4,191	4,229
	Credit Suisse Mortgage Trust, Series 2017-RPL3, Class A1, 2.00% 2060[7,13,16]	2,557	2,572
	CS First Boston Mortgage Securities Corp., Series 2004-5, Class IVA1, 6.00% 2034[16]	172	182
	Finance of America Structured Securities Trust, Series 2019-JR2, Class A1, 2.00% 2069[7,16]	7,810	8,559
	Finance of America Structured Securities Trust, Series 2019-JR1, Class A, 2.00% 2069[7,16]	2,724	3,036
	Home Partners of America Trust, Series 2021-2, Class A, 1.901% 2026[7,16]	4,491	4,449
	Legacy Mortgage Asset Trust, Series 2019-GS5, Class A1, 3.20% 2059[7,13,16]	4,138	4,152
	Legacy Mortgage Asset Trust, Series 2019-GS7, Class A1, 3.25% 2059[7,13,16]	1,216	1,221
	Legacy Mortgage Asset Trust, Series 2019-GS2, Class A1, 3.75% 2059[7,13,16]	531	532
	MASTR Alternative Loan Trust, Series 2004-2, Class 2A1, 6.00% 2034[16]	352	366
	Mello Warehouse Securitization Trust, Series 2021-3, Class A, (1-month USD-LIBOR + 0.85%) 0.952% 2055[7,13,16]	4,040	4,037
	Mortgage Repurchase Agreement Financing Trust, Series 2020-5, (1-month USD-LIBOR + 1.00%) 1.101% 2023[7,13,16]	2,862	2,865
	MRA Issuance Trust, Series 2020-10, Class A, (1-month USD-LIBOR + 1.70%) 1.786% 2022[7,13,16]	5,219	5,224
	RMF Proprietary Issuance Trust, Series 2019-1, Class A, 2.75% 2063[7,13,16]	566	567
	Station Place Securitization Trust, Series 2021-WL2, Class A, (1-month USD-LIBOR + 0.70%) 0.802% 2054[7,13,16]	1,300	1,301
			50,728
	Total mortgage-backed obligations		1,433,795

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Asset-backed obligations 1.29%		
Aesop Funding LLC, Series 2017-2A, Class A, 2.97% 2024[7,16]	$ 1,920	$ 1,960
Aesop Funding LLC, Series 2018-1A, Class A, 3.70% 2024[7,16]	1,114	1,156
Aesop Funding LLC, Series 2018-2A, Class A, 4.00% 2025[7,16]	3,100	3,271
Aesop Funding LLC, Series 2021-1A, Class A, 1.38% 2027[7,16]	13,378	13,166
Aesop Funding LLC, Series 2020-2, Class A, 2.02% 2027[7,16]	539	546
Aesop Funding LLC, Series 2020-2A, Class B, 2.96% 2027[7,16]	138	143
Affirm Asset Securitization Trust, Series 2021-Z2, Class A, 1.17% 2026[7,16]	2,248	2,240
Allegro CLO, Ltd., Series 2016-1A, Class AR2, (3-month USD-LIBOR + 0.95%) 1.074% 2030[7,13,16]	2,538	2,538
Allegro CLO, Ltd., Series 2017-1A, Class AR, (3-month USD-LIBOR + 0.95%) 1.072% 2030[7,13,16]	1,639	1,639
Ares CLO, Ltd., Series 2017-42A, Class AR, (3-month USD-LIBOR + 0.92%) 1.048% 2028[7,13,16]	3,510	3,510
Ballyrock CLO, Ltd., Series 2019-2A, Class A1AR, (3-month USD-LIBOR + 1.00%) 1.16% 2030[7,13,16]	3,660	3,660
Bankers Healthcare Group Securitization Trust, Series 2021-A, Class A, 1.42% 2033[7,16]	784	779
Castlelake Aircraft Securitization Trust, Series 2021-2A, Class A, 2.868% 2037[7,16]	5,062	5,026
Castlelake Aircraft Securitization Trust, Series 2017-1R, Class A, 2.741% 2041[7,16]	881	871
Cent CLO, Ltd., Series 2014-21A, Class AR, (3-month USD-LIBOR + 0.97%) 1.105% 2030[7,13,16]	5,185	5,183
CF Hippolyta LLC, Series 2020-1, Class A1, 1.69% 2060[7,16]	5,261	5,223
CF Hippolyta LLC, Series 2020-1, Class A2, 1.99% 2060[7,16]	1,783	1,754
CF Hippolyta LLC, Series 2020-1, Class B1, 2.28% 2060[7,16]	911	911
CF Hippolyta LLC, Series 2020-1, Class B2, 2.60% 2060[7,16]	170	170
CF Hippolyta LLC, Series 2021-1, Class A1, 1.53% 2061[7,16]	6,175	6,066
CF Hippolyta LLC, Series 2021-1, Class B1, 1.98% 2061[7,16]	793	782
CLI Funding VI LLC, Series 2020-2A, Class A, 2.03% 2045[7,16]	1,648	1,638
CLI Funding VI LLC, Series 2020-3A, Class A, 2.07% 2045[7,16]	1,348	1,341
CLI Funding VI LLC, Series 2020-1A, Class A, 2.08% 2045[7,16]	6,077	6,057
CLI Funding VI LLC, Series 2020-3A, Class B, 3.30% 2045[7,16]	858	864
CLI Funding VIII LLC, Series 2021-1A, Class A, 1.64% 2046[7,16]	1,813	1,774
Cloud Pass-Through Trust, Series 2019-1A, Class CLOU, 3.554% 2022[7,13,16]	27	27
Credit Acceptance Auto Loan Trust, Series 2020-1A, Class A, 2.01% 2029[7,16]	2,964	2,988
Drive Auto Receivables Trust, Series 2019-3, Class C, 2.90% 2025[16]	643	649
Drive Auto Receivables Trust, Series 2020-1, Class C, 2.36% 2026[16]	2,262	2,280
Drivetime Auto Owner Trust, Series 2019-3, Class C, 2.74% 2025[7,16]	70	70
Dryden Senior Loan Fund, CLO, Series 2017-47A, Class A1R, (3-month USD-LIBOR + 0.98%) 1.104% 2028[7,13,16]	5,478	5,477
EDvestinU Private Education Loan LLC, Series 2021-A, Class A, 1.80% 2045[7,16]	431	424
FirstKey Homes Trust, Series 2020-SFR2, Class A, 1.266% 2037[7,16]	6,049	5,902
Ford Credit Auto Owner Trust, Series 2018-2, Class A, 3.47% 2030[7,16]	4,825	5,015
Ford Credit Auto Owner Trust, Series 2018-1, Class A, 3.52% 2030[7,16]	6,000	6,293
Ford Credit Auto Owner Trust, Series 2020-1, Class A, 2.04% 2031[7,16]	8,861	9,029
Ford Credit Auto Owner Trust, Series 2018-1, Class A, 3.19% 2031[7,16]	9,605	10,127
GCI Funding I LLC, Series 2020-1, Class A, 2.82% 2045[7,16]	816	819
GCI Funding I LLC, Series 2020-1, Class B, 3.81% 2045[7,16]	328	331
Global SC Finance V SRL, Series 2019-1A, Class B, 4.81% 2039[7,16]	2,810	3,001
Global SC Finance V SRL, Series 2020-1A, Class A, 2.17% 2040[7,16]	11,791	11,784
Global SC Finance VII SRL, Series 2020-2A, Class A, 2.26% 2040[7,16]	14,893	14,934
Global SC Finance VII SRL, Series 2020-2A, Class B, 3.32% 2040[7,16]	616	620
Global SC Finance VII SRL, Series 2021-1A, Class A, 1.86% 2041[7,16]	4,545	4,480
Global SC Finance VII SRL, Series 2021-2A, Class A, 1.95% 2041[7,16]	6,744	6,673
Global SC Finance VII SRL, Series 2021-2A, Class B, 2.49% 2041[7,16]	534	527
Hertz Vehicle Financing III, LLC, Series 2021-A, Class B, 3.65% 2023[3,7,16]	5,930	5,917
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class A, 1.21% 2025[7,16]	8,452	8,380
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class B, 1.56% 2025[7,16]	634	629
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class C, 2.05% 2025[7,16]	405	401
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class A, 1.68% 2027[7,16]	9,163	9,047
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class B, 2.12% 2027[7,16]	685	680
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class C, 2.52% 2027[7,16]	429	427
Honda Auto Receivables Owner Trust, Series 2019-2, Class A3, 2.52% 2023[16]	1,011	1,019

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Asset-backed obligations (continued)		
Longfellow Place CLO, Ltd., Series 2013-1A, Class AR3, (3-month USD-LIBOR + 1.00%) 1.124% 2029[7,13,16]	$ 3,028	$ 3,028
Lunar Structured Aircraft Portfolio Notes, Series 2021-1, Class A, 2.636% 2046[7,16]	3,884	3,872
Madison Park Funding, Ltd., CLO, Series 2015-17A, Class AR2, (3-month USD-LIBOR + 1.00%) 1.13% 2030[7,13,16]	5,545	5,542
Marathon CLO, Ltd., Series 2017-9A, Class A1AR, (3-month USD-LIBOR + 1.15%) 1.274% 2029[7,13,16]	3,533	3,533
Mercury Financial Credit Card Master Trust, Series 2021-1A, Class A, 1.54% 2026[7,16]	4,700	4,698
Mission Lane Credit Card Master Trust, Series 2021-A, Class A, 1.59% 2026[7,16]	1,900	1,888
Navient Student Loan Trust, Series 2021-C, Class A, 1.06% 2069[7,16]	6,496	6,405
Navient Student Loan Trust, Series 2021-G, Class A, 1.58% 2070[7,16]	6,977	6,957
Navigator Aircraft ABS, Ltd., Series 2021-1, Class A, 2.771% 2046[7,16]	6,817	6,809
Nelnet Student Loan Trust, Series 2021-C, Class AFX, 1.32% 2062[7,16]	13,885	13,682
Nelnet Student Loan Trust, Series 2021-A, Class APT1, 1.36% 2062[7,16]	7,716	7,588
Nelnet Student Loan Trust, Series 2021-B, Class AFX, 1.42% 2062[7,16]	13,129	12,954
New Economy Assets Phase 1 Issuer, LLC, Series 2021-1, Class A1, 1.91% 2061[7,16]	23,051	22,638
New Economy Assets Phase 1 Issuer, LLC, Series 2021-1, Class B1, 2.41% 2061[7,16]	5,200	5,220
Newark BSL CLO 2, Ltd., Series 2017-1A, Class A1R, (3-month USD-LIBOR + 0.97%) 1.094% 2030[7,13,16]	1,765	1,765
Palmer Square Loan Funding, CLO, Series 2021-4A, Class A1, (3-month USD-LIBOR + 0.80%) 0.928% 2029[7,13,16]	10,000	9,995
Palmer Square Loan Funding, CLO, Series 2021-4A, Class A2, (3-month USD-LIBOR + 1.40%) 1.528% 2029[7,13,16]	5,378	5,379
Palmer Square Loan Funding, CLO, Series 2020-4, Class A1, (3-month USD-LIBOR + 1.00%) 1.18% 2028[7,13,16]	2,043	2,044
Palmer Square Loan Funding, CLO, Series 2021-1, Class A1, (3-month USD-LIBOR + 0.90%) 1.032% 2029[7,13,16]	609	609
Race Point CLO, Ltd., Series 2015-9A, Class A1A2, (3-month USD-LIBOR + 0.94%) 1.064% 2030[7,13,16]	4,634	4,633
Santander Drive Auto Receivables Trust, Series 2020-1, Class A3, 2.03% 2024[16]	9	9
Santander Drive Auto Receivables Trust, Series 2020-1, Class B, 3.03% 2024[16]	345	347
Santander Drive Auto Receivables Trust, Series 2020-1, Class C, 4.11% 2025[16]	1,000	1,030
SMB Private Education Loan Trust, Series 2021-A, Class A2A2, (1-month USD-LIBOR + 0.73%) 0.84% 2053[7,13,16]	7,547	7,588
Sound Point CLO, Ltd., Series 2017-3A, Class A1R, (3-month USD-LIBOR + 0.98%) 1.112% 2030[7,13,16]	5,530	5,531
Sound Point CLO, Ltd., Series 2017-2A, Class AR, (3-month USD-LIBOR + 0.98%) 1.112% 2030[7,13,16]	3,233	3,233
Sound Point CLO, Ltd., Series 2015-1RA, Class AR, (3-month USD-LIBOR + 1.08%) 1.204% 2030[7,13,16]	2,985	2,985
Sprite, Ltd., Series 2021-1, Class A, 3.75% 2046[7,16]	5,306	5,226
Stellar Jay Ireland DAC, Series 2021-1, Class A, 3.967% 2041[7,16]	4,998	4,972
Stonepeak Infrastructure Partners, Series 2021-1A, Class AA, 2.301% 2033[7,16]	2,779	2,754
Stonepeak Infrastructure Partners, Series 2021-1A, Class A, 2.675% 2033[7,16]	2,271	2,264
SuttonPark Structured Settlements, Series 2021-1, Class A, 1.95% 2075[7,16]	4,127	4,077
TAL Advantage V LLC, Series 2020-1A, Class A, 2.05% 2045[7,16]	2,070	2,060
TAL Advantage V LLC, Series 2020-1A, Class B, 3.29% 2045[7,16]	232	233
Textainer Marine Containers, Ltd., Series 2020-2A, Class A, 2.10% 2045[7,16]	901	897
Textainer Marine Containers, Ltd., Series 2021-1A, Class A, 1.68% 2046[7,16]	1,011	985
Textainer Marine Containers, Ltd., Series 2021-2A, Class A, 2.23% 2046[7,16]	4,828	4,820
TIF Funding II LLC, Series 2021-1A, Class A, 1.65% 2046[7,16]	811	788
Toyota Auto Loan Extended Note Trust, Series 2019-1, Class A, 2.56% 2031[7,16]	3,250	3,358
Toyota Auto Loan Extended Note Trust, Series 2020-1, Class A, 1.35% 2033[7,16]	889	887
Toyota Auto Loan Extended Note Trust, Series 2021-1, Class A, 1.07% 2034[7,13,16]	7,257	7,128
Triton Container Finance VIII LLC, Series 2020-1, Class A, 2.11% 2045[7,16]	11,432	11,363
Triton Container Finance VIII LLC, Series 2021-1, Class A, 1.86% 2046[7,16]	3,081	3,025
Westlake Automobile Receivables Trust, Series 2019-2A, Class C, 2.84% 2024[7,16]	1,035	1,040
		396,057

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Municipals 0.12%			
California 0.02%	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-A-1, 2.158% 2026	$1,200	$ 1,208
	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-A-1, 2.332% 2027	1,660	1,672
	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-B, 2.746% 2034	495	499
	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-B, 3.293% 2042	1,170	1,193
	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-B, 3.00% 2046	2,795	2,867
			7,439
Connecticut 0.00%	Housing Fin. Auth., Housing Mortgage Fin. Program Bonds, Series 2014-C-1, 4.00% 2044	20	21
	Housing Fin. Auth., Housing Mortgage Fin. Program Bonds, Series 2014-A-1, 4.00% 2044	15	15
			36
Florida 0.04%	Board of Administration Fin. Corp., Rev. Bonds, Series 2020-A, 1.705% 2027	5,335	5,324
	Board of Administration Fin. Corp., Rev. Bonds, Series 2020-A, 2.154% 2030	5,365	5,357
			10,681
Guam 0.00%	A.B. Won Pat International Airport Auth., General Rev. Bonds, Series 2021-A, 3.839% 2036	240	246
	A.B. Won Pat International Airport Auth., General Rev. Bonds, Series 2021-A, 4.46% 2043	315	328
			574
Illinois 0.02%	G.O. Bonds, Pension Funding, Series 2003, Assured Guaranty Municipal insured, 5.10% 2033	4,125	4,818
Maryland 0.00%	Community Dev. Administration, Dept. of Housing and Community Dev., Residential Rev. Ref. Bonds, Series 2014-E, 2.857% 2040	25	25
Minnesota 0.00%	Housing Fin. Agcy., Residential Housing Fin. Bonds, Series 2014-A, 4.00% 2038	45	47
Nebraska 0.00%	Investment Fin. Auth., Single Family Housing Rev. Bonds, Series 2013-A, 3.00% 2043	15	15
New York 0.02%	Dormitory Auth., Taxable State Personal Income Tax Rev. Bonds (General Purpose), Series 2021-C, 1.187% 2026	2,865	2,827
	Dormitory Auth., Taxable State Personal Income Tax Rev. Bonds (General Purpose), Series 2021-C, 1.748% 2028	4,745	4,736
			7,563
Ohio 0.02%	Cleveland-Cuyahoga Port Auth., Federal Lease Rev. Bonds (VA Cleveland Health Care Center Project), Series 2021, 4.425% 2031	5,170	5,446

Asset Allocation Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Municipals (continued)			
South Carolina 0.00%	Housing Fin. Auth., Mortgage Rev. Ref. Bonds, Series 2014, AMT, 4.00% 2041	$ 10	$ 11
South Dakota 0.00%	Housing Dev. Auth., Homeownership Mortgage Bonds, Series 2014-F, 4.00% 2034	5	5
Tennessee 0.00%	Housing Dev. Agcy., Residential Fin. Program Bonds, Series 2013-2-A, AMT, 4.00% 2043	5	5
	Total municipals		36,665
Federal agency bonds & notes 0.12%			
	Fannie Mae 1.875% 2026	13,000	13,366
	Fannie Mae 0.875% 2030	23,958	22,606
			35,972
Bonds & notes of governments & government agencies outside the U.S. 0.11%			
	CPPIB Capital, Inc. 2.25% 2022[7]	4,286	4,291
	CPPIB Capital, Inc. 2.75% 2027[7]	6,600	7,058
	European Investment Bank 0.75% 2026	6,194	6,031
	KfW 2.125% 2022	375	376
	Peru (Republic of) 1.862% 2032	2,525	2,310
	Peru (Republic of) 2.78% 2060	3,775	3,322
	Qatar (State of) 3.375% 2024[7]	2,315	2,427
	Qatar (State of) 4.00% 2029[7]	745	841
	Qatar (State of) 4.817% 2049[7]	750	986
	Saudi Arabia (Kingdom of) 3.25% 2030[7]	1,750	1,884
	Saudi Arabia (Kingdom of) 5.25% 2050[7]	1,000	1,319
	United Mexican States 2.659% 2031	2,703	2,644
	United Mexican States 3.771% 2061	1,528	1,412
			34,901
	Total bonds, notes & other debt instruments (cost: $6,243,430,000)		6,393,877

Short-term securities 4.67%		Shares	
Money market investments 4.61%			
	Capital Group Central Cash Fund 0.09%[6,18]	14,171,922	1,417,334
Money market investments purchased with collateral from securities on loan 0.06%			
	Goldman Sachs Financial Square Government Fund, Institutional Shares 0.02%[18,19]	9,005,168	9,005
	Capital Group Central Cash Fund 0.09%[6,18,19]	84,913	8,492
	Invesco Short-Term Investments Trust – Government & Agency Portfolio, Institutional Class 0.03%[18,19]	606,579	607
			18,104
	Total short-term securities (cost: $1,435,153,000)		1,435,438
	Total investment securities 102.80% (cost: $21,860,615,000)		31,566,673
	Other assets less liabilities (2.80)%		(860,753)
	Net assets 100.00%		$30,705,920

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
90 Day Euro Dollar Futures	Long	5,758	December 2022	$1,424,457	$ (4,139)
2 Year U.S. Treasury Note Futures	Short	213	March 2022	(46,471)	11
5 Year U.S. Treasury Note Futures	Short	6,473	March 2022	(783,081)	(2,215)
10 Year U.S. Treasury Note Futures	Short	2,173	March 2022	(283,509)	(3,092)
10 Year Ultra U.S. Treasury Note Futures	Short	2,190	March 2022	(320,698)	(5,218)
20 Year U.S. Treasury Bond Futures	Long	677	March 2022	108,616	959
30 Year Ultra U.S. Treasury Bond Futures	Long	198	March 2022	39,031	(542)
					$(14,236)

Swap contracts

Credit default swaps

Centrally cleared credit default swaps on credit indices – buy protection

Reference index	Financing rate paid	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium received (000)	Unrealized depreciation at 12/31/2021 (000)
CDX.NA.IG.37	1.00%	Quarterly	12/20/2026	$82,121	$(1,995)	$(1,947)	$(48)

Investments in affiliates[6]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized depreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Common stocks 0.02%								
Health care 0.02%								
NuCana PLC (ADR)[1,2]	$ 13,367	$ –	$ –	$ –	$ (6,281)	$ 7,086	$ –	$ –
Consumer discretionary 0.00%								
Kontoor Brands, Inc.[20]	150,072	–	207,653	106,939	(49,358)	–	4,000	–
Total common stocks						7,086		
Investment funds 5.27%								
Capital Group Central Corporate Bond Fund	–	1,712,809	69,984	182	(25,746)	1,617,261	20,735	14,433
Short-term securities 4.64%								
Money market investments 4.61%								
Capital Group Central Cash Fund 0.09%[18]	2,273,691	6,182,455	7,038,774	31	(69)	1,417,334	1,583	–
Money market investments purchased with collateral from securities on loan 0.03%								
Capital Group Central Cash Fund 0.09%[18,19]	–	8,492[21]				8,492	–[22]	–
Total short-term securities						1,425,826		
Total 9.93%				$107,152	$(81,454)	$3,050,173	$26,318	$14,433

[1]Security did not produce income during the last 12 months.
[2]All or a portion of this security was on loan. The total value of all such securities was $19,643,000, which represented .06% of the net assets of the fund. Refer to Note 5 for more information on securities lending.
[3]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $99,564,000, which represented .32% of the net assets of the fund.
[4]Value determined using significant unobservable inputs.
[5]Acquired through a private placement transaction exempt from registration under the Securities Act of 1933. May be subject to legal or contractual restrictions on resale. Further details on these holdings appear below.
[6]Affiliate of the fund or part of the same "group of investment companies" as the fund, as defined under the Investment Company Act of 1940, as amended.
[7]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $1,289,651,000, which represented 4.20% of the net assets of the fund.
[8]Amount less than one thousand.
[9]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $13,414,000, which represented .04% of the net assets of the fund.
[10]Index-linked bond whose principal amount moves with a government price index.
[11]Step bond; coupon rate may change at a later date.
[12]Loan participations and assignments; may be subject to legal or contractual restrictions on resale. The total value of all such loans was $15,054,000, which represented .05% of the net assets of the fund.
[13]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[14]Scheduled interest and/or principal payment was not received.
[15]Payment in kind; the issuer has the option of paying additional securities in lieu of cash. Payment methods and rates are as of the most recent payment when available.
[16]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[17]Purchased on a TBA basis.
[18]Rate represents the seven-day yield at 12/31/2021.
[19]Security purchased with cash collateral from securities on loan. Refer to Note 5 for more information on securities lending.
[20]Affiliated issuer during the reporting period but no longer held at 12/31/2021.
[21]Represents net activity. Refer to Note 5 for more information on securities lending.
[22]Dividend income is included with securities lending income in the fund's statement of operations and is not shown in this table.

Private placement securities	Acquisition date	Cost (000)	Value (000)	Percent of net assets
Carbon Health Technologies, Inc., convertible preferred shares, 1.00% 2024	7/9/2021	$ 50,000	$ 50,000	.16%
Rotech Healthcare, Inc.	9/26/2013	6,949	19,887	.07
Total private placement securities		**$56,949**	**$69,887**	**.23%**

Key to abbreviations and symbol

ADR = American Depositary Receipts
Agcy. = Agency
AMT = Alternative Minimum Tax
Auth. = Authority
CAD = Canadian dollars
CLO = Collateralized Loan Obligations
CMO = Collateralized Mortgage Obligations
DAC = Designated Activity Company
Dept. = Department
Dev. = Development
Fin. = Finance
G.O. = General Obligation
LIBOR = London Interbank Offered Rate
Ref. = Refunding
Rev. = Revenue
SOFR = Secured Overnight Financing Rate
TBA = To-be-announced
USD/$ = U.S. dollars

See notes to financial statements.

Global Balanced Fund

Investment portfolio December 31, 2021

Common stocks 62.99%		Shares	Value (000)
Information technology 15.11%	Microsoft Corp.	40,763	$13,709
	Taiwan Semiconductor Manufacturing Company, Ltd.	615,000	13,671
	Broadcom, Inc.	16,646	11,076
	ASML Holding NV	9,827	7,907
	Tokyo Electron, Ltd.	9,800	5,647
	MediaTek, Inc.	122,000	5,247
	Motorola Solutions, Inc.	9,740	2,646
	Amadeus IT Group SA, Class A, non-registered shares[1]	31,003	2,105
	PagSeguro Digital, Ltd., Class A[1]	78,715	2,064
	Keyence Corp.	3,200	2,011
	Amphenol Corp., Class A	21,959	1,921
	Edenred SA	30,661	1,416
	Murata Manufacturing Co., Ltd.	14,900	1,186
			70,606
Health care 9.88%	Pfizer, Inc.	165,507	9,773
	UnitedHealth Group, Inc.	12,898	6,477
	AstraZeneca PLC	47,747	5,608
	Danaher Corp.	12,009	3,951
	Humana, Inc.	7,099	3,293
	Thermo Fisher Scientific, Inc.	4,831	3,224
	Mettler-Toledo International, Inc.[1]	1,657	2,812
	Coloplast A/S, Class B	13,823	2,436
	Merck & Co., Inc.	26,629	2,041
	Cigna Corp.	7,731	1,775
	Carl Zeiss Meditec AG, non-registered shares	8,038	1,692
	Gilead Sciences, Inc.	20,605	1,496
	Novartis AG	10,489	924
	Bayer AG	11,799	631
	Organon & Co.	1,695	52
			46,185
Consumer discretionary 8.10%	Home Depot, Inc.	30,508	12,661
	LVMH Moët Hennessy-Louis Vuitton SE	5,833	4,828
	Domino's Pizza, Inc.	7,896	4,456
	Darden Restaurants, Inc.	15,874	2,391
	Amazon.com, Inc.[1]	713	2,377
	D'Ieteren Group[1]	10,856	2,121
	Compagnie Financière Richemont SA, Class A	12,809	1,925
	Restaurant Brands International, Inc. (CAD denominated)	27,862	1,689
	General Motors Company[1]	27,867	1,634
	Booking Holdings, Inc.[1]	661	1,586
	Industria de Diseño Textil, SA	30,437	989
	Stellantis NV	45,067	856
	Wynn Resorts, Ltd.[1]	4,077	347
			37,860
Financials 7.27%	JPMorgan Chase & Co.	48,427	7,669
	Berkshire Hathaway, Inc., Class A[1]	13	5,859
	Berkshire Hathaway, Inc., Class B[1]	396	118
	Brookfield Asset Management, Inc., Class A (CAD denominated)	54,939	3,318
	Aon PLC, Class A	9,975	2,998
	Zurich Insurance Group AG	5,606	2,463
	S&P Global, Inc.	4,694	2,215
	BlackRock, Inc.	2,403	2,200
	Hong Kong Exchanges and Clearing, Ltd.	34,500	2,015
	AIA Group, Ltd.	164,000	1,653

Global Balanced Fund (continued)

Common stocks (continued)		Shares	Value (000)
Financials (continued)	Legal & General Group PLC	371,225	$ 1,495
	FinecoBank SpA	70,697	1,242
	B3 SA-Brasil, Bolsa, Balcao	363,556	727
			33,972
Consumer staples 7.05%	Nestlé SA	72,056	10,078
	Philip Morris International, Inc.	56,450	5,363
	Kweichow Moutai Co., Ltd., Class A	12,821	4,124
	Altria Group, Inc.	66,224	3,138
	Keurig Dr Pepper, Inc.	78,316	2,887
	British American Tobacco PLC	70,634	2,613
	British American Tobacco PLC (ADR)	3,765	141
	Ocado Group PLC[1]	73,424	1,668
	Procter & Gamble Company	7,504	1,227
	Coca-Cola Europacific Partners PLC	16,379	916
	Budweiser Brewing Co. APAC, Ltd.	296,400	777
			32,932
Industrials 5.17%	SITC International Holdings Co., Ltd.	880,000	3,183
	Airbus SE, non-registered shares[1]	20,920	2,676
	Lockheed Martin Corp.	7,077	2,515
	Spirax-Sarco Engineering PLC	10,174	2,210
	SMC Corp.	2,900	1,956
	Watsco, Inc.	5,265	1,647
	Nidec Corp.	14,000	1,646
	CSX Corp.	38,123	1,433
	MTU Aero Engines AG	6,895	1,408
	BAE Systems PLC	188,486	1,403
	United Parcel Service, Inc., Class B	5,782	1,239
	Rockwell Automation	3,193	1,114
	Union Pacific Corp.	3,852	971
	Boeing Company[1]	3,799	765
			24,166
Materials 2.68%	Croda International PLC	24,938	3,416
	Givaudan SA	521	2,740
	Koninklijke DSM NV	6,905	1,557
	Vale SA, ordinary nominative shares	97,077	1,359
	Akzo Nobel NV	11,668	1,282
	LyondellBasell Industries NV	13,775	1,270
	Rio Tinto PLC	13,653	904
			12,528
Communication services 2.28%	Alphabet, Inc., Class C[1]	1,367	3,956
	Verizon Communications, Inc.	46,574	2,420
	SoftBank Corp.	140,700	1,779
	Nintendo Co., Ltd.	3,600	1,679
	América Móvil, SAB de CV, Series L (ADR)	38,489	812
			10,646

Global Balanced Fund (continued)

Common stocks (continued)		Shares	Value (000)
Energy 2.20%	TC Energy Corp. (CAD denominated)	56,072	$ 2,608
	BP PLC	506,765	2,267
	Baker Hughes Co., Class A	68,451	1,647
	Pioneer Natural Resources Company	8,353	1,519
	Chevron Corp.	12,420	1,458
	Petróleo Brasileiro SA (Petrobras), ordinary nominative shares (ADR)	72,976	801
			10,300
Real estate 2.20%	Crown Castle International Corp. REIT	14,772	3,083
	Equinix, Inc. REIT	2,740	2,318
	American Tower Corp. REIT	6,194	1,812
	Gaming and Leisure Properties, Inc. REIT	33,941	1,651
	Longfor Group Holdings, Ltd.	298,500	1,405
			10,269
Utilities 1.05%	National Grid PLC	208,445	2,990
	Brookfield Infrastructure Partners LP	17,894	1,089
	Enel SpA	106,113	852
			4,931
	Total common stocks (cost: $174,532,000)		294,395

Preferred securities 0.31%

Information technology 0.31%	Samsung Electronics Co., Ltd., nonvoting preferred shares	24,146	1,446
	Total preferred securities (cost: $1,229,000)		1,446

Convertible stocks 0.29%

Utilities 0.29%	AES Corp., convertible preferred units, 6.875% 2024	14,300	1,373
	Total convertible stocks (cost: $1,430,000)		1,373

Bonds, notes & other debt instruments 29.03%		Principal amount (000)	
Bonds & notes of governments & government agencies outside the U.S. 12.77%			
	Abu Dhabi (Emirate of) 2.50% 2022[2]	$ 200	203
	Abu Dhabi (Emirate of) 0.75% 2023[2]	275	274
	Agricultural Development Bank of China 3.75% 2029	CNY550	90
	Agricultural Development Bank of China 2.96% 2030	4,350	675
	Australia (Commonwealth of), Series 152, 2.75% 2028	A$710	559
	Australia (Commonwealth of), Series 163, 1.00% 2031	660	452
	Australia (Commonwealth of), Series 156, 2.75% 2041	260	204
	Brazil (Federative Republic of) 6.00% 2024[3]	BRL3,176	581
	Canada 2.25% 2025	C$1,400	1,148
	Canada 0.25% 2026	570	433
	Canada 2.25% 2029	1,265	1,067
	Chile (Republic of) 4.50% 2026	CLP5,000	6
	Chile (Republic of) 5.00% 2028	60,000	68
	Chile (Republic of) 4.70% 2030	70,000	77
	China (People's Republic of), Series 1916, 3.12% 2026	CNY6,650	1,067
	China (People's Republic of), Series INBK, 2.85% 2027	10,000	1,585
	China (People's Republic of), Series INBK, 3.28% 2027	800	130
	China (People's Republic of), Series INBK, 2.91% 2028	1,800	284
	China (People's Republic of), Series 1906, 3.29% 2029	5,500	887
	China (People's Republic of), Series 1910, 3.86% 2049	4,110	695

Global Balanced Fund (continued)

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Bonds & notes of governments & government agencies outside the U.S. (continued)		
China (People's Republic of), Series INBK, 3.39% 2050	CNY200	$ 31
China (People's Republic of), Series INBK, 3.81% 2050	9,680	1,628
China Development Bank Corp., Series 2008, 2.89% 2025	3,240	511
China Development Bank Corp., Series 2004, 3.43% 2027	1,060	170
China Development Bank Corp., Series 1805, 4.04% 2028	8,230	1,371
China Development Bank Corp., Series 1805, 4.88% 2028	2,040	354
China Development Bank Corp., Series 1905, 3.48% 2029	5,000	806
Colombia (Republic of), Series B, 5.75% 2027	COP2,198,800	489
Colombia (Republic of), Series B, 7.00% 2031	988,600	225
Czech Republic 0% 2024	CZK2,800	117
Czech Republic 1.25% 2025	13,000	558
French Republic O.A.T. 0% 2030	€ 1,320	1,489
French Republic O.A.T. 3.25% 2045	160	281
Germany (Federal Republic of) 0% 2025	742	863
Germany (Federal Republic of) 0.25% 2029	600	713
Germany (Federal Republic of) 0% 2030	589	686
Germany (Federal Republic of) 0% 2031	875	1,014
Germany (Federal Republic of) 0% 2036	160	182
Germany (Federal Republic of) 0% 2050	540	589
Greece (Hellenic Republic of) 3.375% 2025	300	377
Greece (Hellenic Republic of) 3.75% 2028	280	377
Greece (Hellenic Republic of) 3.875% 2029	270	366
Hungary (Republic of) 2.125% 2031[2]	$ 460	454
Hungary (Republic of) 3.125% 2051[2]	200	197
India (Republic of) 5.15% 2025	INR28,000	370
Indonesia (Republic of), Series 78, 8.25% 2029	IDR4,301,000	337
Indonesia (Republic of), Series 82, 7.00% 2030	1,000,000	73
Indonesia (Republic of), Series 87, 6.50% 2031	2,010,000	143
Israel (State of) 2.875% 2024	€ 200	242
Israel (State of) 1.50% 2027	100	122
Italy (Republic of) 0.10% 2023[3]	805	946
Italy (Republic of) 0.95% 2027	246	286
Italy (Republic of) 0.25% 2028	820	911
Italy (Republic of) 1.35% 2030	660	777
Japan, Series 17, 0.10% 2023[3]	¥ 10,540	93
Japan, Series 19, 0.10% 2024[3]	30,570	271
Japan, Series 18, 0.10% 2024[3]	20,940	185
Japan, Series 145, 0.10% 2025	89,400	783
Japan, Series 21, 0.10% 2026[3]	40,800	365
Japan, Series 346, 0.10% 2027	173,250	1,520
Japan, Series 22, 0.10% 2027[3]	25,574	234
Japan, Series 24, 0.10% 2029[3]	25,674	232
Japan, Series 360, 0.10% 2030	341,700	2,996
Japan, Series 363, 0.10% 2031	56,000	489
Japan, Series 152, 1.20% 2035	264,400	2,589
Japan, Series 42, 1.70% 2044	94,100	1,019
Japan, Series 37, 0.60% 2050	26,950	230
Japan, Series 70, 0.70% 2051	56,350	493
Malaysia (Federation of), Series 0316, 3.90% 2026	MYR500	124
Malaysia (Federation of), Series 0119, 3.906% 2026	1,380	342
Malaysia (Federation of), Series 0417, 3.899% 2027	600	149
Malaysia (Federation of), Series 0219, 3.885% 2029	520	127
Malaysia (Federation of), Series 0318, 4.642% 2033	400	103
Malaysia (Federation of), Series 0418, 4.893% 2038	2,800	734
Malaysia (Federation of), Series 0519, 3.757% 2040	1,650	378
Malaysia (Federation of), Series 0216, 4.736% 2046	409	104
Malaysia (Federation of), Series 0518, 4.921% 2048	278	73
Malaysia (Federation of), Series 0519, 4.638% 2049	378	93
Malaysia (Federation of), Series 0120, 4.065% 2050	389	91
Morocco (Kingdom of) 3.50% 2024	€ 100	122
Morocco (Kingdom of) 1.50% 2031	100	105

Global Balanced Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Bonds & notes of governments & government agencies outside the U.S. (continued)			
	Netherlands (Kingdom of the) 5.50% 2028	€100	$ 155
	Norway (Kingdom of) 1.75% 2025	NKr3,500	400
	Nova Scotia (Province of) 3.15% 2051	C$170	153
	Peru (Republic of) 2.392% 2026	$ 90	92
	Philippines (Republic of) 0.001% 2024	¥100,000	864
	Philippines (Republic of) 0.25% 2025	€ 100	114
	Philippines (Republic of) 1.648% 2031	$ 200	194
	Poland (Republic of), Series 0725, 3.25% 2025	PLN1,900	465
	Poland (Republic of), Series 1029, 2.75% 2029	410	95
	Qatar (State of) 3.40% 2025[2]	$ 200	212
	Romania 1.75% 2030	€ 210	224
	Romania 3.624% 2030	517	639
	Romania 2.00% 2032	100	106
	Romania 2.00% 2033	200	208
	Romania 3.50% 2034	65	78
	Romania 3.375% 2038	80	92
	Romania 4.625% 2049	39	50
	Romania 3.375% 2050	73	79
	Russian Federation 7.00% 2023	RUB16,600	217
	Russian Federation 2.875% 2025	€ 200	245
	Russian Federation 4.25% 2027	$ 200	217
	Russian Federation 4.375% 2029	200	221
	Russian Federation 6.90% 2029	RUB28,250	348
	Russian Federation 7.65% 2030	38,320	493
	Russian Federation 5.90% 2031	5,620	64
	Russian Federation 6.90% 2031	18,200	221
	Russian Federation 8.50% 2031	5,530	75
	Russian Federation 7.70% 2033	23,030	295
	Russian Federation 7.25% 2034	8,140	100
	Saudi Arabia (Kingdom of) 2.894% 2022[2]	$ 200	202
	Serbia (Republic of) 3.125% 2027	€ 640	778
	Serbia (Republic of) 3.125% 2027	125	152
	Serbia (Republic of) 2.05% 2036	185	193
	South Korea (Republic of), Series 2209, 2.00% 2022	KRW560,000	473
	Spain (Kingdom of) 1.25% 2030	€ 480	586
	Spain (Kingdom of) 0.50% 2031	325	368
	Tunisia (Republic of) 6.75% 2023	150	143
	Ukraine 6.876% 2029[2]	$ 250	222
	United Kingdom 1.75% 2022	£ 280	383
	United Kingdom 0.125% 2024	375	502
	United Kingdom 1.00% 2024	1,120	1,529
	United Kingdom 2.75% 2024	50	71
	United Kingdom 0.375% 2030	730	943
	United Kingdom 4.75% 2030	285	513
	United Kingdom 4.25% 2032	230	412
	United Kingdom 0.875% 2033	380	505
	United Kingdom 3.25% 2044	250	473
	United Kingdom 0.625% 2050	95	113
	United Kingdom 1.25% 2051	114	158
	United Mexican States, Series M, 7.50% 2027	MXN13,000	637
	United Mexican States, Series M20, 8.50% 2029	11,500	595
	United Mexican States, Series M, 7.75% 2031	5,000	247
	United Mexican States, Series M, 8.00% 2047	4,000	194
			59,692
U.S. Treasury bonds & notes 10.88%			
U.S. Treasury 10.81%	U.S. Treasury 0.125% 2022	$ 6,681	6,667
	U.S. Treasury 1.875% 2022	700	701
	U.S. Treasury 0.125% 2023	516	515
	U.S. Treasury 0.25% 2025	1,704	1,652

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes (continued)			
U.S. Treasury (continued)	U.S. Treasury 0.375% 2025	$ 8,572	$ 8,317
	U.S. Treasury 0.625% 2026	500	486
	U.S. Treasury 0.75% 2026	2,075	2,036
	U.S. Treasury 0.875% 2026	500	491
	U.S. Treasury 0.875% 2026	454	447
	U.S. Treasury 1.125% 2026	1,000	994
	U.S. Treasury 2.875% 2028	1,275	1,390
	U.S. Treasury 2.875% 2028	700	765
	U.S. Treasury 0.625% 2030	2,223	2,079
	U.S. Treasury 0.625% 2030	650	606
	U.S. Treasury 0.875% 2030[4]	11,507	10,944
	U.S. Treasury 1.25% 2031	575	562
	U.S. Treasury 1.625% 2031	375	380
	U.S. Treasury 1.875% 2041	1,145	1,134
	U.S. Treasury 2.25% 2041	525	552
	U.S. Treasury 2.875% 2046	400	474
	U.S. Treasury 1.25% 2050	140	119
	U.S. Treasury 1.375% 2050[4]	6,137	5,388
	U.S. Treasury 2.00% 2051	3,191	3,257
	U.S. Treasury 2.375% 2051	490	542
			50,498
U.S. Treasury inflation-protected securities 0.07%	U.S. Treasury Inflation-Protected Security 1.00% 2049[3]	231	328
	Total U.S. Treasury bonds & notes		50,826
Corporate bonds, notes & loans 4.39%			
Financials 1.33%	ACE INA Holdings, Inc. 2.875% 2022	10	10
	ACE INA Holdings, Inc. 3.35% 2026	10	11
	ACE INA Holdings, Inc. 4.35% 2045	20	25
	Allianz SE 4.75% perpetual bonds (3-month EUR-EURIBOR + 3.60% on 10/24/2023)[5]	€ 100	123
	Bank of America Corp. 0.976% 2025 (USD-SOFR + 0.69% on 4/22/2024)[5]	$ 200	198
	Bank of America Corp. 1.319% 2026 (USD-SOFR + 1.15% on 6/19/2025)[5]	500	495
	Bank of America Corp. 1.734% 2027 (USD-SOFR + 0.96% on 7/22/2026)[5]	160	159
	Bank of America Corp. 3.419% 2028 (3-month USD-LIBOR + 1.04% on 12/20/2027)[5]	236	252
	Bank of America Corp. 2.496% 2031 (3-month USD-LIBOR + 0.99% on 2/13/2030)[5]	20	20
	Citigroup, Inc. 0.981% 2025 (USD-SOFR + 0.669% on 5/1/2024)[5]	103	102
	Citigroup, Inc. 3.106% 2026 (USD-SOFR + 2.842% on 3/8/2026)[5]	175	184
	Citigroup, Inc. 1.462% 2027 (USD-SOFR + 0.67% on 6/9/2026)[5]	310	305
	Commonwealth Bank of Australia 2.688% 2031[2]	225	221
	Goldman Sachs Group, Inc. 2.905% 2023 (3-month USD-LIBOR + 0.99% on 7/24/2022)[5]	130	131
	Goldman Sachs Group, Inc. 3.50% 2025	207	219
	Goldman Sachs Group, Inc. 2.615% 2032 (USD-SOFR + 1.281% on 4/22/2031)[5]	130	131
	Goldman Sachs Group, Inc. 1.00% 2033[2]	€ 210	236
	Goldman Sachs Group, Inc. 4.017% 2038 (3-month USD-LIBOR + 1.373% on 10/31/2037)[5]	$ 78	89
	Groupe BPCE SA 0.64% 2022	¥100,000	870
	Groupe BPCE SA 5.70% 2023[2]	$ 200	215
	Groupe BPCE SA 1.00% 2025	€ 100	117
	HSBC Holdings PLC 4.292% 2026 (3-month USD-LIBOR + 1.348% on 9/12/2025)[5]	$ 200	216
	JPMorgan Chase & Co. 3.25% 2022	28	29
	JPMorgan Chase & Co. 1.578% 2027 (USD-SOFR + 0.885% on 4/22/2026)[5]	186	184
	JPMorgan Chase & Co. 4.493% 2031 (USD-SOFR + 3.79% on 3/24/2030)[5]	160	185
	Morgan Stanley 0.985% 2026 (USD-SOFR + 0.72% on 12/10/2025)[5]	200	194
	Morgan Stanley 3.125% 2026	110	117
	Morgan Stanley 1.593% 2027 (USD-SOFR + 0.879% on 5/4/2026)[5]	126	125
	Morgan Stanley 2.699% 2031 (USD-SOFR + 1.143% on 1/22/2030)[5]	72	74

Global Balanced Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials (continued)	New York Life Insurance Company 3.75% 2050[2]	$ 23	$ 26
	PNC Financial Services Group, Inc. 2.854% 2022[5]	100	102
	Royal Bank of Canada 1.20% 2026	175	172
	Skandinaviska Enskilda Banken AB 2.80% 2022	250	251
	Wells Fargo & Company 2.393% 2028 (USD-SOFR + 2.10% on 6/2/2027)[5]	400	407
			6,195
Utilities 0.88%	Alabama Power Co. 3.00% 2052	250	250
	Berkshire Hathaway Energy Company 3.70% 2030	25	28
	Berkshire Hathaway Energy Company 1.65% 2031	175	166
	CMS Energy Corp. 3.00% 2026	150	157
	Duke Energy Carolinas, LLC 3.05% 2023	280	287
	Duke Energy Progress, LLC 3.70% 2028	75	82
	Edison International 4.125% 2028	160	169
	Enel Finance International SA 3.50% 2028[2]	200	214
	Enersis Américas SA 4.00% 2026	35	37
	Exelon Corp. 3.40% 2026	150	160
	Exelon Corp., junior subordinated, 3.497% 2022[5]	25	25
	FirstEnergy Corp. 3.50% 2028[2]	35	37
	Florida Power & Light Company 2.875% 2051	120	122
	Interstate Power and Light Co. 2.30% 2030	50	50
	NextEra Energy Capital Holdings, Inc. 2.75% 2029	234	241
	NextEra Energy Capital Holdings, Inc. 2.25% 2030	478	476
	Niagara Mohawk Power Corp. 3.508% 2024[2]	85	89
	Pacific Gas and Electric Co. 2.95% 2026	25	25
	Pacific Gas and Electric Co. 2.10% 2027	100	97
	Pacific Gas and Electric Co. 3.00% 2028	140	141
	Pacific Gas and Electric Co. 4.65% 2028	114	124
	Pacific Gas and Electric Co. 4.55% 2030	31	34
	Pacific Gas and Electric Co. 2.50% 2031	600	572
	Pacific Gas and Electric Co. 3.25% 2031	50	50
	Pacific Gas and Electric Co. 3.50% 2050	137	127
	State Grid Overseas Investment, Ltd. 1.25% 2022	€ 100	115
	Xcel Energy, Inc. 3.35% 2026	$ 216	230
			4,105
Communication services 0.54%	AT&T, Inc. 2.75% 2031	375	383
	AT&T, Inc. 2.55% 2033	64	63
	Comcast Corp. 0% 2026	€ 100	113
	Comcast Corp. 0.25% 2029	100	111
	Deutsche Telekom International Finance BV 9.25% 2032	$ 45	72
	KT Corp. 0.22% 2022	¥100,000	869
	Orange SA 9.00% 2031[5]	$ 65	100
	T-Mobile US, Inc. 2.05% 2028	200	199
	Verizon Communications, Inc. 0.375% 2029	€ 140	157
	Verizon Communications, Inc. 2.55% 2031	$ 325	328
	Verizon Communications, Inc. 0.75% 2032	€ 100	111
			2,506
Energy 0.40%	Canadian Natural Resources, Ltd. 2.95% 2030	$ 161	163
	Enbridge, Inc. 4.25% 2026	70	77
	Enbridge, Inc. 3.70% 2027	45	48
	Enbridge, Inc. 3.40% 2051	39	40
	Energy Transfer Operating LP 5.00% 2050	136	157
	Halliburton Company 3.80% 2025	3	3
	Kinder Morgan, Inc. 3.60% 2051	120	121
	MPLX LP 2.65% 2030	75	75

Global Balanced Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	MPLX LP 5.50% 2049	$ 215	$ 275
	Petróleos Mexicanos 7.19% 2024	MXN3,363	156
	Petróleos Mexicanos 7.47% 2026	5,330	237
	Qatar Petroleum 3.125% 2041[2]	$ 270	274
	SA Global Sukuk, Ltd. 2.694% 2031[2]	200	201
	Statoil ASA 3.70% 2024	50	53
			1,880
Consumer discretionary 0.30%	Amazon.com, Inc. 2.80% 2024	45	47
	Amazon.com, Inc. 1.20% 2027	50	50
	Amazon.com, Inc. 2.50% 2050	305	291
	Bayerische Motoren Werke AG 3.90% 2025[2]	70	75
	Bayerische Motoren Werke AG 4.15% 2030[2]	70	79
	General Motors Financial Co. 2.40% 2028	150	151
	Hyundai Capital America 3.25% 2022[2]	65	66
	Hyundai Capital America 1.50% 2026[2]	250	243
	Hyundai Capital America 2.375% 2027[2]	109	109
	Hyundai Capital Services, Inc. 3.75% 2023[2]	250	258
	Toyota Motor Credit Corp. 3.375% 2030	33	36
			1,405
Consumer staples 0.24%	Altria Group, Inc. 2.20% 2027	€ 270	328
	Anheuser-Busch InBev NV 4.00% 2028	$ 100	111
	Anheuser-Busch InBev NV 4.75% 2029	220	256
	British American Tobacco PLC 3.215% 2026	62	65
	British American Tobacco PLC 3.557% 2027	105	110
	British American Tobacco PLC 3.462% 2029	75	78
	Keurig Dr Pepper, Inc. 4.597% 2028	175	199
			1,147
Health care 0.24%	Aetna, Inc. 2.80% 2023	10	10
	Amgen, Inc. 1.90% 2025	40	41
	Amgen, Inc. 2.20% 2027	30	31
	AstraZeneca Finance LLC 2.25% 2031	9	9
	AstraZeneca PLC 3.50% 2023	150	156
	AstraZeneca PLC 3.00% 2051	36	38
	Becton, Dickinson and Company 3.734% 2024	10	11
	Becton, Dickinson and Company 3.70% 2027	43	47
	Becton, Dickinson and Company 2.823% 2030	28	29
	Cigna Corp. 4.125% 2025	80	87
	EMD Finance LLC 3.25% 2025[2]	250	263
	Medtronic, Inc. 3.50% 2025	31	33
	Stryker Corp. 0.75% 2029	€ 210	241
	Takeda Pharmaceutical Company, Ltd. 2.25% 2026	100	124
			1,120
Real estate 0.18%	American Campus Communities, Inc. 3.75% 2023	$ 100	103
	American Campus Communities, Inc. 4.125% 2024	90	96
	American Tower Corp. 0.875% 2029	€ 250	282
	Equinix, Inc. 2.15% 2030	$ 197	192
	Essex Portfolio LP 3.50% 2025	120	127
	Essex Portfolio LP 3.375% 2026	40	42
			842

Global Balanced Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Information technology 0.14%	Broadcom, Inc. 3.15% 2025	$ 17	$ 18
	Broadcom, Inc. 4.15% 2030	70	78
	Broadcom, Inc. 3.419% 2033[2]	53	55
	Mastercard, Inc. 2.00% 2031	102	102
	Microsoft Corp. 2.40% 2026	187	196
	Oracle Corp. 2.65% 2026	216	222
			671
Industrials 0.12%	Canadian Pacific Railway, Ltd. 3.10% 2051	113	116
	Carrier Global Corp. 2.242% 2025	36	37
	Carrier Global Corp. 2.493% 2027	30	31
	CSX Corp. 3.80% 2050	6	7
	CSX Corp. 2.50% 2051	75	70
	Lima Metro Line 2 Finance, Ltd. 5.875% 2034[2]	100	115
	United Technologies Corp. 4.125% 2028	170	190
			566
Materials 0.02%	Vale Overseas, Ltd. 3.75% 2030	94	97
	Total corporate bonds, notes & loans		20,534
Mortgage-backed obligations 0.93%			
Other mortgage-backed securities 0.71%	Nordea Kredit 0.50% 2040[6]	DKr1,717	250
	Nykredit Realkredit AS, Series 01E, 1.50% 2037[6]	576	91
	Nykredit Realkredit AS, Series 01E, 0.50% 2040[6]	7,659	1,113
	Nykredit Realkredit AS, Series 01E, 1.50% 2040[6]	1,460	229
	Nykredit Realkredit AS, Series 01E, 0.50% 2043[6]	8,365	1,202
	Nykredit Realkredit AS, Series 01E, 0.50% 2050[6]	1,417	199
	Nykredit Realkredit AS, Series 01E, 1.00% 2053[6]	890	128
	Nykredit Realkredit AS, Series CCE, 1.00% 2050[6]	610	89
	Realkredit Danmark AS 1.00% 2053[6]	200	29
			3,330
Federal agency mortgage-backed obligations 0.22%	Government National Mortgage Assn. Pool #MA5986 4.00% 2049[6]	$ 7	8
	Uniform Mortgage-Backed Security 2.50% 2052[6,7]	713	724
	Uniform Mortgage-Backed Security 2.50% 2052[6,7]	277	282
			1,014
	Total mortgage-backed obligations		4,344
Municipals 0.04%			
Ohio 0.02%	Turnpike and Infrastructure Commission, Turnpike Rev. Ref. Bonds (Infrastructure Projects), Series 2020-A, 3.216% 2048	100	102
Texas 0.02%	Grand Parkway Transportation Corp., Grand Parkway System Toll Rev. Ref. Bonds, Series 2020-B, 3.236% 2052	80	81
	Total municipals		183
Asset-backed obligations 0.02%			
	OSW Structured Asset Trust, Series 2020-RPL1, Class A1, 3.072% 2059[2,6,8]	77	76
	Total bonds, notes & other debt instruments (cost: $136,946,000)		135,655

Global Balanced Fund (continued)

Short-term securities 7.44%	Weighted average yield at acquisition	Principal amount (000)	Value (000)
Commercial paper 5.13%			
Canadian Imperial Bank of Commerce 1/14/2022[2]	0.125%	$ 5,000	$ 5,000
LVMH Moët Hennessy-Louis Vuitton SE 2/15/2022[2]	0.098	5,000	4,999
NRW.Bank 1/20/2022[2]	0.053	4,000	4,000
Toronto-Dominion Bank 1/24/2022[2]	0.058	10,000	9,999
			23,998
U.S. Treasury bills 1.93%			
U.S. Treasury 4/21/2022	0.047	9,000	8,998
		Shares	
Money market investments 0.24%			
Capital Group Central Cash Fund 0.09%[9,10]		11,268	1,127
		Principal amount (000)	
Bills & notes of governments & government agencies outside the U.S. 0.14%			
Egyptian Treasury 1/4/2022	12.011	EGP1,700	108
Egyptian Treasury 4/19/2022	11.506	3,000	185
Egyptian Treasury 4/26/2022	11.484	6,100	375
			668
Total short-term securities (cost: $34,790,000)			34,791
Total investment securities 100.06% (cost: $348,927,000)			467,660
Other assets less liabilities (0.06)%			(284)
Net assets 100.00%			$467,376

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
90 Day Euro Dollar Futures	Long	31	December 2022	$ 7,669	$(15)
5 Year U.S. Treasury Note Futures	Short	51	March 2022	(6,170)	(2)
10 Year Italy Government Bond Futures	Short	9	March 2022	(1,506)	26
10 Year Euro-Bund Futures	Short	22	March 2022	(4,292)	81
10 Year U.S. Treasury Note Futures	Short	2	March 2022	(261)	(3)
10 Year Ultra U.S. Treasury Note Futures	Short	14	March 2022	(2,050)	(28)
20 Year U.S. Treasury Bond Futures	Long	2	March 2022	321	3
30 Year Ultra U.S. Treasury Bond Futures	Long	5	March 2022	985	19
					$ 81

Global Balanced Fund (continued)

Forward currency contracts

Contract amount						Unrealized (depreciation) appreciation
Currency purchased (000)		Currency sold (000)		Counterparty	Settlement date	at 12/31/2021 (000)
CAD	110	USD	87	UBS AG	1/6/2022	$ –[11]
EUR	1,016	USD	1,158	Citibank	1/6/2022	–[11]
USD	43	JPY	4,930	Goldman Sachs	1/6/2022	–[11]
USD	486	GBP	360	Citibank	1/6/2022	(1)
SEK	1,830	USD	206	Bank of America	1/7/2022	(4)
KRW	947,000	USD	806	Citibank	1/7/2022	(9)
GBP	390	USD	520	Goldman Sachs	1/10/2022	8
USD	100	AUD	140	Goldman Sachs	1/10/2022	(2)
USD	414	INR	31,100	HSBC Bank	1/10/2022	(3)
EUR	114	PLN	540	Citibank	1/10/2022	(4)
USD	583	BRL	3,300	Standard Chartered Bank	1/10/2022	(9)
USD	249	MXN	5,320	Goldman Sachs	1/10/2022	(11)
USD	383	MXN	8,260	Goldman Sachs	1/10/2022	(20)
CAD	10	USD	8	HSBC Bank	1/11/2022	–[11]
EUR	214	DKK	1,592	Goldman Sachs	1/11/2022	–[11]
USD	113	AUD	160	Standard Chartered Bank	1/11/2022	(4)
USD	570	CAD	730	Citibank	1/11/2022	(7)
CZK	11,700	EUR	459	Citibank	1/13/2022	12
GBP	200	EUR	233	Standard Chartered Bank	1/13/2022	5
USD	600	ILS	1,860	Goldman Sachs	1/13/2022	2
CNH	1,300	USD	203	Barclays Bank PLC	1/13/2022	1
EUR	1,766	DKK	13,140	Goldman Sachs	1/13/2022	(1)
USD	139	NZD	204	Morgan Stanley	1/13/2022	(1)
EUR	544	CZK	13,860	Citibank	1/13/2022	(14)
USD	520	CZK	11,700	JPMorgan Chase	1/13/2022	(14)
USD	561	MXN	11,865	Citibank	1/13/2022	(17)
JPY	156,380	USD	1,379	Bank of New York Mellon	1/13/2022	(19)
KRW	1,421,430	USD	1,202	Citibank	1/14/2022	(7)
JPY	7,400	USD	65	Goldman Sachs	1/18/2022	(1)
JPY	56,270	USD	495	Bank of New York Mellon	1/18/2022	(6)
JPY	73,800	USD	651	UBS AG	1/18/2022	(9)
JPY	100,700	USD	902	Goldman Sachs	1/18/2022	(26)
MYR	1,100	USD	262	HSBC Bank	1/19/2022	2
USD	988	MYR	4,170	HSBC Bank	1/19/2022	(13)
USD	1,252	JPY	142,600	Morgan Stanley	1/20/2022	12
AUD	340	USD	245	Standard Chartered Bank	1/20/2022	3
USD	238	JPY	27,300	HSBC Bank	1/20/2022	1
USD	500	JPY	57,400	Goldman Sachs	1/20/2022	1
NOK	2,145	EUR	214	UBS AG	1/20/2022	(1)
USD	589	EUR	520	Morgan Stanley	1/20/2022	(4)
EUR	309	NOK	3,150	Morgan Stanley	1/20/2022	(5)
JPY	101,800	USD	895	Bank of New York Mellon	1/20/2022	(9)
JPY	136,530	USD	1,204	HSBC Bank	1/20/2022	(17)
USD	252	COP	987,300	Goldman Sachs	2/14/2022	10
JPY	45,590	USD	404	Morgan Stanley	2/14/2022	(8)
						$(189)

Swap contracts

Interest rate swaps

Centrally cleared interest rate swaps

Receive		Pay						
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized (depreciation) appreciation at 12/31/2021 (000)
1.2475%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/20/2023	NZ$375	$ (3)	$–	$ (3)
1.234974%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/20/2023	3,197	(28)	–	(28)
1.2375%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/26/2023	1,178	(10)	–	(10)
1.264%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/27/2023	2,945	(25)	–	(25)
1.26%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/30/2023	486	(4)	–	(4)
1.28%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/31/2023	486	(4)	–	(4)
1.30%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/3/2023	533	(4)	–	(4)
3-month USD-LIBOR	Quarterly	0.3302%	Semi-annual	9/21/2023	$ 643	5	–	5
1.4975%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/21/2023	NZ$1,001	(7)	–	(7)
3-month USD-LIBOR	Quarterly	0.3792%	Semi-annual	9/28/2023	$ 697	5	–	5
1.445%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/28/2023	NZ$1,000	(7)	–	(7)
3-month USD-LIBOR	Quarterly	0.3842%	Semi-annual	9/29/2023	$ 697	5	–	5
1.4475%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/29/2023	NZ$1,019	(7)	–	(7)
3-month USD-LIBOR	Quarterly	0.3975%	Semi-annual	9/30/2023	$ 708	5	–	5
1.4475%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/30/2023	NZ$1,024	(8)	–	(8)
3-month USD-LIBOR	Quarterly	0.4557%	Semi-annual	10/14/2023	$ 697	5	–	5
3-month USD-LIBOR	Quarterly	0.4562%	Semi-annual	10/14/2023	697	5	–	5
1.5125%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/14/2023	NZ$904	(6)	–	(6)
1.53%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/14/2023	1,031	(7)	–	(7)
3-month USD-LIBOR	Quarterly	0.4692%	Semi-annual	10/15/2023	$ 697	5	–	5
1.5625%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/15/2023	NZ$1,029	(6)	–	(6)
3-month USD-LIBOR	Quarterly	0.4917%	Semi-annual	10/18/2023	$ 699	4	–	4
1.59%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/18/2023	NZ$1,029	(6)	–	(6)
3-month USD-LIBOR	Quarterly	0.4997%	Semi-annual	10/19/2023	$ 894	5	–	5
1.62%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/19/2023	NZ$1,144	(6)	–	(6)
2.24%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	11/8/2023	1,463	3	–	3
2.2525%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	11/8/2023	1,463	3	–	3
2.20%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	11/9/2023	123	–[11]	–	–[11]
0.3653%	Semi-annual	3-month USD-LIBOR	Quarterly	3/5/2024	$1,230	(16)	–	(16)
6.14%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	MXN2,600	(6)	–	(6)
6.115%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	2,600	(6)	–	(6)
6.12%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	4,000	(10)	–	(10)
6.13%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	9,200	(22)	–	(22)
6.16%	28-Day	28-day MXN-TIIE	28-Day	6/9/2026	5,200	(12)	–	(12)
6.15%	28-Day	28-day MXN-TIIE	28-Day	6/9/2026	5,300	(13)	–	(13)
6.195%	28-Day	28-day MXN-TIIE	28-Day	6/10/2026	2,700	(6)	–	(6)
6.23%	28-Day	28-day MXN-TIIE	28-Day	6/10/2026	2,700	(6)	–	(6)
6.36%	28-Day	28-day MXN-TIIE	28-Day	6/12/2026	2,300	(5)	–	(5)
6.59%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	2,000	(3)	–	(3)
6.585%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	2,600	(4)	–	(4)
6.64%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	3,200	(5)	–	(5)
6.633%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	8,900	(13)	–	(13)
6.6175%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	8,600	(13)	–	(13)
6.58%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	11,300	(18)	–	(18)
7.235%	28-Day	28-day MXN-TIIE	28-Day	10/5/2026	900	–[11]	–	–[11]
7.22%	28-Day	28-day MXN-TIIE	28-Day	10/5/2026	900	–[11]	–	–[11]
7.20%	28-Day	28-day MXN-TIIE	28-Day	10/5/2026	1,840	(1)	–	(1)
7.205%	28-Day	28-day MXN-TIIE	28-Day	10/7/2026	2,060	(1)	–	(1)
7.66%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	6,100	3	–	3
7.64%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	6,000	3	–	3
7.62%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	3,701	1	–	1
7.59%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	2,500	1	–	1

Swap contracts (continued)

Interest rate swaps (continued)

Centrally cleared interest rate swaps (continued)

Receive		Pay						
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized (depreciation) appreciation at 12/31/2021 (000)
7.52%	28-Day	28-day MXN-TIIE	28-Day	10/30/2026	MXN7,639	$ 1	$–	$ 1
3-month USD-LIBOR	Quarterly	1.4822%	Semi-annual	3/5/2031	$ 450	2	–	2
							$–	$(237)

Credit default swaps

Centrally cleared credit default swaps on credit indices – buy protection

Reference index	Financing rate paid	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium received (000)	Unrealized depreciation at 12/31/2021 (000)
CDX.NA.IG.37	1.00%	Quarterly	12/20/2026	$1,410	$(34)	$(33)	$(1)
ITRAX.EUR.IG.36	1.00%	Quarterly	12/20/2026	1,270	(37)	(36)	(1)
						$(69)	$(2)

Investments in affiliates[10]

	Value of affiliate at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized depreciation (000)	Value of affiliate at 12/31/2021 (000)	Dividend income (000)
Short-term securities 0.24%							
Money market investments 0.24%							
Capital Group Central Cash Fund 0.09%[9]	$24,329	$138,399	$161,601	$2	$(2)	$1,127	$20

[1]Security did not produce income during the last 12 months.
[2]Acquired in a transaction exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $28,614,000, which represented 6.12% of the net assets of the fund.
[3]Index-linked bond whose principal amount moves with a government price index.
[4]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $548,000, which represented .12% of the net assets of the fund.
[5]Step bond; coupon rate may change at a later date.
[6]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[7]Purchased on a TBA basis.
[8]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[9]Rate represents the seven-day yield at 12/31/2021.
[10]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[11]Amount less than one thousand.

Global Balanced Fund (continued)

Key to abbreviations and symbols
ADR = American Depositary Receipts
AUD/A$ = Australian dollars
BBR = Bank Base Rate
BRL = Brazilian reais
CAD = Canadian dollars
CNH/CNY = Chinese yuan renminbi
COP = Colombian pesos
CZK = Czech korunas
DKK/DKr = Danish kroner
EGP = Egyptian pounds
EUR/€ = Euros
EURIBOR = Euro Interbank Offered Rate
FRA = Forward Rate Agreement
GBP/£ = British pounds
IDR = Indonesian rupiah
ILS = Israeli shekels
INR = Indian rupees
JPY/¥ = Japanese yen
KRW = South Korean won
MXN = Mexican pesos
MYR = Malaysian ringgits
NOK/NKr = Norwegian kroner
NZD = New Zealand dollars
PLN = Polish zloty
Ref. = Refunding
Rev. = Revenue
RUB = Russian rubles
SEK = Swedish kronor
SOFR = Secured Overnight Financing Rate
TBA = To-be-announced
TIIE = Equilibrium Interbank Interest Rate
USD/$ = U.S. dollars

See notes to financial statements.

The Bond Fund of America

(formerly Bond Fund)

Investment portfolio December 31, 2021

Bonds, notes & other debt instruments 97.12%		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes 44.09%			
U.S. Treasury 32.45%	U.S. Treasury 0.125% 2023	$ 39,035	$ 38,805
	U.S. Treasury 0.125% 2023	28,515	28,272
	U.S. Treasury 0.25% 2023	10,969	10,893
	U.S. Treasury 0.25% 2024	250,000	247,108
	U.S. Treasury 0.25% 2024	155,500	153,253
	U.S. Treasury 0.375% 2024[1]	654,655	648,190
	U.S. Treasury 0.375% 2024	77,000	76,058
	U.S. Treasury 0.375% 2024	47,205	46,548
	U.S. Treasury 0.375% 2024	26,455	26,111
	U.S. Treasury 2.125% 2024	72,100	74,490
	U.S. Treasury 2.125% 2024[1]	72,100	74,417
	U.S. Treasury 0.375% 2025	200,000	193,932
	U.S. Treasury 2.875% 2025[1]	96,200	102,271
	U.S. Treasury 2.875% 2025	72,100	76,395
	U.S. Treasury 0.375% 2026	40,000	38,722
	U.S. Treasury 0.75% 2026	121,805	119,444
	U.S. Treasury 0.75% 2026	78,035	76,470
	U.S. Treasury 0.75% 2026	26,766	26,179
	U.S. Treasury 1.25% 2026	4,880	4,880
	U.S. Treasury 1.375% 2026[1]	75,000	75,490
	U.S. Treasury 0.50% 2027	165,625	158,930
	U.S. Treasury 0.50% 2027	136,920	130,717
	U.S. Treasury 2.25% 2027[1]	120,200	126,271
	U.S. Treasury 2.25% 2027[1]	72,100	75,580
	U.S. Treasury 6.125% 2027	24,000	30,504
	U.S. Treasury 1.25% 2028	79,480	78,735
	U.S. Treasury 2.875% 2028	72,100	78,778
	U.S. Treasury 1.375% 2031	301,095	297,352
	U.S. Treasury 1.625% 2031	1,630	1,651
	U.S. Treasury 1.125% 2040	124,213	108,948
	U.S. Treasury 1.375% 2040	40,000	36,456
	U.S. Treasury 1.75% 2041	16,261	15,763
	U.S. Treasury 1.875% 2041	79,700	78,902
	U.S. Treasury 3.00% 2049[1]	150,000	184,727
	U.S. Treasury 1.25% 2050	21,285	18,108
	U.S. Treasury 1.375% 2050	32,062	28,147
	U.S. Treasury 1.875% 2051	37,365	37,112
	U.S. Treasury 2.00% 2051[1]	619,330	632,147
	U.S. Treasury 2.375% 2051[1]	20,208	22,358
			4,279,114
U.S. Treasury inflation-protected securities 11.64%	U.S. Treasury Inflation-Protected Security 0.125% 2022[2]	55,972	57,393
	U.S. Treasury Inflation-Protected Security 0.125% 2022[2]	54,276	55,110
	U.S. Treasury Inflation-Protected Security 0.125% 2023[2]	194,903	201,468
	U.S. Treasury Inflation-Protected Security 0.375% 2023[2]	13,212	13,905
	U.S. Treasury Inflation-Protected Security 0.625% 2023[2]	79,739	83,428
	U.S. Treasury Inflation-Protected Security 0.125% 2024[2]	192,200	205,089
	U.S. Treasury Inflation-Protected Security 0.125% 2024[2]	93,313	99,737
	U.S. Treasury Inflation-Protected Security 0.625% 2024[2]	56,274	59,963
	U.S. Treasury Inflation-Protected Security 0.125% 2025[2]	13,215	14,260
	U.S. Treasury Inflation-Protected Security 0.25% 2025[2]	26,179	28,066
	U.S. Treasury Inflation-Protected Security 0.375% 2025[2]	92,614	100,778
	U.S. Treasury Inflation-Protected Security 0.125% 2026[2]	169,481	184,450
	U.S. Treasury Inflation-Protected Security 0.125% 2026[2]	117,580	126,957
	U.S. Treasury Inflation-Protected Security 0.375% 2027[1,2]	79,671	88,614
	U.S. Treasury Inflation-Protected Security 0.50% 2028[1,2]	84,076	94,248

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes (continued)			
U.S. Treasury inflation-protected securities (continued)	U.S. Treasury Inflation-Protected Security 0.125% 2031[2]	$73,312	$ 82,410
	U.S. Treasury Inflation-Protected Security 0.125% 2031[2]	18,754	20,999
	U.S. Treasury Inflation-Protected Security 0.125% 2051[2]	15,704	18,599
			1,535,474
	Total U.S. Treasury bonds & notes		5,814,588
Corporate bonds, notes & loans 32.85%			
Financials 7.91%	ACE INA Holdings, Inc. 2.875% 2022	3,625	3,681
	ACE INA Holdings, Inc. 3.35% 2026	2,025	2,173
	ACE INA Holdings, Inc. 4.35% 2045	2,220	2,752
	AerCap Holdings NV 6.50% 2025	1,798	2,056
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 1.15% 2023	3,130	3,118
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 1.65% 2024	5,996	5,988
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 2.45% 2026	10,289	10,379
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.00% 2028	12,359	12,543
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.30% 2032	12,595	12,842
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.40% 2033	5,120	5,219
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 3.85% 2041	1,254	1,309
	Ally Financial, Inc. 5.125% 2024	1,500	1,640
	Ally Financial, Inc. 8.00% 2031	8,479	11,668
	Ally Financial, Inc. 8.00% 2031	7,070	10,020
	American International Group, Inc. 4.20% 2028	9,875	11,025
	Arthur J. Gallagher & Co. 3.50% 2051	1,073	1,136
	ASB Bank, Ltd. 2.375% 2031[3]	1,575	1,567
	Banco Santander, SA 1.722% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.90% on 9/14/2026)[4]	1,400	1,375
	Bank of America Corp. 1.53% 2025 (USD-SOFR + 0.65% on 12/6/2024)[4]	6,200	6,214
	Bank of America Corp. 1.658% 2027 (USD-SOFR + 0.91% on 3/11/2026)[4]	981	975
	Bank of America Corp. 1.734% 2027 (USD-SOFR + 0.96% on 7/22/2026)[4]	7,989	7,935
	Bank of America Corp. 3.419% 2028 (3-month USD-LIBOR + 1.04% on 12/20/2027)[4]	10,129	10,821
	Bank of America Corp. 2.087% 2029 (USD-SOFR + 1.06% on 6/14/2028)[4]	682	678
	Bank of America Corp. 1.922% 2031 (USD-SOFR + 1.37% on 10/24/2030)[4]	21,177	20,299
	Bank of America Corp. 2.299% 2032 (USD-SOFR + 1.22% on 7/21/2031)[4]	49,520	48,742
	Bank of America Corp. 2.572% 2032 (USD-SOFR + 1.21% on 10/20/2031)[4]	2,226	2,238
	Bank of America Corp. 2.687% 2032 (USD-SOFR + 1.32% on 4/22/2031)[4]	10,318	10,482
	Bank of China, Ltd. (Hong Kong Branch) 3.875% 2025	236	254
	Bank of China, Ltd. (Hong Kong Branch) 4.00% 2028	200	221
	Bank of Nova Scotia 1.35% 2026	3,345	3,309
	Berkshire Hathaway Finance Corp. 4.20% 2048	8,720	10,607
	BNP Paribas 3.80% 2024[3]	18,775	19,703
	BNP Paribas 2.819% 2025 (3-month USD-LIBOR + 1.111% on 11/19/2024)[3,4]	2,875	2,961
	BNP Paribas 3.375% 2025[3]	6,425	6,750
	BNP Paribas 2.219% 2026 (USD-SOFR + 2.074% on 6/9/2025)[3,4]	12,000	12,122
	BNP Paribas 1.323% 2027 (USD-SOFR + 1.004% on 1/13/2026)[3,4]	8,425	8,203
	BNP Paribas 2.159% 2029 (USD-SOFR + 1.218% on 9/15/2028)[3,4]	3,375	3,311
	BNP Paribas 2.871% 2032 (USD-SOFR + 1.387% on 4/19/2031)[3,4]	3,475	3,527
	Capital One Financial Corp. 1.343% 2024 (USD-SOFR + 0.69% on 12/6/2023)[4]	6,200	6,240
	China Ping An Insurance Overseas (Holdings), Ltd. 2.85% 2031	1,126	1,081
	CIT Group, Inc. 3.929% 2024 (USD-SOFR + 3.827% on 6/19/2023)[4]	5,410	5,591
	CIT Group, Inc. 4.75% 2024	2,066	2,187
	Citigroup, Inc. 4.60% 2026	1,800	1,987
	Citigroup, Inc. 1.462% 2027 (USD-SOFR + 0.67% on 6/9/2026)[4]	8,740	8,595
	Crédit Agricole SA 1.907% 2026 (USD-SOFR + 1.676% on 6/16/2025)[3,4]	4,450	4,462
	Crédit Agricole SA 1.247% 2027 (USD-SOFR + 0.892% on 1/26/2026)[3,4]	3,400	3,310
	Credit Suisse Group AG 2.997% 2023 (3-month USD-LIBOR + 1.20% on 12/14/2022)[3,4]	12,000	12,196
	Credit Suisse Group AG 3.80% 2023	12,925	13,396
	Credit Suisse Group AG 4.207% 2024 (3-month USD-LIBOR + 1.24% on 6/12/2023)[3,4]	500	520

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials (continued)	Credit Suisse Group AG 2.593% 2025 (USD-SOFR + 1.56% on 9/11/2024)[3,4]	$ 850	$ 869
	Credit Suisse Group AG 2.193% 2026 (USD-SOFR + 2.044% on 6/5/2025)[3,4]	5,750	5,787
	Credit Suisse Group AG 1.305% 2027 (USD-SOFR + 0.98% on 2/2/2026)[3,4]	10,950	10,590
	Credit Suisse Group AG 4.194% 2031 (USD-SOFR + 3.73% on 4/1/2030)[3,4]	3,096	3,418
	Credit Suisse Group AG 3.091% 2032 (USD-SOFR + 1.73% on 5/14/2031)[3,4]	7,369	7,506
	Danske Bank AS 1.549% 2027 (UST Yield Curve Rate T Note Constant Maturity 1-year + 0.73% on 9/10/2026)[3,4]	2,990	2,923
	Deutsche Bank AG 3.30% 2022	2,695	2,751
	Deutsche Bank AG 5.00% 2022	2,675	2,687
	Deutsche Bank AG 3.95% 2023	6,350	6,550
	Deutsche Bank AG 0.898% 2024	2,500	2,479
	Deutsche Bank AG 2.222% 2024 (USD-SOFR + 2.159% on 9/18/2023)[4]	10,475	10,614
	Deutsche Bank AG 3.70% 2024	7,700	8,095
	Deutsche Bank AG 3.961% 2025 (USD-SOFR + 2.581% on 11/26/2024)[4]	8,586	9,073
	Deutsche Bank AG 2.129% 2026 (USD-SOFR + 1.87% on 11/24/2025)[4]	42,264	42,211
	Deutsche Bank AG 4.10% 2026	8,162	8,723
	Deutsche Bank AG 2.311% 2027 (USD-SOFR + 1.219% on 11/16/2026)[4]	3,825	3,826
	Deutsche Bank AG 3.547% 2031 (USD-SOFR + 3.043% on 9/18/2030)[4]	2,900	3,056
	Deutsche Bank AG 3.035% 2032 (USD-SOFR + 1.718% on 5/28/2031)[4]	2,100	2,118
	Deutsche Bank AG 3.729% 2032 (USD-SOFR + 2.757% on 1/14/2031)[4]	4,000	4,094
	DNB Bank ASA 1.535% 2027 (5-year UST Yield Curve Rate T Note Constant Maturity + 0.72% on 5/25/2026)[3,4]	1,200	1,184
	Goldman Sachs Group, Inc. 5.75% 2022	4,800	4,815
	Goldman Sachs Group, Inc. 1.217% 2023	6,030	6,047
	Goldman Sachs Group, Inc. 1.431% 2027 (USD-SOFR + 0.795% on 3/9/2026)[4]	3,030	2,970
	Goldman Sachs Group, Inc. 1.542% 2027 (USD-SOFR + 0.818% on 9/10/2026)[4]	13,275	13,014
	Goldman Sachs Group, Inc. 1.948% 2027 (USD-SOFR + 0.913% on 10/21/2026)[4]	15,695	15,633
	Goldman Sachs Group, Inc. 3.814% 2029 (3-month USD-LIBOR + 1.158% on 4/23/2028)[4]	9,600	10,451
	Goldman Sachs Group, Inc. 2.383% 2032 (USD-SOFR + 1.248% on 7/21/2031)[4]	19,697	19,410
	Goldman Sachs Group, Inc. 2.615% 2032 (USD-SOFR + 1.281% on 4/22/2031)[4]	7,605	7,668
	Goldman Sachs Group, Inc. 2.65% 2032 (USD-SOFR + 1.264% on 10/21/2031)[4]	6,075	6,119
	Goldman Sachs Group, Inc. 2.908% 2042 (USD-SOFR + 1.40% on 7/21/2041)[4]	3,160	3,148
	Goldman Sachs Group, Inc. 5.30% junior subordinated perpetual bonds (3-month USD-LIBOR + 3.834% on 11/10/2026)[4]	1,750	1,910
	Groupe BPCE SA 2.75% 2023[3]	6,875	7,019
	Groupe BPCE SA 5.70% 2023[3]	28,166	30,291
	Groupe BPCE SA 5.15% 2024[3]	5,481	5,939
	Groupe BPCE SA 1.652% 2026 (USD-SOFR + 1.52% on 10/6/2025)[3,4]	6,350	6,268
	Hartford Financial Services Group, Inc. 2.90% 2051	713	704
	HSBC Holdings PLC 2.251% 2027 (USD-SOFR + 1.10% on 11/22/2026)[4]	5,270	5,284
	HSBC Holdings PLC 2.206% 2029 (USD-SOFR + 1.285% on 8/17/2028)[4]	2,628	2,579
	HSBC Holdings PLC 4.583% 2029 (3-month USD-LIBOR + 1.535% on 6/19/2028)[4]	9,525	10,679
	HSBC Holdings PLC 2.804% 2032 (USD-SOFR + 1.187% on 5/24/2031)[4]	6,490	6,517
	Huarong Finance 2017 Co., Ltd. 4.25% 2027	6,335	6,417
	Huarong Finance 2017 Co., Ltd. 4.75% 2027	669	692
	Huarong Finance 2019 Co., Ltd. (3-month USD-LIBOR + 1.125%) 1.295% 2023[5]	2,000	1,960
	Huarong Finance 2019 Co., Ltd. (3-month USD-LIBOR + 1.25%) 1.43% 2025[5]	397	379
	Huarong Finance II Co., Ltd. 5.00% 2025	480	500
	Huarong Finance II Co., Ltd. 5.50% 2025	6,669	7,011
	Huarong Finance II Co., Ltd. 4.625% 2026	200	207
	Huarong Finance II Co., Ltd. 4.875% 2026	2,106	2,188
	Intesa Sanpaolo SpA 3.375% 2023[3]	10,035	10,256
	Intesa Sanpaolo SpA 3.25% 2024[3]	770	802
	Intesa Sanpaolo SpA 5.017% 2024[3]	68,143	73,061
	Intesa Sanpaolo SpA 5.71% 2026[3]	15,400	17,049
	Intesa Sanpaolo SpA 3.875% 2027[3]	6,250	6,635
	Intesa Sanpaolo SpA 3.875% 2028[3]	1,986	2,103
	Iron Mountain Information Management Services, Inc. 5.00% 2032[3]	2,060	2,112

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials (continued)	JPMorgan Chase & Co. 0.969% 2025 (USD-SOFR + 0.58% on 6/23/2024)[4]	$ 5,870	$ 5,816
	JPMorgan Chase & Co. 1.561% 2025 (USD-SOFR + 0.605% on 12/10/2024)[4]	14,395	14,418
	JPMorgan Chase & Co. 1.47% 2027 (USD-SOFR + 0.765% on 9/22/2026)[4]	5,965	5,850
	JPMorgan Chase & Co. 1.578% 2027 (USD-SOFR + 0.885% on 4/22/2026)[4]	1,832	1,811
	JPMorgan Chase & Co. 2.069% 2029 (USD-SOFR + 1.015% on 6/1/2028)[4]	2,453	2,434
	JPMorgan Chase & Co. 3.509% 2029 (3-month USD-LIBOR + 0.945% on 1/23/2028)[4]	9,600	10,292
	JPMorgan Chase & Co. 4.203% 2029 (3-month USD-LIBOR + 1.26% on 7/23/2028)[4]	11,980	13,412
	JPMorgan Chase & Co. 2.522% 2031 (USD-SOFR + 2.04% on 4/22/2030)[4]	1,766	1,787
	JPMorgan Chase & Co. 2.545% 2032 (USD-SOFR + 1.18% on 11/8/2031)[4]	7,826	7,879
	JPMorgan Chase & Co. 2.58% 2032 (USD-SOFR + 1.25% on 4/22/2031)[4]	4,802	4,869
	Lloyds Banking Group PLC 2.438% 2026 (1-year UST Yield Curve Rate T Note Constant Maturity + 1.00% on 2/5/2025)[4]	2,675	2,729
	Lloyds Banking Group PLC 4.375% 2028	8,825	9,908
	Marsh & McLennan Companies, Inc. 2.375% 2031	367	371
	Marsh & McLennan Companies, Inc. 2.90% 2051	505	505
	MetLife Capital Trust IV, junior subordinated, 7.875% 2067 (3-month USD-LIBOR + 3.96% on 12/1/2037)[3,4]	1,405	1,921
	MetLife, Inc. 3.60% 2025	3,490	3,767
	Mitsubishi UFJ Financial Group, Inc. 0.962% 2025 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.45% on 10/11/2024)[4]	2,960	2,921
	Mitsubishi UFJ Financial Group, Inc. 1.538% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.75% on 7/20/2026)[4]	6,200	6,093
	Mitsubishi UFJ Financial Group, Inc. 1.64% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.67% on 10/13/2026)[4]	2,225	2,197
	Mizuho Financial Group, Inc. 1.554% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.75% on 7/9/2026)[4]	4,615	4,543
	Morgan Stanley 0.791% 2025 (USD-SOFR + 0.509% on 1/22/2024)[4]	3,065	3,035
	Morgan Stanley 1.164% 2025 (USD-SOFR + 0.56% on 10/21/2024)[4]	3,083	3,061
	Morgan Stanley 2.72% 2025 (USD-SOFR + 1.152% on 7/22/2024)[4]	2,300	2,372
	Morgan Stanley 1.512% 2027 (USD-SOFR + 0.858% on 7/20/2026)[4]	10,488	10,327
	Morgan Stanley 2.239% 2032 (USD-SOFR + 1.178% on 7/21/2031)[4]	33,694	32,991
	Morgan Stanley 2.511% 2032 (USD-SOFR + 1.20% on 10/20/2031)[4]	3,951	3,952
	MSCI, Inc. 3.25% 2033[3]	2,750	2,785
	Navient Corp. 6.75% 2025	425	468
	OneMain Holdings, Inc. 7.125% 2026	250	285
	PNC Financial Services Group, Inc. 2.854% 2022[4]	5,850	5,961
	PNC Funding Corp. 3.30% 2022	8,700	8,724
	Rede D'Or Finance SARL 4.50% 2030[3]	1,572	1,533
	Santander Holdings USA, Inc. 3.50% 2024	8,325	8,682
	SVB Financial Group 4.70% junior subordinated perpetual bonds (5-year UST Yield Curve Rate T Note Constant Maturity + 3.064% on 11/15/2031)[4]	1,530	1,577
	Synchrony Financial 2.85% 2022	5,400	5,456
	Synchrony Financial 4.375% 2024	3,640	3,842
	Synchrony Financial 2.875% 2031	1,730	1,728
	Toronto-Dominion Bank 2.00% 2031	3,510	3,464
	Travelers Companies, Inc. 2.55% 2050	768	732
	UBS Group AG 1.49% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.85% on 8/10/2026)[3,4]	4,000	3,904
	UniCredit SpA 3.75% 2022[3]	2,545	2,564
	UniCredit SpA 6.572% 2022[3]	11,295	11,312
	UniCredit SpA 4.625% 2027[3]	1,395	1,530
	UniCredit SpA 5.861% 2032 (5-year USD-ICE Swap + 3.703% on 6/19/2027)[3,4]	16,130	17,708
	Vigorous Champion International, Ltd. 4.25% 2029	462	488
	Wells Fargo & Company 2.406% 2025 (3-month USD-LIBOR + 0.825% on 10/30/2024)[4]	20,480	21,005
	Westpac Banking Corp. 1.953% 2028	4,305	4,291
			1,043,099

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Utilities 4.54%	Abu Dhabi National Energy Company PJSC (TAQA) 4.375% 2025[3]	$10,500	$11,432
	AEP Texas, Inc. 3.45% 2051	1,475	1,489
	Alabama Power Co. 3.00% 2052	3,880	3,880
	Alfa Desarrollo SpA 4.55% 2051[3]	1,005	994
	Ameren Corp. 4.50% 2049	2,875	3,670
	Berkshire Hathaway Energy Company 4.50% 2045	5,895	7,155
	Comisión Federal de Electricidad 3.348% 2031[3]	6,000	5,894
	Comisión Federal de Electricidad 3.875% 2033[3]	1,340	1,319
	Comisión Federal de Electricidad 4.677% 2051[3]	6,050	5,704
	Connecticut Light and Power Co. 2.05% 2031	1,775	1,751
	Consumers Energy Co. 4.05% 2048	8,270	9,890
	Consumers Energy Co. 3.75% 2050	5,625	6,476
	Dominion Energy, Inc. 2.25% 2031	3,925	3,837
	Duke Energy Corp. 3.75% 2024	3,826	4,020
	Duke Energy Florida, LLC 3.40% 2046	5,669	5,996
	Duke Energy Florida, LLC 3.00% 2051	711	718
	Duke Energy Progress, LLC 3.70% 2028	3,750	4,113
	Duke Energy Progress, LLC 2.00% 2031	1,775	1,736
	Duke Energy Progress, LLC 2.50% 2050	644	597
	Edison International 3.125% 2022	2,900	2,946
	Edison International 3.55% 2024	6,850	7,169
	Edison International 4.95% 2025	175	190
	Edison International 5.75% 2027	3,181	3,629
	Edison International 4.125% 2028	3,644	3,849
	Electricité de France SA 2.625% junior subordinated perpetual bonds (5-year EUR Mid-Swap + 2.86% on 6/1/2028)[4]	€ 7,600	8,700
	Emera US Finance LP 0.833% 2024	$ 600	589
	Emera US Finance LP 2.639% 2031	4,400	4,330
	Emera, Inc. 6.75% 2076 (3-month USD-LIBOR + 5.44% on 6/15/2026)[4]	1,425	1,644
	Enel Società per Azioni 8.75% 2073 (USD Semi Annual 30/360 (vs. 3-month USD-LIBOR) + 5.88% on 9/24/2023)[3,4]	1,000	1,116
	ENN Clean Energy International Investment, Ltd. 3.375% 2026[3]	1,310	1,304
	Entergy Louisiana, LLC 4.20% 2048	6,325	7,542
	Eversource Energy 2.75% 2022	527	528
	Eversource Energy 3.80% 2023	5,000	5,251
	FirstEnergy Corp. 1.60% 2026	20,066	19,414
	FirstEnergy Corp. 3.50% 2028[3]	2,400	2,560
	FirstEnergy Corp. 4.10% 2028[3]	425	467
	FirstEnergy Corp. 2.25% 2030	13,707	13,215
	FirstEnergy Corp. 2.65% 2030	12,524	12,399
	FirstEnergy Corp., Series A, 3.35% 2022[4]	13,398	13,456
	FirstEnergy Corp., Series B, 4.40% 2027 (4.15% on 1/15/2022)[4]	12,178	13,126
	FirstEnergy Transmission LLC 2.866% 2028[3]	4,000	4,010
	Florida Power & Light Company 2.875% 2051	6,900	7,016
	Georgia Power Co. 3.70% 2050	275	293
	Interchile SA 4.50% 2056[3]	465	495
	Israel Electric Corp., Ltd. 4.25% 2028[3]	5,870	6,461
	Jersey Central Power & Light Co. 2.75% 2032[3]	525	533
	MidAmerican Energy Holdings Co. 2.70% 2052	1,053	1,025
	Mississippi Power Co. 4.25% 2042	5,020	5,774
	Monongahela Power Co. 3.55% 2027[3]	1,700	1,819
	NextEra Energy Capital Holdings, Inc. 1.875% 2027	3,000	3,020
	NextEra Energy Capital Holdings, Inc. 1.90% 2028	3,575	3,540
	NextEra Energy Capital Holdings, Inc. 2.44% 2032	5,875	5,893
	Oncor Electric Delivery Company, LLC 2.70% 2051[3]	300	289
	Pacific Gas and Electric Co. 1.75% 2022	13,000	13,000
	Pacific Gas and Electric Co. 1.367% 2023	11,550	11,481
	Pacific Gas and Electric Co. 3.25% 2023	5,615	5,721
	Pacific Gas and Electric Co. 3.40% 2024	2,000	2,070

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Utilities (continued)	Pacific Gas and Electric Co. 2.95% 2026	$10,850	$ 11,046
	Pacific Gas and Electric Co. 3.15% 2026	27,543	28,180
	Pacific Gas and Electric Co. 3.30% 2027	12,289	12,500
	Pacific Gas and Electric Co. 3.30% 2027	5,850	5,957
	Pacific Gas and Electric Co. 3.75% 2028	13,075	13,608
	Pacific Gas and Electric Co. 4.65% 2028	7,900	8,624
	Pacific Gas and Electric Co. 4.55% 2030	35,299	38,201
	Pacific Gas and Electric Co. 2.50% 2031	19,695	18,784
	Pacific Gas and Electric Co. 3.25% 2031	1,300	1,306
	Pacific Gas and Electric Co. 3.30% 2040	8,898	8,266
	Pacific Gas and Electric Co. 3.75% 2042	9,466	8,851
	Pacific Gas and Electric Co. 4.75% 2044	336	349
	Pacific Gas and Electric Co. 3.50% 2050	6,836	6,350
	Public Service Electric and Gas Co. 3.20% 2029	6,000	6,458
	Public Service Electric and Gas Co. 1.90% 2031	775	755
	Puget Energy, Inc. 5.625% 2022	8,004	8,114
	Puget Energy, Inc. 3.65% 2025	300	317
	San Diego Gas & Electric Co. 3.32% 2050	748	790
	San Diego Gas & Electric Co. 2.95% 2051	6,804	6,865
	Southern California Edison Co. 2.85% 2029	8,200	8,491
	Southern California Edison Co. 4.20% 2029	11,000	12,278
	Southern California Edison Co. 2.50% 2031	5,149	5,174
	Southern California Edison Co. 5.35% 2035	6,450	8,043
	Southern California Edison Co. 5.75% 2035	4,549	5,861
	Southern California Edison Co. 5.625% 2036	7,051	8,895
	Southern California Edison Co. 5.55% 2037	3,844	4,797
	Southern California Edison Co. 5.95% 2038	5,121	6,632
	Southern California Edison Co. 4.00% 2047	9,402	10,390
	Southern California Edison Co. 4.125% 2048	8,048	9,049
	Southern California Edison Co. 4.875% 2049	916	1,121
	Southern California Edison Co. 3.65% 2050	7,331	7,777
	Southern California Edison Co. 3.65% 2051	6,978	7,579
	Southern California Edison Co., Series C, 3.60% 2045	2,717	2,790
	Southwestern Electric Power Co. 1.65% 2026	3,550	3,524
	Southwestern Electric Power Co. 3.25% 2051	2,270	2,256
	Union Electric Co. 2.15% 2032	3,175	3,120
	Virginia Electric and Power Co. 2.30% 2031	2,425	2,446
	WEC Energy Group, Inc. 2.20% 2028	1,575	1,574
	Wisconsin Electric Power Co. 2.85% 2051	375	369
	Wisconsin Power and Light Co. 1.95% 2031	525	511
	Wisconsin Power and Light Co. 3.65% 2050	1,075	1,211
	Xcel Energy, Inc. 3.30% 2025	5,650	5,936
	Xcel Energy, Inc. 1.75% 2027	5,660	5,613
	Xcel Energy, Inc. 2.60% 2029	2,925	2,993
	Xcel Energy, Inc. 2.35% 2031	8,500	8,467
			598,753
Energy 4.39%	Antero Resources Corp. 5.375% 2030[3]	280	300
	Apache Corp. 4.625% 2025	645	693
	Apache Corp. 4.25% 2030	2,465	2,679
	Apache Corp. 5.35% 2049	800	915
	Baker Hughes, a GE Co. 2.061% 2026	1,136	1,147
	Canadian Natural Resources, Ltd. 2.05% 2025	754	762
	Canadian Natural Resources, Ltd. 3.85% 2027	1,151	1,234
	Canadian Natural Resources, Ltd. 2.95% 2030	1,113	1,128
	Cenovus Energy, Inc. 5.375% 2025	2,763	3,052
	Cenovus Energy, Inc. 4.25% 2027	18,067	19,707
	Cenovus Energy, Inc. 2.65% 2032	2,969	2,908

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	Cenovus Energy, Inc. 5.25% 2037	$ 770	$ 911
	Cenovus Energy, Inc. 5.40% 2047	15,180	18,942
	Cheniere Energy Partners LP 3.25% 2032[3]	937	948
	Cheniere Energy, Inc. 7.00% 2024	410	454
	Cheniere Energy, Inc. 3.70% 2029	6,511	6,980
	Chevron Corp. 2.355% 2022	4,800	4,861
	Chevron Corp. 2.954% 2026	3,365	3,566
	Chevron Corp. 3.078% 2050	692	737
	Columbia Pipeline Partners LP 5.80% 2045	1,410	1,869
	DCP Midstream Operating LP 4.95% 2022	500	500
	Devon Energy Corp. 4.50% 2030	5,197	5,582
	Diamondback Energy, Inc. 4.40% 2051	2,016	2,316
	DT Midstream, Inc. 4.125% 2029[3]	555	569
	Enbridge Energy Partners LP 7.375% 2045	11,183	17,502
	Enbridge, Inc. 4.00% 2023	1,500	1,567
	Energy Transfer Operating LP 5.875% 2024	294	317
	Energy Transfer Operating LP 2.90% 2025	4,402	4,551
	Energy Transfer Operating LP 3.75% 2030	7,707	8,175
	Energy Transfer Operating LP 5.00% 2050	14,895	17,181
	Energy Transfer Partners LP 4.20% 2023	2,860	2,988
	Energy Transfer Partners LP 4.50% 2024	4,915	5,212
	Energy Transfer Partners LP 4.75% 2026	1,506	1,649
	Energy Transfer Partners LP 4.95% 2028	4,559	5,133
	Energy Transfer Partners LP 5.25% 2029	1,275	1,462
	Energy Transfer Partners LP 6.125% 2045	8,946	11,152
	Energy Transfer Partners LP 5.30% 2047	10,459	12,148
	Energy Transfer Partners LP 6.00% 2048	1,241	1,545
	Energy Transfer Partners LP 6.25% 2049	1,104	1,445
	Energy Transfer Partners LP 6.25% junior subordinated perpetual bonds (3-month USD-LIBOR + 4.028% on 2/15/2023)[4]	7,850	6,840
	Energy Transfer Partners LP 6.625% junior subordinated perpetual bonds (3-month USD-LIBOR + 4.155% on 2/15/2028)[4]	500	476
	Enterprise Products Operating LLC 3.20% 2052	3,031	2,981
	Enterprise Products Operating LLC 3.30% 2053	2,358	2,350
	EQT Corp. 3.00% 2022	6,700	6,776
	EQT Corp. 7.50% 2030[4]	7,500	9,649
	EQT Corp. 3.625% 2031[3]	425	442
	Equinor ASA 3.625% 2028	4,928	5,418
	Equinor ASA 3.125% 2030	20,000	21,508
	Equinor ASA 3.25% 2049	5,687	6,040
	Exxon Mobil Corp. 3.043% 2026	4,625	4,897
	Exxon Mobil Corp. 2.61% 2030	1,040	1,079
	Kinder Morgan, Inc. 3.60% 2051	4,154	4,187
	MPLX LP 1.75% 2026	5,557	5,507
	MPLX LP 4.00% 2028	4,665	5,059
	MPLX LP 2.65% 2030	2,404	2,396
	MPLX LP 5.50% 2049	8,081	10,344
	Odebrecht Drilling Norbe 1.00% PIK and 6.35% Cash 2026[3,6]	39	21
	Odebrecht Drilling Norbe 0% perpetual bonds[3]	1,150	11
	Oleoducto Central SA 4.00% 2027[3]	1,715	1,707
	Oleoducto Central SA 4.00% 2027	350	348
	ONEOK, Inc. 2.20% 2025	193	195
	ONEOK, Inc. 5.85% 2026	896	1,028
	ONEOK, Inc. 4.55% 2028	1,610	1,779
	ONEOK, Inc. 3.10% 2030	540	551
	ONEOK, Inc. 6.35% 2031	984	1,237
	ONEOK, Inc. 5.20% 2048	10,168	12,317
	ONEOK, Inc. 4.45% 2049	440	487
	ONEOK, Inc. 4.50% 2050	1,266	1,406

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	ONEOK, Inc. 7.15% 2051	$ 3,275	$ 4,737
	Petróleos Mexicanos 4.875% 2022	1,000	1,003
	Petróleos Mexicanos 6.875% 2025[3]	3,663	4,007
	Petróleos Mexicanos 6.875% 2025	1,337	1,462
	Petróleos Mexicanos 6.875% 2026	43,810	48,228
	Petróleos Mexicanos 6.50% 2027	31,829	33,997
	Petróleos Mexicanos 6.50% 2029	3,409	3,543
	Petróleos Mexicanos 6.70% 2032[3]	18,259	18,478
	Petróleos Mexicanos 7.69% 2050	285	276
	Qatar Petroleum 1.375% 2026[3]	16,725	16,422
	Qatar Petroleum 2.25% 2031[3]	18,400	18,273
	Qatar Petroleum 3.125% 2041[3]	7,310	7,407
	Qatar Petroleum 3.30% 2051[3]	2,185	2,257
	SA Global Sukuk, Ltd. 0.946% 2024[3]	9,410	9,278
	SA Global Sukuk, Ltd. 1.602% 2026[3]	25,336	24,975
	SA Global Sukuk, Ltd. 2.694% 2031[3]	4,680	4,716
	Sabine Pass Liquefaction, LLC 5.625% 2023[4]	1,000	1,046
	Sabine Pass Liquefaction, LLC 5.75% 2024	8,000	8,705
	Sabine Pass Liquefaction, LLC 5.625% 2025	10,000	11,110
	Sabine Pass Liquefaction, LLC 5.875% 2026	15,700	18,030
	Saudi Arabian Oil Co. 2.875% 2024[3]	4,885	5,049
	Shell International Finance BV 3.875% 2028	9,410	10,525
	Shell International Finance BV 2.75% 2030	1,186	1,240
	Sinopec Group Overseas Development (2018), Ltd. 2.95% 2029	3,743	3,911
	Sinopec Group Overseas Development (2018), Ltd. 2.95% 2029[3]	3,419	3,563
	Sinopec Group Overseas Development (2018), Ltd. 2.95% 2029	460	479
	Sinopec Group Overseas Development (2018), Ltd. 2.95% 2029[3]	1,183	1,236
	Southwestern Energy Co. 6.45% 2025 (6.20% on 1/23/2022)[4]	495	545
	Suncor Energy, Inc. 3.75% 2051	552	594
	Sunoco Logistics Operating Partners LP 5.40% 2047	5,641	6,634
	Targa Resources Partners LP 5.375% 2027	175	181
	Total Capital Canada, Ltd. 2.75% 2023	2,140	2,200
	Total Capital International 3.455% 2029	885	960
	TransCanada PipeLines, Ltd. 4.10% 2030	1,578	1,762
	Western Midstream Operating, LP 4.35% 2025 (4.10% on 2/1/2022)[4]	2,782	2,911
	Western Midstream Operating, LP 5.30% 2030 (5.05% on 2/1/2022)[4]	2,202	2,424
	Western Midstream Operating, LP 6.50% 2050 (6.25% on 2/1/2022)[4]	3,079	3,646
	Williams Partners LP 4.50% 2023	500	527
	Williams Partners LP 4.30% 2024	595	628
			578,788
Consumer discretionary 3.99%	Allied Universal Holdco LLC 4.625% 2028[3]	335	335
	Amazon.com, Inc. 1.65% 2028	6,855	6,871
	Amazon.com, Inc. 2.10% 2031	7,155	7,259
	Amazon.com, Inc. 2.875% 2041	1,480	1,540
	Amazon.com, Inc. 3.10% 2051	9,380	10,039
	Amazon.com, Inc. 3.25% 2061	4,100	4,426
	Atlas LuxCo 4 SARL 4.625% 2028[3]	255	251
	Bayerische Motoren Werke AG 1.25% 2026[3]	100	99
	Bayerische Motoren Werke AG 1.95% 2031[3]	620	604
	Daimler Trucks Finance North America, LLC 1.125% 2023[3]	3,015	3,017
	Daimler Trucks Finance North America, LLC 1.625% 2024[3]	4,950	4,990
	Daimler Trucks Finance North America, LLC 2.00% 2026[3]	2,460	2,472
	Daimler Trucks Finance North America, LLC 2.375% 2028[3]	3,975	3,996
	Daimler Trucks Finance North America, LLC 2.50% 2031[3]	9,625	9,631
	DaimlerChrysler North America Holding Corp. 1.75% 2023[3]	8,000	8,082
	DaimlerChrysler North America Holding Corp. 3.35% 2023[3]	2,000	2,056
	Ford Motor Credit Company LLC 5.125% 2025	3,870	4,214

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer discretionary (continued)	Ford Motor Credit Company LLC 3.815% 2027	$ 3,790	$ 4,013
	Ford Motor Credit Company LLC 4.125% 2027	39,080	42,231
	Ford Motor Credit Company LLC 4.271% 2027	18,542	19,954
	Ford Motor Credit Company LLC 5.113% 2029	4,205	4,785
	General Motors Company 5.40% 2023	421	451
	General Motors Company 4.35% 2025	11,358	12,229
	General Motors Company 6.125% 2025	28,743	33,046
	General Motors Company 6.80% 2027	1,030	1,265
	General Motors Company 5.40% 2048	7,200	9,208
	General Motors Financial Co. 3.55% 2022	3,703	3,757
	General Motors Financial Co. 3.25% 2023	964	985
	General Motors Financial Co. 1.05% 2024	4,200	4,180
	General Motors Financial Co. 3.50% 2024	9,945	10,447
	General Motors Financial Co. 3.95% 2024	3,969	4,179
	General Motors Financial Co. 5.10% 2024	1,081	1,160
	General Motors Financial Co. 2.75% 2025	3,819	3,944
	General Motors Financial Co. 2.90% 2025	1,032	1,068
	General Motors Financial Co. 1.25% 2026	5,450	5,338
	General Motors Financial Co. 2.70% 2027	6,079	6,188
	General Motors Financial Co. 2.40% 2028	13,909	13,977
	General Motors Financial Co. 2.40% 2028	464	463
	General Motors Financial Co. 3.60% 2030	465	496
	General Motors Financial Co. 2.35% 2031	6,075	5,920
	General Motors Financial Co. 2.70% 2031	6,075	6,060
	Grand Canyon University 4.125% 2024	4,190	4,289
	Home Depot, Inc. 2.95% 2029	6,081	6,484
	Home Depot, Inc. 4.50% 2048	1,915	2,482
	Hyundai Capital America 2.85% 2022[3]	4,118	4,190
	Hyundai Capital America 3.00% 2022[3]	4,500	4,547
	Hyundai Capital America 3.25% 2022[3]	1,521	1,550
	Hyundai Capital America 3.95% 2022[3]	8,000	8,019
	Hyundai Capital America 1.25% 2023[3]	3,150	3,149
	Hyundai Capital America 2.375% 2023[3]	9,977	10,118
	Hyundai Capital America 0.875% 2024[3]	2,780	2,728
	Hyundai Capital America 1.00% 2024[3]	2,750	2,704
	Hyundai Capital America 3.40% 2024[3]	8,180	8,535
	Hyundai Capital America 1.80% 2025[3]	12,714	12,656
	Hyundai Capital America 2.65% 2025[3]	13,054	13,387
	Hyundai Capital America 1.30% 2026[3]	6,000	5,834
	Hyundai Capital America 1.50% 2026[3]	8,310	8,086
	Hyundai Capital America 1.65% 2026[3]	7,275	7,138
	Hyundai Capital America 2.375% 2027[3]	6,264	6,236
	Hyundai Capital America 3.00% 2027[3]	10,408	10,777
	Hyundai Capital America 1.80% 2028[3]	6,000	5,803
	Hyundai Capital America 2.00% 2028[3]	5,900	5,757
	Hyundai Capital America 2.10% 2028[3]	4,400	4,278
	Hyundai Capital Services, Inc. 1.25% 2026[3]	3,695	3,608
	Limited Brands, Inc. 6.875% 2035	740	921
	Marriott International, Inc. 5.75% 2025	330	372
	Marriott International, Inc. 3.125% 2026	410	426
	Marriott International, Inc. 2.75% 2033	850	826
	McDonald's Corp. 2.125% 2030	2,482	2,473
	McDonald's Corp. 4.45% 2047	3,535	4,323
	McDonald's Corp. 3.625% 2049	2,938	3,257
	Meituan Dianping 3.05% 2030[3]	3,200	2,965
	MGM Resorts International 7.75% 2022	2,000	2,028
	NIKE, Inc. 3.25% 2040	6,171	6,727
	NIKE, Inc. 3.875% 2045	1,560	1,876
	Nissan Motor Co., Ltd. 2.60% 2022[3]	1,415	1,430

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer discretionary (continued)	Nissan Motor Co., Ltd. 3.043% 2023[3]	$ 240	$ 246
	Nissan Motor Co., Ltd. 3.522% 2025[3]	800	839
	Nissan Motor Co., Ltd. 2.00% 2026[3]	12,000	11,832
	Nissan Motor Co., Ltd. 4.345% 2027[3]	1,790	1,934
	Nissan Motor Co., Ltd. 2.75% 2028[3]	11,200	11,130
	Nissan Motor Co., Ltd. 4.81% 2030[3]	17,533	19,629
	Sands China, Ltd. 2.30% 2027[3]	2,368	2,232
	Starbucks Corp. 3.75% 2047	3,785	4,178
	Stellantis Finance US, Inc. 1.711% 2027[3]	3,500	3,442
	Stellantis Finance US, Inc. 2.691% 2031[3]	4,280	4,213
	Toyota Motor Credit Corp. 3.375% 2030	6,664	7,311
	VICI Properties LP / VICI Note Co., Inc. 4.125% 2030[3]	425	450
	Volkswagen Group of America Finance, LLC 4.25% 2023[3]	15,000	15,847
	Volkswagen Group of America Finance, LLC 2.85% 2024[3]	2,996	3,100
	Volkswagen Group of America Finance, LLC 1.25% 2025[3]	1,150	1,126
	Volkswagen Group of America Finance, LLC 3.35% 2025[3]	2,636	2,775
	Wyndham Destinations, Inc. 6.625% 2026[3]	675	749
	Wynn Resorts, Ltd. 5.125% 2029[3]	410	417
			526,655
Health care 3.53%	Abbott Laboratories 3.75% 2026	2,244	2,481
	Abbott Laboratories 4.75% 2036	4,565	5,835
	AbbVie, Inc. 3.20% 2022	9,600	9,764
	AbbVie, Inc. 3.20% 2029	23,754	25,424
	Amgen, Inc. 2.45% 2030	10,000	10,189
	Anthem, Inc. 2.375% 2025	1,534	1,583
	AstraZeneca Finance LLC 1.75% 2028	1,429	1,422
	AstraZeneca Finance LLC 2.25% 2031	2,087	2,104
	AstraZeneca PLC 4.00% 2029	5,920	6,692
	AstraZeneca PLC 3.00% 2051	1,437	1,510
	Bausch Health Companies, Inc. 4.875% 2028[3]	830	848
	Baxter International, Inc. 2.539% 2032[3]	3,906	3,950
	Bayer US Finance II LLC 4.25% 2025[3]	17,570	19,021
	Boston Scientific Corp. 3.375% 2022	350	354
	Boston Scientific Corp. 3.85% 2025	255	274
	Centene Corp. 4.25% 2027	14,860	15,517
	Centene Corp. 2.45% 2028	12,410	12,243
	Centene Corp. 4.625% 2029	14,945	16,143
	Centene Corp. 3.375% 2030	15,718	16,033
	Centene Corp. 2.50% 2031	8,550	8,338
	Centene Corp. 2.625% 2031	2,510	2,464
	Cigna Corp. 4.375% 2028	6,843	7,782
	Danaher Corp. 2.80% 2051	1,090	1,078
	EMD Finance LLC 2.95% 2022[3]	2,100	2,102
	GlaxoSmithKline PLC 3.375% 2023	16,800	17,401
	Kaiser Foundation Hospitals 2.81% 2041	910	917
	Laboratory Corporation of America Holdings 1.55% 2026	1,210	1,197
	Laboratory Corporation of America Holdings 2.70% 2031	805	818
	Laboratory Corporation of America Holdings 4.70% 2045	4,160	5,075
	Merck & Co., Inc. 1.70% 2027	3,093	3,113
	Merck & Co., Inc. 2.15% 2031	5,845	5,866
	Merck & Co., Inc. 2.75% 2051	808	801
	Merck & Co., Inc. 2.90% 2061	1,275	1,271
	Novartis Capital Corp. 1.75% 2025	2,361	2,396
	Novartis Capital Corp. 2.20% 2030	5,446	5,533
	Roche Holdings, Inc. 1.93% 2028[3]	7,845	7,898
	Roche Holdings, Inc. 2.076% 2031[3]	14,737	14,706
	Roche Holdings, Inc. 2.607% 2051[3]	3,525	3,468

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Health care (continued)	Shire PLC 3.20% 2026	$14,673	$ 15,581
	Teva Pharmaceutical Finance Co. BV 7.125% 2025	45,000	48,202
	Teva Pharmaceutical Finance Co. BV 3.15% 2026	68,853	64,830
	Teva Pharmaceutical Finance Co. BV 6.75% 2028	26,824	28,608
	Teva Pharmaceutical Finance Co. BV 4.10% 2046	46,666	39,506
	Thermo Fisher Scientific, Inc. 1.75% 2028	398	396
	Thermo Fisher Scientific, Inc. 2.00% 2031	1,235	1,218
	Thermo Fisher Scientific, Inc. 2.80% 2041	689	698
	UnitedHealth Group, Inc. 3.35% 2022	4,385	4,456
	UnitedHealth Group, Inc. 3.75% 2025	5,410	5,871
	UnitedHealth Group, Inc. 2.30% 2031	1,626	1,656
	UnitedHealth Group, Inc. 3.05% 2041	1,300	1,362
	UnitedHealth Group, Inc. 3.25% 2051	1,887	2,046
	Zimmer Holdings, Inc. 3.15% 2022	7,845	7,861
			465,902
Industrials 2.72%	ADT Security Corp. 4.125% 2029[3]	510	503
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 1.75% 2026	2,841	2,789
	Aeropuerto International de Tocume SA 4.00% 2041[3]	730	745
	Aeropuerto International de Tocume SA 5.125% 2061[3]	565	594
	Air Lease Corp. 0.80% 2024	3,175	3,112
	Air Lease Corp. 2.875% 2026	11,453	11,824
	Air Lease Corp. 2.10% 2028	2,450	2,365
	Avolon Holdings Funding, Ltd. 3.625% 2022[3]	2,810	2,828
	Avolon Holdings Funding, Ltd. 3.95% 2024[3]	12,514	13,120
	Avolon Holdings Funding, Ltd. 2.125% 2026[3]	8,333	8,186
	Avolon Holdings Funding, Ltd. 4.25% 2026[3]	3,302	3,503
	Avolon Holdings Funding, Ltd. 2.528% 2027[3]	2,142	2,082
	Avolon Holdings Funding, Ltd. 3.25% 2027[3]	8,000	8,062
	BNSF Funding Trust I, junior subordinated, 6.613% 2055 (3-month USD-LIBOR + 2.35% on 1/15/2026)[4]	1,680	1,871
	Boeing Company 4.508% 2023	11,358	11,866
	Boeing Company 1.95% 2024	5,646	5,713
	Boeing Company 2.80% 2024	500	514
	Boeing Company 4.875% 2025	34,682	37,974
	Boeing Company 2.196% 2026	16,571	16,581
	Boeing Company 2.75% 2026	16,588	17,079
	Boeing Company 3.10% 2026	649	677
	Boeing Company 2.70% 2027	6,473	6,586
	Boeing Company 5.04% 2027	15,716	17,709
	Boeing Company 3.25% 2028	11,379	11,867
	Boeing Company 3.25% 2028	1,925	1,996
	Boeing Company 5.15% 2030	42,874	49,993
	Boeing Company 3.625% 2031	1,602	1,710
	Boeing Company 3.90% 2049	1,411	1,483
	Boeing Company 5.805% 2050	4,122	5,592
	Canadian Pacific Railway, Ltd. 1.75% 2026	1,982	1,990
	Canadian Pacific Railway, Ltd. 2.45% 2031	3,080	3,144
	Canadian Pacific Railway, Ltd. 3.00% 2041	1,234	1,264
	Canadian Pacific Railway, Ltd. 3.10% 2051	2,432	2,506
	Carrier Global Corp. 3.377% 2040	15,000	15,705
	Dun & Bradstreet Corp. 5.00% 2029[3]	2,798	2,867
	General Dynamics Corp. 3.625% 2030	675	751
	General Electric Capital Corp. 4.418% 2035	2,377	2,841
	Lockheed Martin Corp. 1.85% 2030	1,159	1,140
	Lockheed Martin Corp. 3.60% 2035	528	591
	Lockheed Martin Corp. 4.50% 2036	440	539
	Lockheed Martin Corp. 4.07% 2042	260	307

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Industrials (continued)	Lockheed Martin Corp. 2.80% 2050	$ 1,464	$ 1,463
	Lockheed Martin Corp. 4.09% 2052	174	215
	Mexico City Airport Trust 5.50% 2046	1,959	1,959
	Mexico City Airport Trust 5.50% 2047	5,909	5,927
	Mexico City Airport Trust 5.50% 2047[3]	1,132	1,135
	Northrop Grumman Corp. 3.25% 2028	10,845	11,616
	Raytheon Technologies Corp. 1.90% 2031	3,087	2,982
	Raytheon Technologies Corp. 2.375% 2032	1,321	1,321
	Raytheon Technologies Corp. 2.82% 2051	665	644
	Raytheon Technologies Corp. 3.03% 2052	1,190	1,198
	Republic Services, Inc. 2.375% 2033	1,635	1,629
	Summit Digitel Infrastructure Private, Ltd. 2.875% 2031[3]	2,550	2,460
	Triton Container International, Ltd. 1.15% 2024[3]	1,609	1,587
	Triton Container International, Ltd. 3.15% 2031[3]	2,482	2,506
	Union Pacific Corp. 2.15% 2027	2,213	2,274
	Union Pacific Corp. 2.40% 2030	4,454	4,544
	Union Pacific Corp. 2.375% 2031	5,554	5,667
	Union Pacific Corp. 3.25% 2050	7,000	7,524
	Union Pacific Corp. 2.95% 2052	1,405	1,425
	United Rentals, Inc. 5.50% 2027	5,000	5,206
	United Technologies Corp. 3.125% 2027	4,551	4,836
	United Technologies Corp. 4.125% 2028	4,974	5,569
	Vinci SA 3.75% 2029[3]	2,000	2,187
			358,443
Communication services 2.50%	AT&T, Inc. 0.90% 2024	13,000	12,948
	AT&T, Inc. 1.70% 2026	19,000	18,920
	AT&T, Inc. 1.65% 2028	4,700	4,604
	AT&T, Inc. 4.30% 2030	15,940	17,959
	AT&T, Inc. 2.55% 2033	15,003	14,691
	AT&T, Inc. 3.30% 2052	1,200	1,178
	AT&T, Inc. 3.50% 2053	24,595	24,860
	CCO Holdings LLC and CCO Holdings Capital Corp. 5.125% 2027[3]	4,800	4,950
	CCO Holdings LLC and CCO Holdings Capital Corp. 2.25% 2029	2,970	2,900
	CCO Holdings LLC and CCO Holdings Capital Corp. 2.80% 2031	5,642	5,590
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2034[3]	3,875	3,819
	CCO Holdings LLC and CCO Holdings Capital Corp. 5.75% 2048	5,000	6,249
	CenturyLink, Inc. 4.00% 2027[3]	21,434	21,773
	Comcast Corp. 3.15% 2028	7,200	7,735
	Comcast Corp. 2.65% 2030	7,500	7,786
	Comcast Corp. 4.00% 2048	5,000	5,774
	Netflix, Inc. 4.875% 2028	5,053	5,769
	Netflix, Inc. 5.875% 2028	9,175	11,048
	Netflix, Inc. 5.375% 2029[3]	8,758	10,415
	Netflix, Inc. 4.875% 2030[3]	4,225	4,935
	SBA Tower Trust 1.631% 2026[3]	6,741	6,640
	Sirius XM Radio, Inc. 4.00% 2028[3]	675	680
	Sprint Corp. 7.625% 2025	6,665	7,673
	Tencent Holdings, Ltd. 2.39% 2030[3]	10,000	9,808
	T-Mobile US, Inc. 3.50% 2025	3,275	3,472
	T-Mobile US, Inc. 2.25% 2026[3]	1,954	1,962
	T-Mobile US, Inc. 2.25% 2026	434	436
	T-Mobile US, Inc. 2.625% 2026	9,691	9,752
	T-Mobile US, Inc. 3.75% 2027	5,000	5,417
	T-Mobile US, Inc. 2.40% 2029[3]	1,224	1,237
	T-Mobile US, Inc. 2.625% 2029	3,117	3,076
	T-Mobile US, Inc. 3.875% 2030	4,500	4,926
	T-Mobile US, Inc. 2.875% 2031	7,913	7,829

The Bond Fund of America (continued)
(formerly Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Communication services (continued)	T-Mobile US, Inc. 3.50% 2031	$ 9,000	$ 9,379
	T-Mobile US, Inc. 3.50% 2031[3]	629	655
	T-Mobile US, Inc. 3.00% 2041	2,100	2,054
	T-Mobile US, Inc. 3.40% 2052[3]	12,280	12,246
	Verizon Communications, Inc. 2.10% 2028	8,975	8,999
	Verizon Communications, Inc. 4.329% 2028	1,539	1,750
	Verizon Communications, Inc. 1.75% 2031	3,300	3,127
	Verizon Communications, Inc. 2.55% 2031	8,375	8,458
	Verizon Communications, Inc. 2.355% 2032[3]	4,743	4,679
	Verizon Communications, Inc. 3.40% 2041	2,050	2,150
	Verizon Communications, Inc. 2.875% 2050	3,000	2,855
	Verizon Communications, Inc. 3.55% 2051	1,975	2,132
	Vodafone Group PLC 4.375% 2028	10,000	11,262
	Vodafone Group PLC 4.25% 2050	3,050	3,530
			330,087
Consumer staples 1.57%	7-Eleven, Inc. 1.80% 2031[3]	5,013	4,749
	7-Eleven, Inc. 2.80% 2051[3]	5,000	4,649
	Altria Group, Inc. 4.40% 2026	4,585	5,055
	Altria Group, Inc. 4.50% 2043	1,585	1,646
	Altria Group, Inc. 5.95% 2049	9,039	11,304
	Anheuser-Busch InBev NV 4.75% 2029	7,500	8,737
	Anheuser-Busch InBev NV 5.55% 2049	5,000	6,934
	Anheuser-Busch InBev NV 4.50% 2050	1,355	1,674
	British American Tobacco International Finance PLC 3.95% 2025[3]	16,879	17,942
	British American Tobacco International Finance PLC 1.668% 2026	4,070	4,000
	British American Tobacco PLC 3.557% 2027	10,991	11,536
	British American Tobacco PLC 2.259% 2028	4,348	4,241
	British American Tobacco PLC 4.39% 2037	1,500	1,583
	British American Tobacco PLC 4.54% 2047	12,786	13,403
	British American Tobacco PLC 4.758% 2049	23,659	25,466
	Conagra Brands, Inc. 5.30% 2038	436	552
	Conagra Brands, Inc. 5.40% 2048	57	77
	Constellation Brands, Inc. 3.50% 2027	7,500	8,075
	Constellation Brands, Inc. 2.875% 2030	620	637
	Constellation Brands, Inc. 2.25% 2031	1,487	1,455
	Imperial Tobacco Finance PLC 3.50% 2023[3]	2,335	2,379
	JBS Luxembourg SARL 2.50% 2027[3]	3,880	3,841
	JBS Luxembourg SARL 3.625% 2032[3]	1,430	1,438
	JBS USA Lux SA 5.50% 2030[3]	435	474
	JBS USA Lux SA 3.00% 2032[3]	3,430	3,434
	Keurig Dr Pepper, Inc. 4.057% 2023	3,112	3,245
	Keurig Dr Pepper, Inc. 4.597% 2028	10,752	12,238
	Kraft Heinz Company 5.50% 2050	2,725	3,697
	Molson Coors Brewing Co. 4.20% 2046	2,390	2,656
	PepsiCo, Inc. 1.95% 2031	6,979	6,983
	Philip Morris International, Inc. 4.25% 2044	9,550	10,928
	PT Indofood CBP Sukses Makmur Tbk 3.398% 2031	3,110	3,144
	PT Indofood CBP Sukses Makmur Tbk 4.745% 2051	685	706
	Reynolds American, Inc. 4.45% 2025	14,570	15,748
	Reynolds American, Inc. 5.85% 2045	1,970	2,399
			207,025
Information technology 1.02%	Analog Devices, Inc. 1.70% 2028	1,962	1,957
	Analog Devices, Inc. 2.10% 2031	5,485	5,503
	Analog Devices, Inc. 2.80% 2041	521	528
	Analog Devices, Inc. 2.95% 2051	4,464	4,596

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Information technology (continued)	Apple, Inc. 2.70% 2051	$ 7,080	$ 7,017
	Broadcom Corp. / Broadcom Cayman Finance, Ltd. 3.875% 2027	7,027	7,623
	Broadcom, Inc. 3.469% 2034[3]	34,812	36,483
	Broadcom, Inc. 3.137% 2035[3]	1,164	1,172
	Broadcom, Inc. 3.187% 2036[3]	4,803	4,802
	Global Payments, Inc. 2.90% 2031	2,145	2,178
	Microsoft Corp. 2.525% 2050	10,000	9,780
	Oracle Corp. 1.65% 2026	8,417	8,359
	Oracle Corp. 2.30% 2028	6,875	6,857
	Oracle Corp. 2.875% 2031	7,393	7,446
	Oracle Corp. 3.95% 2051	4,869	5,063
	PayPal Holdings, Inc. 1.65% 2025	6,989	7,080
	PayPal Holdings, Inc. 2.30% 2030	330	336
	salesforce.com, inc. 1.95% 2031	3,775	3,743
	salesforce.com, inc. 2.70% 2041	875	876
	salesforce.com, inc. 2.90% 2051	8,295	8,463
	salesforce.com, inc. 3.05% 2061	265	273
	Square, Inc. 2.75% 2026[3]	1,975	1,980
	Square, Inc. 3.50% 2031[3]	825	847
	VeriSign, Inc. 2.70% 2031	1,494	1,504
			134,466
Real estate 0.53%	Alexandria Real Estate Equities, Inc. 3.95% 2028	1,425	1,575
	Alexandria Real Estate Equities, Inc. 4.50% 2029	150	173
	American Campus Communities, Inc. 3.75% 2023	2,900	2,979
	American Campus Communities, Inc. 3.875% 2031	620	688
	American Tower Corp. 1.45% 2026	657	644
	American Tower Corp. 2.30% 2031	1,180	1,147
	American Tower Corp. 2.70% 2031	1,100	1,104
	Corporacion Inmobiliaria Vesta, SAB de CV 3.625% 2031[3]	395	388
	Corporate Office Properties LP 2.00% 2029	1,139	1,096
	Corporate Office Properties LP 2.75% 2031	1,547	1,540
	Corporate Office Properties LP 2.90% 2033	564	552
	Crown Castle International Corp. 2.50% 2031	5,218	5,185
	Equinix, Inc. 2.90% 2026	3,287	3,407
	Equinix, Inc. 3.20% 2029	3,846	4,046
	Equinix, Inc. 2.50% 2031	7,760	7,763
	Equinix, Inc. 3.40% 2052	1,201	1,227
	Essex Portfolio LP 3.25% 2023	335	343
	Essex Portfolio LP 3.875% 2024	1,000	1,053
	Essex Portfolio LP 2.55% 2031	4,338	4,356
	Extra Space Storage, Inc. 2.35% 2032	698	679
	Fibra SOMA 4.375% 2031[3]	1,475	1,416
	Hospitality Properties Trust 5.00% 2022	1,270	1,270
	Hospitality Properties Trust 4.50% 2025	855	834
	Hospitality Properties Trust 3.95% 2028	1,710	1,568
	Howard Hughes Corp. 4.375% 2031[3]	675	683
	Invitation Homes Operating Partnership LP 2.30% 2028	767	759
	Invitation Homes Operating Partnership LP 2.00% 2031	2,048	1,931
	Invitation Homes Operating Partnership LP 2.70% 2034	660	648
	Iron Mountain, Inc. 4.875% 2027[3]	1,605	1,667
	Iron Mountain, Inc. 5.25% 2028[3]	3,500	3,646
	Iron Mountain, Inc. 5.25% 2030[3]	675	713
	Kimco Realty Corp. 3.40% 2022	1,045	1,064
	Omega Healthcare Investors, Inc. 4.375% 2023	186	194
	Piedmont Operating Partnership LP 4.45% 2024	1,000	1,055
	Public Storage 1.50% 2026	766	765
	Public Storage 1.95% 2028	993	990

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Real estate (continued)	Public Storage 2.25% 2031	$ 699	$ 703
	Scentre Group 3.50% 2025[3]	4,565	4,810
	Sun Communities Operating LP 2.30% 2028	1,026	1,026
	Sun Communities Operating LP 2.70% 2031	3,877	3,850
			69,537
Materials 0.15%	Air Products and Chemicals, Inc. 2.70% 2040	2,911	2,942
	Ecolab, Inc. 1.65% 2027	835	839
	Ecolab, Inc. 2.125% 2032	2,580	2,562
	Ecolab, Inc. 2.70% 2051	335	330
	Glencore Funding LLC 2.625% 2031[3]	790	769
	Glencore Funding LLC 3.375% 2051[3]	370	357
	Huntsman International LLC 2.95% 2031	741	752
	International Flavors & Fragrances, Inc. 2.30% 2030[3]	3,536	3,470
	LYB International Finance III, LLC 2.25% 2030	3,802	3,786
	LYB International Finance III, LLC 3.625% 2051	2,617	2,777
	Methanex Corp. 5.125% 2027	510	536
	Nova Chemicals Corp. 4.25% 2029[3]	425	427
			19,547
	Total corporate bonds, notes & loans		4,332,302
Mortgage-backed obligations 13.19%			
Federal agency mortgage-backed obligations 10.58%	Fannie Mae Pool #976945 5.50% 2023[7]	12	12
	Fannie Mae Pool #AB1068 4.50% 2025[7]	68	71
	Fannie Mae Pool #256133 4.50% 2026[7]	97	103
	Fannie Mae Pool #AB5236 3.00% 2027[7]	19	19
	Fannie Mae Pool #AO0800 3.00% 2027[7]	15	16
	Fannie Mae Pool #AL3802 3.00% 2028[7]	646	677
	Fannie Mae Pool #AR3058 3.00% 2028[7]	92	96
	Fannie Mae Pool #AL8241 3.00% 2029[7]	648	679
	Fannie Mae Pool #AL9573 3.00% 2031[7]	74	78
	Fannie Mae Pool #AS8018 3.00% 2031[7]	58	61
	Fannie Mae Pool #BM4741 3.00% 2032[7]	39	41
	Fannie Mae Pool #924866 1.515% 2037[5,7]	694	702
	Fannie Mae Pool #945680 6.00% 2037[7]	586	679
	Fannie Mae Pool #913966 6.00% 2037[7]	36	41
	Fannie Mae Pool #889982 5.50% 2038[7]	1,138	1,304
	Fannie Mae Pool #988588 5.50% 2038[7]	213	244
	Fannie Mae Pool #AB1297 5.00% 2040[7]	219	246
	Fannie Mae Pool #AI1862 5.00% 2041[7]	1,202	1,363
	Fannie Mae Pool #AH9479 5.00% 2041[7]	1,023	1,155
	Fannie Mae Pool #AH8144 5.00% 2041[7]	983	1,103
	Fannie Mae Pool #AI3510 5.00% 2041[7]	740	839
	Fannie Mae Pool #AJ0704 5.00% 2041[7]	629	714
	Fannie Mae Pool #AJ5391 5.00% 2041[7]	400	453
	Fannie Mae Pool #BM6240 2.05% 2044[5,7]	2,327	2,445
	Fannie Mae Pool #AZ3904 4.00% 2045[7]	65	71
	Fannie Mae Pool #AL8522 3.50% 2046[7]	1,087	1,170
	Fannie Mae Pool #BD1968 4.00% 2046[7]	1,464	1,578
	Fannie Mae Pool #BE0592 4.00% 2046[7]	400	427
	Fannie Mae Pool #BD5477 4.00% 2046[7]	182	196
	Fannie Mae Pool #CA0770 3.50% 2047[7]	5,944	6,300
	Fannie Mae Pool #CA0706 4.00% 2047[7]	124	133
	Fannie Mae Pool #MA3058 4.00% 2047[7]	55	59
	Fannie Mae Pool #BM4413 4.50% 2047[7]	3,923	4,242
	Fannie Mae Pool #BF0293 3.00% 2048[7]	8,572	9,056
	Fannie Mae Pool #FM4891 3.50% 2048[7]	26,213	28,005

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Fannie Mae Pool #BF0318 3.50% 2048[7]	$ 7,480	$ 8,024
	Fannie Mae Pool #CA1189 3.50% 2048[7]	1,766	1,870
	Fannie Mae Pool #MA3384 4.00% 2048[7]	142	152
	Fannie Mae Pool #BJ9169 4.00% 2048[7]	90	96
	Fannie Mae Pool #BJ5749 4.00% 2048[7]	22	24
	Fannie Mae Pool #BM4676 4.00% 2048[7]	16	18
	Fannie Mae Pool #CA2493 4.50% 2048[7]	925	994
	Fannie Mae Pool #CA3807 3.00% 2049[7]	1,609	1,696
	Fannie Mae Pool #CA3806 3.00% 2049[7]	984	1,039
	Fannie Mae Pool #FM0007 3.50% 2049[7]	18,754	19,993
	Fannie Mae Pool #FM1954 3.50% 2049[7]	8,665	9,245
	Fannie Mae Pool #FM1589 3.50% 2049[7]	5,396	5,740
	Fannie Mae Pool #FM1262 4.00% 2049[7]	30,031	32,195
	Fannie Mae Pool #FM5507 3.00% 2050[7]	19,793	20,828
	Fannie Mae Pool #BF0145 3.50% 2057[7]	14,350	15,549
	Fannie Mae Pool #BF0264 3.50% 2058[7]	10,884	11,741
	Fannie Mae Pool #BF0332 3.00% 2059[7]	23,948	25,375
	Fannie Mae Pool #BF0497 3.00% 2060[7]	20,048	21,164
	Fannie Mae, Series 2001-4, Class GA, 9.00% 2025[5,7]	–[8]	–[8]
	Fannie Mae, Series 2001-50, Class BA, 7.00% 2041[7]	9	10
	Fannie Mae, Series 2002-W3, Class A5, 7.50% 2041[7]	21	25
	Fannie Mae, Series 2002-W1, Class 2A, 5.199% 2042[5,7]	25	27
	Freddie Mac Pool #ZK4277 3.00% 2027[7]	338	355
	Freddie Mac Pool #ZK3970 3.00% 2027[7]	115	120
	Freddie Mac Pool #ZS6521 3.00% 2027[7]	83	87
	Freddie Mac Pool #ZK4162 3.00% 2027[7]	30	31
	Freddie Mac Pool #ZS8463 3.00% 2027[7]	4	4
	Freddie Mac Pool #ZK4039 3.00% 2027[7]	4	4
	Freddie Mac Pool #ZS8507 3.00% 2028[7]	154	162
	Freddie Mac Pool #ZK7590 3.00% 2029[7]	3,361	3,542
	Freddie Mac Pool #ZK7593 3.00% 2029[7]	170	178
	Freddie Mac Pool #ZT1931 3.00% 2033[7]	198	208
	Freddie Mac Pool #A15120 5.50% 2033[7]	58	64
	Freddie Mac Pool #QN1073 3.00% 2034[7]	69	73
	Freddie Mac Pool #G05196 5.50% 2038[7]	62	72
	Freddie Mac Pool #G05267 5.50% 2038[7]	47	54
	Freddie Mac Pool #G06020 5.50% 2039[7]	88	101
	Freddie Mac Pool #A93948 4.50% 2040[7]	193	214
	Freddie Mac Pool #G05860 5.50% 2040[7]	324	371
	Freddie Mac Pool #G06868 4.50% 2041[7]	209	231
	Freddie Mac Pool #G06841 5.50% 2041[7]	527	603
	Freddie Mac Pool #841039 2.186% 2043[5,7]	2,047	2,160
	Freddie Mac Pool #Z40130 3.00% 2046[7]	24,229	25,737
	Freddie Mac Pool #G61733 3.00% 2047[7]	5,974	6,309
	Freddie Mac Pool #ZT2100 3.00% 2047[7]	1,123	1,178
	Freddie Mac Pool #G08789 4.00% 2047[7]	846	908
	Freddie Mac Pool #G67709 3.50% 2048[7]	16,342	17,592
	Freddie Mac Pool #G61628 3.50% 2048[7]	425	457
	Freddie Mac Pool #Q58494 4.00% 2048[7]	1,459	1,563
	Freddie Mac Pool #QA4673 3.00% 2049[7]	34,864	36,775
	Freddie Mac Pool #SD7507 3.00% 2049[7]	1,945	2,047
	Freddie Mac Pool #SD7508 3.50% 2049[7]	13,533	14,594
	Freddie Mac Pool #RA1369 3.50% 2049[7]	2,499	2,664
	Freddie Mac Pool #ZN4842 3.50% 2049[7]	955	1,021
	Freddie Mac, Series 3061, Class PN, 5.50% 2035[7]	71	80
	Freddie Mac, Series 3318, Class JT, 5.50% 2037[7]	175	198
	Freddie Mac, Series K020, Class A2, Multi Family, 2.373% 2022[7]	3,995	4,009
	Freddie Mac, Series K718, Class A2, Multi Family, 2.791% 2022[7]	200	200
	Freddie Mac, Series 3156, Class PO, principal only, 0% 2036[7]	149	137

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Freddie Mac, Series 3146, Class PO, principal only, 0% 2036[7]	$ 144	$ 130
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-3, Class MA, 3.50% 2057[7]	10,631	11,032
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-2, Class MA, 3.50% 2058[7]	2,387	2,491
	Government National Mortgage Assn. 2.00% 2052[7,9]	26,184	26,423
	Government National Mortgage Assn. 2.00% 2052[7,9]	18,106	18,238
	Government National Mortgage Assn. 2.50% 2052[7,9]	35,056	35,902
	Government National Mortgage Assn. Pool #MA5817 4.00% 2049[7]	17,229	18,253
	Government National Mortgage Assn. Pool #MA5876 4.00% 2049[7]	2,420	2,554
	Government National Mortgage Assn. Pool #MA6221 4.50% 2049[7]	7,791	8,243
	Government National Mortgage Assn. Pool #MA5764 4.50% 2049[7]	859	908
	Government National Mortgage Assn. Pool #MA6042 5.00% 2049[7]	52	56
	Uniform Mortgage-Backed Security 1.50% 2037[7,9]	2,389	2,391
	Uniform Mortgage-Backed Security 1.50% 2037[7,9]	1,561	1,565
	Uniform Mortgage-Backed Security 2.00% 2037[7,9]	4,072	4,170
	Uniform Mortgage-Backed Security 2.00% 2037[7,9]	3,653	3,734
	Uniform Mortgage-Backed Security 3.00% 2037[7,9]	4,006	4,189
	Uniform Mortgage-Backed Security 2.00% 2052[7,9]	85,780	85,150
	Uniform Mortgage-Backed Security 2.00% 2052[7,9]	14,875	14,797
	Uniform Mortgage-Backed Security 2.50% 2052[7,9]	419,953	426,467
	Uniform Mortgage-Backed Security 2.50% 2052[7,9]	172,750	175,821
	Uniform Mortgage-Backed Security 3.00% 2052[7,9]	146,150	151,417
	Uniform Mortgage-Backed Security 3.50% 2052[7,9]	20,035	21,093
	Uniform Mortgage-Backed Security 4.50% 2052[7,9]	15,000	16,071
			1,395,381
Collateralized mortgage-backed obligations (privately originated) 1.41%	Arroyo Mortgage Trust, Series 2021-1R, Class A1, 1.175% 2048[3,5,7]	4,092	4,074
	Arroyo Mortgage Trust, Series 2020-1, Class A1A, 1.662% 2055[3,7]	233	233
	Bellemeade Re, Ltd., Series 2019-3A, Class M1B, (1-month USD-LIBOR + 1.60%) 1.702% 2029[3,5,7]	2,709	2,711
	BRAVO Residential Funding Trust, Series 2020-RPL2, Class A1, 2.00% 2059[3,5,7]	1,118	1,120
	BRAVO Residential Funding Trust, Series 2020-RPL1, Class A1, 2.50% 2059[3,5,7]	816	825
	Cascade Funding Mortgage Trust, Series 2020-HB4, Class A, 0.946% 2030[3,5,7]	809	810
	Cascade Funding Mortgage Trust, Series 2021-HB7, Class A, 1.151% 2031[3,5,7]	3,936	3,927
	Cascade Funding Mortgage Trust, Series 2021-HB6, Class A, 0.898% 2036[3,5,7]	2,413	2,412
	Citigroup Mortgage Loan Trust, Inc., Series 2020-EXP1, Class A1A, 1.804% 2060[3,5,7]	410	413
	COLT Funding, LLC, Series 2021-5, Class A1, 1.726% 2061[3,5,7]	3,108	3,103
	Credit Suisse Mortgage Trust, Series 2020-NET, Class A, 2.257% 2037[3,7]	1,612	1,626
	Credit Suisse Mortgage Trust, Series 2017-RPL3, Class A1, 2.00% 2060[3,5,7]	1,980	1,992
	Finance of America Structured Securities Trust, Series 2019-JR2, Class A1, 2.00% 2069[3,7]	3,254	3,566
	Finance of America Structured Securities Trust, Series 2019-JR1, Class A, 2.00% 2069[3,7]	2,725	3,036
	Flagstar Mortgage Trust, Series 2021-10INV, Class A3, 2.50% 2051[3,5,7]	8,254	8,269
	Flagstar Mortgage Trust, Series 2021-11INV, Class A4, 2.50% 2051[3,5,7]	2,433	2,435
	Flagstar Mortgage Trust, Series 2021-5INV, Class A2, 2.50% 2051[3,5,7]	2,315	2,329
	Flagstar Mortgage Trust, Series 2021-8INV, Class A3, 2.50% 2051[3,5,7]	2,261	2,261
	Flagstar Mortgage Trust, Series 2021-6INV, Class A4, 2.50% 2051[3,5,7]	2,160	2,159
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA2, Class M2, (1-month USD-SOFR + 2.30%) 2.35% 2033[3,5,7]	600	612
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA5, Class M2, (1-month USD-SOFR + 1.65%) 1.70% 2034[3,5,7]	248	249
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA7, Class M1, (1-month USD-SOFR + 0.85%) 0.90% 2041[3,5,7]	387	387
	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA6, Class M2, (1-month USD-SOFR + 1.50%) 1.55% 2041[3,5,7]	3,243	3,244

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Collateralized mortgage-backed obligations (privately originated) (continued)	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2021-DNA7, Class M2, (1-month USD-SOFR + 1.80%) 1.85% 2041[3,5,7]	$ 275	$ 276
	GCAT, Series 2021-NQM6, Class A1, 1.855% 2066[3,5,7]	4,923	4,907
	Home Partners of America Trust, Series 2021-2, Class A, 1.901% 2026[3,7]	5,613	5,561
	Home Partners of America Trust, Series 2021-2, Class B, 2.302% 2026[3,7]	999	988
	Hundred Acre Wood Trust, Series 2021-INV1, Class A3, 2.50% 2051[3,5,7]	982	986
	JPMDB Commercial Mortgage Securities Trust, Series 2017-C7, Class A5, 3.409% 2050[7]	240	258
	Legacy Mortgage Asset Trust, Series 2019-GS2, Class A1, 3.75% 2059[3,5,7]	1,062	1,064
	Legacy Mortgage Asset Trust, Series 2021-GS2, Class A1, 1.75% 2061[3,5,7]	998	991
	Legacy Mortgage Asset Trust, Series 2021-GS5, Class A1, 2.25% 2067 (5.25% on 11/25/2024)[3,4,7]	3,131	3,125
	Mello Warehouse Securitization Trust, Series 2021-3, Class A, (1-month USD-LIBOR + 0.85%) 0.952% 2055[3,5,7]	16,160	16,149
	MFRA Trust, Series 2021-RPL1, Class A1, 1.131% 2060[3,5,7]	3,993	3,932
	Mortgage Repurchase Agreement Financing Trust, Series 2020-5, (1-month USD-LIBOR + 1.00%) 1.101% 2023[3,5,7]	11,402	11,415
	MRA Issuance Trust, Series 2020-10, Class A2, (1-month USD-LIBOR + 1.70%) 1.786% 2022[3,5,7]	25,588	25,621
	MRA Issuance Trust, Series 2021-16, Class A1, (1-month USD-LIBOR + 1.55%) 1.644% 2051[3,5,7]	20,357	20,360
	PRKCM Trust, Series 2021-AFC2, Class A1, 2.071% 2056[3,5,7]	4,000	3,993
	Reverse Mortgage Investment Trust, Series 2021-HB1, Class A, 1.259% 2031[3,5,7]	6,722	6,713
	Towd Point Mortgage Trust, Series 2020-4, Class A1, 1.75% 2060[3,7]	13,275	13,257
	Tricon Residential, Series 2021-SFR1, Class A, 1.943% 2038[3,7]	5,043	5,028
	Verus Securitization Trust, Series 2021-7, Class A1, 1.829% 2066[3,5,7]	6,626	6,617
	ZH Trust, Series 2021-2, Class A, 2.349% 2027[3,7]	2,295	2,294
			185,328
Commercial mortgage-backed securities 0.96%	Bank Commercial Mortgage Trust, Series 2019-BN17, Class A4, 3.714% 2052[7]	100	111
	Bank Commercial Mortgage Trust, Series 2019-BN16, Class A4, 4.005% 2052[7]	770	865
	Bank Commercial Mortgage Trust, Series 2019-BN19, Class A3, 3.183% 2061[7]	1,018	1,092
	Bank Commercial Mortgage Trust, Series 2018-BN10, Class A4, 3.428% 2061[7]	130	139
	Bank Commercial Mortgage Trust, Series 2018-BN10, Class A5, 3.688% 2061[7]	205	225
	Bank Commercial Mortgage Trust, Series 2018-BN12, Class A4, 4.255% 2061[5,7]	2,444	2,761
	Bank Commercial Mortgage Trust, Series 2020-BN26, Class A4, 2.403% 2063[7]	295	301
	Benchmark Mortgage Trust, Series 2018-B8, Class A5, 4.232% 2052[7]	2,541	2,880
	Benchmark Mortgage Trust, Series 2018-B7, Class A4, 4.51% 2053[5,7]	781	899
	BX Trust, Series 2021-ACNT, Class A, (1-month USD-LIBOR + 0.85%) 0.95% 2026[3,5,7]	9,979	9,980
	BX Trust, Series 2021-ACNT, Class B, (1-month USD-LIBOR + 1.25%) 1.35% 2026[3,5,7]	339	338
	BX Trust, Series 2021-ACNT, Class C, (1-month USD-LIBOR + 1.50%) 1.60% 2026[3,5,7]	100	100
	BX Trust, Series 2021-ACNT, Class D, (1-month USD-LIBOR + 1.85%) 1.95% 2026[3,5,7]	151	151
	BX Trust, Series 2021-VOLT, Class A, (1-month USD-LIBOR + 0.70%) 0.81% 2036[3,5,7]	14,727	14,697
	BX Trust, Series 2021-RISE, Class A, (1-month USD-LIBOR + 0.74%) 0.848% 2036[3,5,7]	12,622	12,627
	BX Trust, Series 2021-ARIA, Class A, (1-month USD-LIBOR + 0.899%) 1.009% 2036[3,5,7]	5,292	5,290
	BX Trust, Series 2021-VOLT, Class B, (1-month USD-LIBOR + 0.95%) 1.06% 2036[3,5,7]	570	567
	BX Trust, Series 2021-ARIA, Class B, (1-month USD-LIBOR + 1.297%) 1.407% 2036[3,5,7]	995	994
	BX Trust, Series 2021-ARIA, Class C, (1-month USD-LIBOR + 1.646%) 1.756% 2036[3,5,7]	996	994
	BX Trust, Series 2021-SOAR, Class A, (1-month USD-LIBOR + 0.67%) 0.78% 2038[3,5,7]	3,769	3,753
	BX Trust, Series 2021-SOAR, Class B, (1-month USD-LIBOR + 0.87%) 0.98% 2038[3,5,7]	436	434
	BX Trust, Series 2021-SOAR, Class C, (1-month USD-LIBOR + 1.10%) 1.21% 2038[3,5,7]	295	294
	BX Trust, Series 2021-SOAR, Class D, (1-month USD-LIBOR + 1.40%) 1.51% 2038[3,5,7]	746	743
	CIM Retail Portfolio Trust, Series 2021-RETL, Class A, (1-month USD-LIBOR + 1.40%) 1.51% 2036[3,5,7]	1,350	1,349
	Citigroup Commercial Mortgage Trust, Series 2016-C1, Class AS, 3.514% 2049[7]	250	264
	Citigroup Commercial Mortgage Trust, Series 2016-GC36, Class A5, 3.616% 2049[7]	610	651

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Commercial mortgage-backed securities (continued)	Commercial Mortgage Trust, Series 2013-LC13, Class B, 5.009% 2046[3,5,7]	$ 312	$ 326
	Commercial Mortgage Trust, Series 2014-LC15, Class AM, 4.198% 2047[7]	350	368
	CSAIL Commercial Mortgage Trust, Series 2015-C4, Class C, 4.561% 2048[5,7]	204	213
	CSAIL Commercial Mortgage Trust, Series 2015-C2, Class A3, 3.231% 2057[7]	1,332	1,377
	Deutsche Bank Commercial Mortgage Trust, Series 2016-C1, Class AM, 3.539% 2049[7]	200	211
	Extended Stay America Trust, Series 2021-ESH, Class A, (1-month USD-LIBOR + 1.08%) 1.19% 2038[3,5,7]	2,865	2,873
	Extended Stay America Trust, Series 2021-ESH, Class B, (1-month USD-LIBOR + 1.38%) 1.49% 2038[3,5,7]	654	655
	Extended Stay America Trust, Series 2021-ESH, Class C, (1-month USD-LIBOR + 1.70%) 1.81% 2038[3,5,7]	891	893
	Extended Stay America Trust, Series 2021-ESH, Class D, (1-month USD-LIBOR + 2.25%) 2.36% 2038[3,5,7]	682	684
	Grace Mortgage Trust, Series 2020-GRCE, Class A, 2.347% 2040[3,7]	1,897	1,898
	GS Mortgage Securities Trust, Series 2017-GS7, Class A4, 3.43% 2050[7]	400	429
	GS Mortgage Securities Trust, Series 2019-GC38, Class A4, 3.968% 2052[7]	100	112
	GS Mortgage Securities Trust, Series 2020-GC47, Class A5, 2.377% 2053[7]	1,536	1,559
	JPMBB Commercial Mortgage Securities Trust, Series 2014-C18, Class A5, 4.079% 2047[7]	3,280	3,439
	JPMDB Commercial Mortgage Securities Trust, Series 2017-C5, Class A5, 3.694% 2050[7]	640	691
	JPMorgan Chase Commercial Mortgage Securities Trust, Series 2018-BCON, Class A, 3.735% 2031[3,7]	785	802
	JPMorgan Chase Commercial Mortgage Securities Trust, Series 2016-JP4, Class A4, 3.648% 2049[5,7]	2,040	2,199
	LUXE Commercial Mortgage Trust, Series 2021-TRIP, Class A, (1-month USD-LIBOR + 1.05%) 1.16% 2038[3,5,7]	4,555	4,560
	MHC Commercial Mortgage Trust, CMO, Series 2021-MHC, Class A, (1-month USD-LIBOR + 0.801%) 0.911% 2026[3,5,7]	154	154
	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2014-C17, Class A5, 3.741% 2047[7]	5,446	5,716
	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C22, Class A-4, 3.306% 2048[7]	410	429
	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2016-C32, Class A-4, 3.72% 2049[7]	245	266
	Morgan Stanley Capital I Trust, Series 2015-UBS8, Class AS, 4.114% 2048[7]	730	778
	Morgan Stanley Capital I Trust, Series 2016-UBS9, Class C, 4.761% 2049[5,7]	208	216
	Motel 6 Trust, Series 2021-MTL6, Class A, (1-month USD-LIBOR + 0.90%) 1.01% 2038[3,5,7]	818	818
	Motel 6 Trust, Series 2021-MTL6, Class B, (1-month USD-LIBOR + 1.20%) 1.31% 2038[3,5,7]	524	524
	Motel 6 Trust, Series 2021-MTL6, Class C, (1-month USD-LIBOR + 1.50%) 1.61% 2038[3,5,7]	157	157
	SLG Office Trust, Series 2021-OVA, Class A, 2.585% 2041[3,7]	4,674	4,795
	SREIT Trust, Series 2021-FLWR, Class A, (1-month USD-LIBOR + 0.577%) 0.686% 2036[3,5,7]	9,351	9,252
	SREIT Trust, Series 2021-FLWR, Class B, (1-month USD-LIBOR + 0.926%) 1.036% 2036[3,5,7]	1,000	990
	SREIT Trust, Series 2021-MFP, Class A, (1-month USD-LIBOR + 0.731%) 0.841% 2038[3,5,7]	8,739	8,711
	SREIT Trust, Series 2021-MFP, Class B, (1-month USD-LIBOR + 1.079%) 1.19% 2038[3,5,7]	263	262
	SREIT Trust, Series 2021-MFP, Class C, (1-month USD-LIBOR + 1.329%) 1.439% 2038[3,5,7]	141	140
	Wells Fargo Commercial Mortgage Trust, Series 2015-SG1, Class A-4, 3.789% 2048[7]	2,413	2,542
	Wells Fargo Commercial Mortgage Trust, Series 2015-C28, Class C, 4.093% 2048[5,7]	220	227
	Wells Fargo Commercial Mortgage Trust, Series 2016-C37, Class A5, 3.794% 2049[7]	2,550	2,777

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Commercial mortgage-backed securities (continued)	Wells Fargo Commercial Mortgage Trust, Series 2019-C54, Class A4, 3.146% 2052[7]	$ 1,019	$ 1,091
	Wells Fargo Commercial Mortgage Trust, Series 2016-NXS5, Class AS, 3.988% 2059[7]	250	266
	Wells Fargo Commercial Mortgage Trust, Series 2017-RC1, Class A4, 3.631% 2060[7]	205	222
			126,121
Other mortgage-backed securities 0.24%	Nykredit Realkredit AS, Series 01E, 1.00% 2053[7]	DKr110,520	15,947
	Nykredit Realkredit AS, Series CCE, 1.00% 2050[7]	79,480	11,614
	Realkredit Danmark AS 1.00% 2053[7]	30,000	4,332
			31,893
	Total mortgage-backed obligations		1,738,723
Asset-backed obligations 4.17%			
	Aesop Funding LLC, Series 2019-2A, Class A, 3.35% 2025[3,7]	$ 2,210	2,317
	Aesop Funding LLC, Series 2018-2A, Class A, 4.00% 2025[3,7]	2,755	2,906
	Aesop Funding LLC, Series 2020-1A, Class A, 2.33% 2026[3,7]	7,689	7,885
	Aesop Funding LLC, Series 2021-1A, Class A, 1.38% 2027[3,7]	3,445	3,390
	Aesop Funding LLC, Series 2021-1A, Class B, 1.63% 2027[3,7]	531	522
	Aesop Funding LLC, Series 2020-2, Class A, 2.02% 2027[3,7]	2,427	2,458
	Aesop Funding LLC, Series 2021-1A, Class C, 2.13% 2027[3,7]	193	190
	Aesop Funding LLC, Series 2020-2A, Class B, 2.96% 2027[3,7]	623	647
	Aesop Funding LLC, Series 2020-2A, Class C, 4.25% 2027[3,7]	1,279	1,362
	Affirm Asset Securitization Trust, Series 2021-B, Class A, 1.03% 2026[3,7]	701	697
	Affirm Asset Securitization Trust, Series 2021-Z2, Class A, 1.17% 2026[3,7]	1,439	1,434
	American Credit Acceptance Receivables Trust, Series 2020-3, Class C, 1.85% 2026[3,7]	2,602	2,621
	American Credit Acceptance Receivables Trust, Series 2020-3, Class D, 2.40% 2026[3,7]	2,500	2,533
	American Credit Acceptance Receivables Trust, Series 2021-1, Class C, 0.83% 2027[3,7]	1,465	1,459
	American Credit Acceptance Receivables Trust, Series 2021-1, Class D, 1.14% 2027[3,7]	806	800
	AmeriCredit Automobile Receivables Trust, Series 2021-2, Class B, 0.69% 2027[7]	997	985
	AmeriCredit Automobile Receivables Trust, Series 2021-2, Class C, 1.01% 2027[7]	1,109	1,091
	AmeriCredit Automobile Receivables Trust, Series 2021-2, Class D, 1.29% 2027[7]	2,613	2,573
	Ballyrock CLO, Ltd., Series 2019-2A, Class A1AR, (3-month USD-LIBOR + 1.00%) 1.16% 2030[3,5,7]	575	575
	Bankers Healthcare Group Securitization Trust, Series 2021-B, Class A, 0.90% 2034[3,7]	300	299
	Bankers Healthcare Group Securitization Trust, Series 2021-B, Class B, 1.67% 2034[3,7]	269	265
	Blackbird Capital II Aircraft Lease, Ltd. / Blackbird Capital II Aircraft Lease US, LLC, Series 2021-1, Class A, 2.443% 2046[3,7]	4,518	4,469
	Blackbird Capital II Aircraft Lease, Ltd. / Blackbird Capital II Aircraft Lease US, LLC, Series 2021-1, Class B, 3.446% 2046[3,7]	518	513
	CarMaxAuto Owner Trust, Series 2019-2, Class C, 3.16% 2025[7]	400	410
	CarMaxAuto Owner Trust, Series 2021-1, Class C, 0.94% 2026[7]	210	206
	CarMaxAuto Owner Trust, Series 2021-1, Class D, 1.28% 2027[7]	206	203
	Carvana Auto Receivables Trust, Series 2021-N4, Class C, 1.72% 2028[7]	538	538
	Carvana Auto Receivables Trust, Series 2021-N4, Class A2, 1.80% 2028[7]	884	887
	Castlelake Aircraft Securitization Trust, Series 2021-2A, Class A, 2.868% 2037[3,7]	16,798	16,678
	Castlelake Aircraft Securitization Trust, Series 2021-2A, Class C, 3.602% 2037[3,7]	6,497	6,534
	Castlelake Aircraft Securitization Trust, Series 2021-2A, Class C, 5.75% 2037[3,7]	698	703
	Castlelake Aircraft Securitization Trust, Series 2017-1R, Class A, 2.741% 2041[3,7]	1,062	1,050
	CF Hippolyta LLC, Series 2020-1, Class A1, 1.69% 2060[3,7]	18,930	18,796
	CF Hippolyta LLC, Series 2020-1, Class A2, 1.99% 2060[3,7]	1,992	1,960
	CF Hippolyta LLC, Series 2020-1, Class B1, 2.28% 2060[3,7]	3,441	3,441
	CF Hippolyta LLC, Series 2020-1, Class B2, 2.60% 2060[3,7]	373	372
	CF Hippolyta LLC, Series 2021-1, Class A1, 1.53% 2061[3,7]	6,134	6,026
	CF Hippolyta LLC, Series 2021-1, Class B1, 1.98% 2061[3,7]	1,943	1,916
	CLI Funding VI LLC, Series 2020-2A, Class A, 2.03% 2045[3,7]	2,618	2,603
	CLI Funding VI LLC, Series 2020-3A, Class A, 2.07% 2045[3,7]	5,530	5,501
	CLI Funding VIII LLC, Series 2021-1A, Class A, 1.64% 2046[3,7]	4,376	4,283
	CLI Funding VIII LLC, Series 2021-1A, Class B, 2.38% 2046[3,7]	491	484

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Asset-backed obligations (continued)		
CPS Auto Receivables Trust, Series 2019-B, Class C, 3.35% 2024[3,7]	$ 58	$ 58
CPS Auto Receivables Trust, Series 2019-C, Class C, 2.84% 2025[3,7]	284	285
CPS Auto Receivables Trust, Series 2019-C, Class D, 3.17% 2025[3,7]	1,125	1,142
CPS Auto Receivables Trust, Series 2019-B, Class D, 3.69% 2025[3,7]	3,045	3,079
CPS Auto Receivables Trust, Series 2021-A, Class C, 0.83% 2026[3,7]	694	689
CPS Auto Receivables Trust, Series 2021-A, Class D, 1.16% 2026[3,7]	590	584
Credit Acceptance Auto Loan Trust, Series 2020-1A, Class A, 2.01% 2029[3,7]	7,411	7,471
Credit Acceptance Auto Loan Trust, Series 2021-3A, Class A, 1.00% 2030[3,7]	1,900	1,886
Drive Auto Receivables Trust, Series 2021-1, Class B, 0.65% 2025[7]	2,524	2,521
Drive Auto Receivables Trust, Series 2019-3, Class C, 2.90% 2025[7]	3,851	3,884
Drive Auto Receivables Trust, Series 2019-2, Class C, 3.42% 2025[7]	2,220	2,236
Drive Auto Receivables Trust, Series 2019-3, Class D, 3.18% 2026[7]	4,020	4,104
Drive Auto Receivables Trust, Series 2021-1, Class C, 1.02% 2027[7]	5,369	5,371
Drive Auto Receivables Trust, Series 2021-1, Class D, 1.45% 2029[7]	4,053	4,036
Drivetime Auto Owner Trust, Series 2019-3, Class C, 2.74% 2025[3,7]	558	562
Drivetime Auto Owner Trust, Series 2019-3, Class D, 2.96% 2025[3,7]	1,915	1,956
Drivetime Auto Owner Trust, Series 2019-2A, Class C, 3.18% 2025[3,7]	1,392	1,401
Drivetime Auto Owner Trust, Series 2019-2A, Class D, 3.48% 2025[3,7]	4,250	4,347
Drivetime Auto Owner Trust, Series 2021-1A, Class C, 0.84% 2026[3,7]	825	819
Drivetime Auto Owner Trust, Series 2021-1A, Class D, 1.16% 2026[3,7]	449	443
Drivetime Auto Owner Trust, Series 2020-3A, Class C, 1.47% 2026[3,7]	817	819
Drivetime Auto Owner Trust, Series 2021-2A, Class B, 0.81% 2027[3,7]	1,179	1,177
Drivetime Auto Owner Trust, Series 2021-2A, Class C, 1.10% 2027[3,7]	1,231	1,222
Drivetime Auto Owner Trust, Series 2021-2A, Class D, 1.50% 2027[3,7]	832	824
Dryden Senior Loan Fund, CLO, Series 2014-33A, Class AR3, (3-month USD-LIBOR + 1.00%) 1.124% 2029[3,5,7]	389	389
EDvestinU Private Education Loan LLC, Series 2021-A, Class A, 1.80% 2045[3,7]	525	517
Exeter Automobile Receivables Trust, Series 2019-3A, Class C, 2.79% 2024[3,7]	2,755	2,770
Exeter Automobile Receivables Trust, Series 2019-2A, Class C, 3.30% 2024[3,7]	789	792
Exeter Automobile Receivables Trust, Series 2021-2, Class B, 0.57% 2025[7]	1,663	1,658
Exeter Automobile Receivables Trust, Series 2020-3A, Class C, 1.32% 2025[7]	780	784
Exeter Automobile Receivables Trust, Series 2020-1A, Class D, 2.73% 2025[3,7]	900	919
Exeter Automobile Receivables Trust, Series 2019-3A, Class D, 3.11% 2025[3,7]	5,000	5,116
Exeter Automobile Receivables Trust, Series 2019-2A, Class D, 3.71% 2025[3,7]	6,000	6,148
Exeter Automobile Receivables Trust, Series 2021-2, Class C, 0.98% 2026[7]	1,807	1,801
Exeter Automobile Receivables Trust, Series 2020-3A, Class D, 1.73% 2026[7]	1,012	1,020
Exeter Automobile Receivables Trust, Series 2021-2, Class D, 1.40% 2027[7]	2,612	2,586
FirstKey Homes Trust, Series 2020-SFR2, Class A, 1.266% 2037[3,7]	18,109	17,671
FirstKey Homes Trust, Series 2021-SFR3, Class A, 2.135% 2038[3,7]	1,395	1,395
Ford Credit Auto Owner Trust, Series 2018-2, Class A, 3.47% 2030[3,7]	17,675	18,371
Ford Credit Auto Owner Trust, Series 2018-1, Class A, 3.19% 2031[3,7]	30,070	31,706
Ford Credit Floorplan Master Owner Trust, Series 2019-3, Class A1, 2.23% 2024[7]	2,625	2,657
FREED ABS Trust, Series 2021-2, Class A, 0.68% 2028[3,7]	785	784
GCI Funding I LLC, Series 2020-1, Class A, 2.82% 2045[3,7]	2,466	2,477
GCI Funding I LLC, Series 2021-1, Class A, 2.38% 2046[3,7]	1,579	1,569
GCI Funding I LLC, Series 2021-1, Class B, 3.04% 2046[3,7]	176	174
Global SC Finance VII SRL, Series 2020-2A, Class A, 2.26% 2040[3,7]	3,329	3,338
Global SC Finance VII SRL, Series 2021-1A, Class A, 1.86% 2041[3,7]	11,074	10,915
Global SC Finance VII SRL, Series 2021-2A, Class A, 1.95% 2041[3,7]	3,083	3,050
Global SC Finance VII SRL, Series 2021-2A, Class B, 2.49% 2041[3,7]	241	238
GM Financial Automobile Leasing Trust, Series 2020-2, Class C, 2.56% 2024[7]	301	307
GM Financial Automobile Leasing Trust, Series 2020-2, Class D, 3.21% 2024[7]	425	436
Hertz Vehicle Financing III, LLC, Series 2021-A, Class B, 3.65% 2023[3,7,10]	8,590	8,571
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class A, 1.21% 2025[3,7]	18,033	17,879
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class B, 1.56% 2025[3,7]	1,171	1,161
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class C, 2.05% 2025[3,7]	810	803
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class A, 1.68% 2027[3,7]	19,539	19,292
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class B, 2.12% 2027[3,7]	1,264	1,255
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class C, 2.52% 2027[3,7]	859	854

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Asset-backed obligations (continued)		
LAD Auto Receivables Trust, Series 2021-1A, Class A, 1.30% 2026[3,7]	$ 1,935	$ 1,932
LAD Auto Receivables Trust, Series 2021-1A, Class B, 1.94% 2026[3,7]	304	304
Lunar Structured Aircraft Portfolio Notes, Series 2021-1, Class A, 2.636% 2046[3,7]	2,692	2,684
Madison Park Funding, Ltd., CLO, Series 2015-17A, Class AR2, (3-month USD-LIBOR + 1.00%) 1.13% 2030[3,5,7]	900	900
Marathon CLO, Ltd., Series 2017-9A, Class A1AR, (3-month USD-LIBOR + 1.15%) 1.274% 2029[3,5,7]	877	877
Mission Lane Credit Card Master Trust, Series 2021-A, Class A, 1.59% 2026[3,7]	1,242	1,234
Mission Lane Credit Card Master Trust, Series 2021-A, Class B, 2.24% 2026[3,7]	230	229
Navient Student Loan Trust, Series 2021-EA, Class A, 0.97% 2069[3,7]	3,091	3,041
Navient Student Loan Trust, Series 2021-C, Class A, 1.06% 2069[3,7]	5,177	5,105
Navient Student Loan Trust, Series 2021-G, Class A, 1.58% 2070[3,7]	1,046	1,043
Navigator Aircraft ABS, Ltd., Series 2021-1, Class A, 2.771% 2046[3,7]	4,724	4,718
Nelnet Student Loan Trust, Series 2021-C, Class AFL, (1-month USD-LIBOR + 0.74%) 0.844% 2062[3,5,7]	5,353	5,372
Nelnet Student Loan Trust, Series 2021-C, Class AFX, 1.32% 2062[3,7]	417	411
Nelnet Student Loan Trust, Series 2021-A, Class APT1, 1.36% 2062[3,7]	7,044	6,927
Nelnet Student Loan Trust, Series 2021-B, Class AFX, 1.42% 2062[3,7]	16,153	15,938
New Economy Assets Phase 1 Issuer, LLC, Series 2021-1, Class A1, 1.91% 2061[3,7]	50,765	49,855
Newark BSL CLO 2, Ltd., Series 2017-1A, Class A1R, (3-month USD-LIBOR + 0.97%) 1.094% 2030[3,5,7]	275	275
Oportun Funding LLC, Series 2021-A, Class A, 1.21% 2028[3,7]	240	240
Palmer Square Loan Funding, CLO, Series 2019-2, Class A1, (3-month USD-LIBOR + 0.97%) 1.102% 2027[3,5,7]	733	733
Palmer Square Loan Funding, CLO, Series 2019-1A, Class A1, (3-month USD-LIBOR + 1.05%) 1.182% 2027[3,5,7]	1,304	1,305
Palmer Square Loan Funding, CLO, Series 2020-4, Class A1, (3-month USD-LIBOR + 1.00%) 1.18% 2028[3,5,7]	1,682	1,683
Palmer Square Loan Funding, CLO, Series 2021-1, Class A1, (3-month USD-LIBOR + 0.90%) 1.032% 2029[3,5,7]	356	356
PFS Financing Corp., Series 2021-B, Class A, 0.775% 2026[3,7]	7,884	7,767
Prestige Auto Receivables Trust, Series 2019-1A, Class C, 2.70% 2024[3,7]	2,190	2,209
Prestige Auto Receivables Trust, Series 2019-1A, Class D, 3.01% 2025[3,7]	1,355	1,374
Prodigy Finance DAC, Series 2021-1A, Class A, (1-month USD-LIBOR + 1.25%) 1.352% 2051[3,5,7]	1,020	1,020
Santander Drive Auto Receivables Trust, Series 2021-2, Class B, 0.59% 2025[7]	1,510	1,507
Santander Drive Auto Receivables Trust, Series 2019-2, Class D, 3.22% 2025[7]	3,110	3,172
Santander Drive Auto Receivables Trust, Series 2021-2, Class C, 0.90% 2026[7]	2,812	2,805
Santander Drive Auto Receivables Trust, Series 2020-3, Class C, 1.12% 2026[7]	3,344	3,354
Santander Drive Auto Receivables Trust, Series 2020-3, Class D, 1.64% 2026[7]	2,211	2,227
Santander Drive Auto Receivables Trust, Series 2021-3, Class C, 0.95% 2027[7]	1,677	1,662
Santander Drive Auto Receivables Trust, Series 2021-3, Class D, 1.33% 2027[7]	2,236	2,209
Santander Drive Auto Receivables Trust, Series 2021-2, Class D, 1.35% 2027[7]	1,802	1,793
Slam, Ltd., Series 2021-1, Class A, 2.434% 2046[3,7]	2,823	2,775
Slam, Ltd., Series 2021-1, Class B, 3.422% 2046[3,7]	520	514
Sound Point CLO, Ltd., Series 2015-1RA, Class AR, (3-month USD-LIBOR + 1.08%) 1.204% 2030[3,5,7]	475	475
Sprite, Ltd., Series 2021-1, Class A, 3.75% 2046[3,7]	3,559	3,505
Stellar Jay Ireland DAC, Series 2021-1, Class A, 3.967% 2041[3,7]	472	469
Stonepeak Infrastructure Partners, Series 2021-1A, Class AA, 2.301% 2033[3,7]	1,393	1,381
Stonepeak Infrastructure Partners, Series 2021-1A, Class A, 2.675% 2033[3,7]	1,598	1,593
SuttonPark Structured Settlements, Series 2021-1, Class A, 1.95% 2075[3,7]	2,889	2,854
TAL Advantage V LLC, Series 2020-1A, Class A, 2.05% 2045[3,7]	3,379	3,362
Textainer Marine Containers, Ltd., Series 2020-2A, Class A, 2.10% 2045[3,7]	2,500	2,491
Textainer Marine Containers, Ltd., Series 2020-1A, Class A, 2.73% 2045[3,7]	5,003	5,024
Textainer Marine Containers, Ltd., Series 2021-1A, Class A, 1.68% 2046[3,7]	6,770	6,599
Textainer Marine Containers, Ltd., Series 2021-2A, Class A, 2.23% 2046[3,7]	5,680	5,671
Textainer Marine Containers, Ltd., Series 2021-1A, Class B, 2.52% 2046[3,7]	404	399
TIF Funding II LLC, Series 2020-1A, Class A, 2.09% 2045[3,7]	4,784	4,756

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Asset-backed obligations (continued)			
	TIF Funding II LLC, Series 2021-1A, Class A, 1.65% 2046[3,7]	$ 3,926	$ 3,813
	TIF Funding II LLC, Series 2021-1A, Class B, 2.54% 2046[3,7]	142	140
	Toyota Auto Loan Extended Note Trust, Series 2019-1, Class A, 2.56% 2031[3,7]	6,000	6,199
	Triton Container Finance VIII LLC, Series 2020-1, Class A, 2.11% 2045[3,7]	11,512	11,443
	Triton Container Finance VIII LLC, Series 2021-1, Class A, 1.86% 2046[3,7]	4,621	4,536
	Triton Container Finance VIII LLC, Series 2021-1A, Class B, 2.58% 2046[3,7]	381	376
	Westlake Automobile Receivables Trust, Series 2020-3A, Class C, 1.24% 2025[3,7]	1,557	1,561
	Westlake Automobile Receivables Trust, Series 2021-2, Class B, 0.62% 2026[3,7]	1,690	1,677
	Westlake Automobile Receivables Trust, Series 2021-2, Class C, 0.89% 2026[3,7]	2,181	2,162
	Westlake Automobile Receivables Trust, Series 2021-2, Class D, 1.23% 2026[3,7]	1,446	1,424
	Westlake Automobile Receivables Trust, Series 2020-3A, Class D, 1.65% 2026[3,7]	3,023	3,032
			549,393
Municipals 1.63%			
California 0.06%	G.O. Bonds, Series 2009, 7.50% 2034	2,100	3,217
	Golden State Tobacco Securitization Corp., Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2021-B, 2.746% 2034	650	655
	High-Speed Passenger Train G.O. Rev. Ref. Bonds, Series 2017-A, 2.367% 2022	3,775	3,796
			7,668
Illinois 1.49%	City of Chicago, Board of Education, Unlimited Tax G.O. Bonds (Dedicated Rev.), Series 2010-C, 6.319% 2029	65	77
	City of Chicago, Board of Education, Unlimited Tax G.O. Bonds (Dedicated Rev.), Series 2009-E, 6.138% 2039	30,835	38,117
	City of Chicago, Board of Education, Unlimited Tax G.O. Bonds (Dedicated Rev.), Series 2010-D, 6.519% 2040	8,945	11,383
	City of Chicago, Board of Education, Unlimited Tax G.O. Bonds (Qualified School Construction Bonds), Series 2009-G, 1.75% 2025	2,500	2,391
	G.O. Bonds, Series 2013-B, 4.11% 2022	750	756
	G.O. Bonds, Series 2013-B, 4.31% 2023	2,125	2,206
	G.O. Bonds, Pension Funding, Series 2003, 4.95% 2023	11,625	12,071
	G.O. Bonds, Pension Funding, Series 2003, 5.10% 2033	107,000	123,760
	G.O. Bonds, Taxable Build America Bonds, Series 2010-2, 5.85% 2022	2,370	2,390
	G.O. Bonds, Taxable Build America Bonds, Series 2010-2, 5.95% 2023	3,210	3,386
			196,537
New York 0.05%	Dormitory Auth., Taxable State Personal Income Tax Rev. Bonds (General Purpose), Series 2021-C, 2.202% 2034	6,390	6,309
Texas 0.03%	Grand Parkway Transportation Corp., Grand Parkway System Toll Rev. Ref. Bonds, Series 2020-B, 3.236% 2052	4,075	4,126
	Total municipals		214,640
Bonds & notes of governments & government agencies outside the U.S. 1.10%			
	Chile (Republic of) 3.10% 2041	2,340	2,294
	China (People's Republic of), Series INBK, 3.81% 2050	CNY13,380	2,251
	China (People's Republic of), Series INBK, 3.72% 2051	48,340	8,051
	Colombia (Republic of) 4.125% 2051	$ 3,120	2,543
	Colombia (Republic of), Series B, 5.75% 2027	COP24,813,800	5,515
	Dominican Republic 5.95% 2027[3]	$ 8,100	9,032
	Hungary (Republic of) 2.125% 2031[3]	2,135	2,106
	Israel (State of) 3.375% 2050	4,750	5,148
	Israel (State of) 3.875% 2050	4,775	5,585

The Bond Fund of America (continued)
(formerly Bond Fund)

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Bonds & notes of governments & government agencies outside the U.S. (continued)		
Panama (Republic of) 3.87% 2060	$ 7,500	$ 7,528
Panama Bonos Del Tesoro 3.362% 2031	15,625	15,742
Paraguay (Republic of) 5.00% 2026	1,250	1,390
Peru (Republic of) 6.35% 2028	PEN5,840	1,541
Peru (Republic of) 5.94% 2029	6,005	1,542
Peru (Republic of) 2.783% 2031	$ 3,790	3,781
Peru (Republic of) 6.15% 2032	PEN12,950	3,260
Peru (Republic of) 3.00% 2034	$ 2,400	2,396
Philippines (Republic of) 3.20% 2046	4,900	4,995
Portuguese Republic 5.125% 2024	24,775	27,482
PT Indonesia Asahan Aluminium Tbk 5.71% 2023[3]	1,020	1,095
PT Indonesia Asahan Aluminium Tbk 4.75% 2025[3]	1,270	1,352
PT Indonesia Asahan Aluminium Tbk 5.45% 2030[3]	340	388
PT Indonesia Asahan Aluminium Tbk 5.80% 2050[3]	1,150	1,332
Qatar (State of) 4.50% 2028[3]	5,100	5,866
Qatar (State of) 5.103% 2048[3]	3,400	4,609
Saudi Arabia (Kingdom of) 3.628% 2027[3]	5,000	5,427
Saudi Arabia (Kingdom of) 3.625% 2028[3]	11,435	12,474
		144,725
Federal agency bonds & notes 0.09%		
Fannie Mae 2.125% 2026	11,910	12,363
Total bonds, notes & other debt instruments (cost: $12,540,692,000)		12,806,734

Short-term securities 9.94%	Shares	
Money market investments 9.94%		
Capital Group Central Cash Fund 0.09%[11,12]	13,111,257	1,311,257
Total short-term securities (cost: $1,311,135,000)		1,311,257
Total investment securities 107.06% (cost: $13,851,827,000)		14,117,991
Other assets less liabilities (7.06)%		(931,412)
Net assets 100.00%		$13,186,579

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
90 Day Euro Dollar Futures	Long	2,771	September 2022	$ 687,173	$ (1,383)
2 Year U.S. Treasury Note Futures	Long	227	March 2022	49,525	(16)
5 Year Euro-Bobl Futures	Short	70	March 2022	(10,619)	89
5 Year U.S. Treasury Note Futures	Short	2,794	March 2022	(338,008)	(321)
10 Year Euro-Bund Futures	Short	158	March 2022	(30,826)	594
10 Year U.S. Treasury Note Futures	Long	201	March 2022	26,224	(18)
10 Year Ultra U.S. Treasury Note Futures	Short	4,989	March 2022	(730,577)	(11,986)
20 Year U.S. Treasury Bond Futures	Long	1,948	March 2022	312,532	2,731
30 Year Ultra U.S. Treasury Bond Futures	Long	2,886	March 2022	568,903	10,333
					$ 23

Forward currency contracts

Contract amount						Unrealized appreciation (depreciation) at 12/31/2021 (000)
Currency purchased (000)		Currency sold (000)		Counterparty	Settlement date	
USD	6,217	COP	24,638,500	Citibank	1/7/2022	$ 162
USD	6,982	EUR	6,167	Morgan Stanley	1/10/2022	(41)
USD	3,204	PEN	13,100	UBS AG	1/10/2022	(76)
USD	6,180	JPY	700,950	Bank of New York Mellon	1/13/2022	86
USD	14,857	EUR	13,145	Morgan Stanley	1/13/2022	(112)
USD	1,628	PEN	6,625	Citibank	1/14/2022	(31)
USD	30,955	DKK	203,975	JPMorgan Chase	1/18/2022	(284)
EUR	1,140	USD	1,290	Morgan Stanley	1/20/2022	8
KRW	25,803,000	USD	21,724	Citibank	1/21/2022	(39)
USD	643	PEN	2,650	Morgan Stanley	8/26/2022	(10)
USD	830	PEN	3,440	Citibank	8/26/2022	(18)
						$(355)

Swap contracts

Interest rate swaps

Centrally cleared interest rate swaps

Receive		Pay						Unrealized appreciation (depreciation) at 12/31/2021 (000)
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	
SOFR	Annual	0.471%	Annual	10/26/2023	$87,775	$ 317	$–	$ 317
0.45801%	Annual	SOFR	Annual	10/26/2023	85,775	(330)	–	(330)
3-month USD-LIBOR	Quarterly	1.972%	Semi-annual	4/26/2051	23,200	(1,450)	–	(1,450)
3-month USD-LIBOR	Quarterly	1.9855%	Semi-annual	4/26/2051	34,500	(2,268)	–	(2,268)
3-month USD-LIBOR	Quarterly	1.953%	Semi-annual	4/27/2051	23,100	(1,339)	–	(1,339)
3-month USD-LIBOR	Quarterly	1.9895%	Semi-annual	4/27/2051	35,700	(2,381)	–	(2,381)
3-month USD-LIBOR	Quarterly	1.9778%	Semi-annual	4/28/2051	13,500	(862)	–	(862)
3-month USD-LIBOR	Quarterly	2.0295%	Semi-annual	5/5/2051	30,800	(2,351)	–	(2,351)
3-month USD-LIBOR	Quarterly	1.759%	Semi-annual	6/24/2051	27,250	(321)	–	(321)
							$–	$(10,985)

Credit default swaps

Centrally cleared credit default swaps on credit indices – buy protection

Reference index	Financing rate paid	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium received (000)	Unrealized appreciation at 12/31/2021 (000)
CDX.NA.HY.37	5.00%	Quarterly	12/20/2026	$30,400	$(2,779)	$(2,826)	$47

Centrally cleared credit default swaps on credit indices – sell protection

Financing rate received	Payment frequency	Reference index	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized appreciation at 12/31/2021 (000)
1.00%	Quarterly	CDX.NA.IG.37	12/20/2026	$47,440	$1,153	$1,126	$27

Investments in affiliates[12]

	Value of affiliate at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized appreciation (000)	Value of affiliate at 12/31/2021 (000)	Dividend income (000)
Short-term securities 9.94%							
Money market investments 9.94%							
Capital Group Central Cash Fund 0.09%[11]	$2,690,045	$5,412,096	$6,790,830	$(158)	$104	$1,311,257	$1,432

[1]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $44,674,000, which represented .34% of the net assets of the fund.
[2]Index-linked bond whose principal amount moves with a government price index.
[3]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $1,829,363,000, which represented 13.87% of the net assets of the fund.
[4]Step bond; coupon rate may change at a later date.
[5]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[6]Payment in kind; the issuer has the option of paying additional securities in lieu of cash. Payment methods and rates are as of the most recent payment when available.
[7]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[8]Amount less than one thousand.
[9]Purchased on a TBA basis.
[10]Valued under fair value procedures adopted by authority of the board of trustees. The total value of the security was $8,571,000, which represented .06% of the net assets of the fund.
[11]Rate represents the seven-day yield at 12/31/2021.
[12]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.

Key to abbreviations and symbols
Auth. = Authority
CLO = Collateralized Loan Obligations
CMO = Collateralized Mortgage Obligations
CNY = Chinese yuan renminbi
COP = Colombian pesos
DAC = Designated Activity Company
DKK/DKr = Danish kroner
EUR/€ = Euros
G.O. = General Obligation
ICE = Intercontinental Exchange, Inc.
JPY = Japanese yen
KRW = South Korean won
LIBOR = London Interbank Offered Rate
PEN = Peruvian nuevos soles
Ref. = Refunding
Rev. = Revenue
SOFR = Secured Overnight Financing Rate
TBA = To-be-announced
USD/$ = U.S. dollars

See notes to financial statements.

Capital World Bond Fund

Investment portfolio December 31, 2021

Bonds, notes & other debt instruments 92.93%		Principal amount (000)	Value (000)
Euros 16.19%	Allianz SE 4.75% perpetual bonds (3-month EUR-EURIBOR + 3.60% on 10/24/2023)[1]	€ 4,200	$ 5,164
	Altria Group, Inc. 1.00% 2023	1,020	1,173
	Altria Group, Inc. 1.70% 2025	1,600	1,894
	Altria Group, Inc. 2.20% 2027	2,900	3,516
	American Honda Finance Corp. 1.60% 2022	620	710
	American Honda Finance Corp. 1.95% 2024	560	673
	American Tower Corp. 0.45% 2027	2,525	2,844
	American Tower Corp. 0.875% 2029	1,470	1,657
	AT&T, Inc. 1.60% 2028	2,350	2,831
	Bank of America Corp. 3.648% 2029 (3-month EUR-EURIBOR + 3.67% on 3/31/2028)[1,2]	5,000	6,719
	Barclays Bank PLC 6.625% 2022	1,070	1,237
	CaixaBank, SA 2.25% 2030 (5-year EUR Annual (vs. 6-month EUR-EURIBOR) + 1.68% on 4/17/2025)[1]	2,400	2,840
	Comcast Corp. 0% 2026	2,365	2,658
	Comcast Corp. 0.25% 2027	1,250	1,414
	Comcast Corp. 0.25% 2029	955	1,064
	Cote d'Ivoire (Republic of) 5.25% 2030	900	1,049
	Cote d'Ivoire (Republic of) 5.875% 2031	840	985
	Deutsche Telekom International Finance BV 7.50% 2033	200	388
	Dow Chemical Co. 0.50% 2027	1,110	1,260
	Egypt (Arab Republic of) 5.625% 2030	745	768
	Equinor ASA 1.375% 2032	2,550	3,090
	European Financial Stability Facility 0.40% 2025	6,000	6,996
	European Union 0% 2031	1,905	2,155
	European Union 0% 2035	220	240
	European Union 0.20% 2036	1,500	1,672
	French Republic O.A.T. 0% 2030	27,070	30,535
	French Republic O.A.T. 0.50% 2040	2,080	2,315
	French Republic O.A.T. 0.75% 2052	5,930	6,460
	Germany (Federal Republic of) 0% 2030	14,570	16,997
	Germany (Federal Republic of) 0% 2031	9,425	10,925
	Germany (Federal Republic of) 0% 2031	1,240	1,441
	Germany (Federal Republic of) 0% 2050	3,290	3,588
	Germany (Federal Republic of) 0% 2052	230	248
	Goldman Sachs Group, Inc. 3.375% 2025[2]	5,000	6,276
	Goldman Sachs Group, Inc. 1.00% 2033[2]	2,705	3,034
	Greece (Hellenic Republic of) 3.375% 2025	8,725	10,952
	Greece (Hellenic Republic of) 0.75% 2031	1,660	1,796
	Groupe BPCE SA 4.625% 2023	1,200	1,463
	Groupe BPCE SA 1.00% 2025	2,900	3,392
	Highland Holdings SARL 0.318% 2026	205	233
	Honeywell International, Inc. 0.75% 2032	370	419
	Intesa Sanpaolo SpA 6.625% 2023	510	640
	Ireland (Republic of) 0.20% 2030	900	1,032
	Ireland (Republic of) 0% 2031	1,500	1,668
	Israel (State of) 2.875% 2024	1,180	1,431
	Italy (Republic of) 1.85% 2025	21,390	25,759
	Italy (Republic of) 0.95% 2027	1,745	2,029
	Italy (Republic of) 0.25% 2028	15,970	17,735
	Italy (Republic of) 2.80% 2028	5,828	7,571
	Italy (Republic of) 1.35% 2030	1,657	1,950
	Italy (Republic of) 1.65% 2030	7,400	8,864
	JPMorgan Chase & Co. 0.389% 2028 (3-month EUR-EURIBOR + 0.65% on 2/24/2027)[1,2]	3,208	3,630
	Lloyds Banking Group PLC 1.75% 2028 (5-year EUR-EURIBOR + 1.30% on 9/7/2023)[1]	2,400	2,807
	Morocco (Kingdom of) 3.50% 2024	1,400	1,707
	Morocco (Kingdom of) 1.50% 2031	4,100	4,301
	Petroleos Mexicanos 5.50% 2025	2,520	3,115
	Philippines (Republic of) 0.25% 2025	1,470	1,670
	Philippines (Republic of) 0.70% 2029	940	1,063
	Portuguese Republic 0.475% 2030	1,610	1,863

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Euros (continued)	Quebec (Province of) 0.25% 2031	€920	$ 1,030
	Romania 1.75% 2030	2,560	2,726
	Romania 3.624% 2030	3,660	4,527
	Romania 2.00% 2032	1,605	1,701
	Romania 2.00% 2033	2,900	3,017
	Russian Federation 2.875% 2025	3,000	3,673
	Russian Federation 2.875% 2025	1,500	1,837
	Serbia (Republic of) 3.125% 2027	11,497	13,983
	Serbia (Republic of) 1.50% 2029	4,943	5,455
	Serbia (Republic of) 2.05% 2036	2,235	2,336
	Spain (Kingdom of) 2.75% 2024	2,310	2,873
	Spain (Kingdom of) 0.80% 2027	10,570	12,559
	Spain (Kingdom of) 1.45% 2029	1,890	2,344
	Spain (Kingdom of) 1.25% 2030	4,740	5,787
	Spain (Kingdom of) 0.50% 2031	4,645	5,260
	Spain (Kingdom of) 2.70% 2048	850	1,272
	State Grid Europe Development PLC 1.50% 2022	194	221
	State Grid Overseas Investment, Ltd. 1.25% 2022	765	877
	State Grid Overseas Investment, Ltd. 1.375% 2025	441	521
	State Grid Overseas Investment, Ltd. 2.125% 2030	200	247
	Stryker Corp. 0.25% 2024	480	549
	Stryker Corp. 0.75% 2029	980	1,124
	Stryker Corp. 1.00% 2031	450	519
	Toyota Motor Credit Corp. 0.125% 2027	1,850	2,077
	Tunisia (Republic of) 6.75% 2023	5,209	4,975
	Turkey (Republic of) 4.375% 2027	950	1,014
	Ukraine 6.75% 2026	3,119	3,390
	Ukraine 6.75% 2026	1,225	1,331
	Ukraine 4.375% 2030	2,705	2,489
	Verizon Communications, Inc. 0.375% 2029	3,470	3,889
			337,509
Chinese yuan renminbi 8.73%	Agricultural Development Bank of China 3.75% 2029	CNY9,850	1,612
	Agricultural Development Bank of China 2.96% 2030	90,980	14,112
	China (People's Republic of), Series INBK, 3.03% 2026	29,900	4,778
	China (People's Republic of), Series 1916, 3.12% 2026	70,970	11,387
	China (People's Republic of), Series INBK, 2.85% 2027	98,450	15,604
	China (People's Republic of), Series INBK, 3.28% 2027	11,860	1,921
	China (People's Republic of), Series INBK, 2.91% 2028	26,280	4,154
	China (People's Republic of), Series 1906, 3.29% 2029	73,800	11,905
	China (People's Republic of), Series INBK, 2.68% 2030	36,630	5,664
	China (People's Republic of), Series INBK, 3.27% 2030	58,490	9,494
	China (People's Republic of), Series 1910, 3.86% 2049	191,540	32,395
	China (People's Republic of), Series INBK, 3.39% 2050	8,370	1,307
	China (People's Republic of), Series INBK, 3.81% 2050	24,370	4,099
	China Development Bank Corp., Series 1814, 4.15% 2025	20,900	3,433
	China Development Bank Corp., Series 1909, 3.50% 2026	10,400	1,672
	China Development Bank Corp., Series 1904, 3.68% 2026	11,700	1,895
	China Development Bank Corp., Series 2009, 3.39% 2027	11,130	1,784
	China Development Bank Corp., Series 2004, 3.43% 2027	26,540	4,263
	China Development Bank Corp., Series 1805, 4.04% 2028	131,350	21,884
	China Development Bank Corp., Series 1805, 4.88% 2028	33,380	5,791
	China Development Bank Corp., Series 1905, 3.48% 2029	66,100	10,652
	China Development Bank Corp., Series 2005, 3.07% 2030	78,250	12,226
			182,032
Japanese yen 8.56%	Export-Import Bank of India 0.59% 2022	¥400,000	3,475
	Goldman Sachs Group, Inc. 2.80% 2022[2]	100,000	871
	Groupe BPCE SA 0.64% 2022	400,000	3,478
	Indonesia (Republic of) 0.54% 2022	100,000	871

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Japanese yen (continued)	Intesa Sanpaolo SpA 1.36% 2022	¥600,000	$ 5,227
	Japan, Series 18, 0.10% 2024[3]	1,029,096	9,099
	Japan, Series 19, 0.10% 2024[3]	448,462	3,979
	Japan, Series 21, 0.10% 2026[3]	994,500	8,896
	Japan, Series 346, 0.10% 2027	2,525,700	22,163
	Japan, Series 356, 0.10% 2029	3,529,000	31,021
	Japan, Series 24, 0.10% 2029[3]	359,439	3,248
	Japan, Series 116, 2.20% 2030	576,100	5,924
	Japan, Series 26, 0.005% 2031[3]	509,959	4,608
	Japan, Series 362, 0.10% 2031	737,200	6,450
	Japan, Series 363, 0.10% 2031	657,300	5,741
	Japan, Series 145, 1.70% 2033	1,851,000	18,905
	Japan, Series 152, 1.20% 2035	987,100	9,664
	Japan, Series 21, 2.30% 2035	720,000	8,008
	Japan, Series 173, 0.40% 2040	492,000	4,250
	Japan, Series 37, 0.60% 2050	694,500	5,919
	Japan, Series 70, 0.70% 2051	925,450	8,090
	Philippines (Republic of) 0.001% 2024	900,000	7,780
	United Mexican States 0.62% 2022	100,000	870
			178,537
British pounds 3.84%	American Honda Finance Corp. 0.75% 2026	£ 1,420	1,858
	France Télécom 5.375% 2050	300	663
	Lloyds Banking Group PLC 7.625% 2025	655	1,052
	United Kingdom 0.125% 2024	4,400	5,890
	United Kingdom 1.00% 2024	14,820	20,229
	United Kingdom 2.75% 2024	1,210	1,727
	United Kingdom 0.125% 2026	425	561
	United Kingdom 4.25% 2027	1,120	1,818
	United Kingdom 0.375% 2030	4,970	6,423
	United Kingdom 4.75% 2030	11,320	20,372
	United Kingdom 0.875% 2033	2,765	3,677
	United Kingdom 0.875% 2046	6,030	7,617
	United Kingdom 0.625% 2050	2,805	3,340
	United Kingdom 1.25% 2051	3,560	4,944
			80,171
Danish kroner 3.05%	Nordea Kredit 0.50% 2040[4]	DKr18,573	2,701
	Nykredit Realkredit AS, Series 01E, 0.50% 2040[4]	140,271	20,390
	Nykredit Realkredit AS, Series 01E, 0.50% 2043[4]	180,173	25,894
	Nykredit Realkredit AS, Series 01E, 1.00% 2053[4]	90,474	13,054
	Nykredit Realkredit AS, Series CCE, 1.00% 2050[4]	7,240	1,058
	Realkredit Danmark AS 1.00% 2053[4]	2,800	404
			63,501
Canadian dollars 2.48%	Canada 1.00% 2022	C$1,050	833
	Canada 2.25% 2025	15,900	13,033
	Canada 0.25% 2026	5,800	4,405
	Canada 2.25% 2029	35,740	30,140
	Canada 2.75% 2048	3,500	3,407
			51,818
Mexican pesos 1.83%	Petróleos Mexicanos 7.19% 2024	MXN83,847	3,894
	Petróleos Mexicanos 7.47% 2026	95,267	4,231
	United Mexican States, Series M, 7.50% 2027	328,420	16,096
	United Mexican States, Series M20, 8.50% 2029	140,400	7,262

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mexican pesos (continued)	United Mexican States, Series M, 7.75% 2031	MXN58,000	$ 2,866
	United Mexican States, Series M30, 8.50% 2038	21,100	1,086
	United Mexican States, Series M, 8.00% 2047	56,500	2,739
			38,174
Russian rubles 1.68%	Russian Federation 7.00% 2023	RUB430,300	5,627
	Russian Federation 6.90% 2029	403,750	4,976
	Russian Federation 7.65% 2030	712,330	9,160
	Russian Federation 5.90% 2031	79,600	902
	Russian Federation 6.90% 2031	212,995	2,591
	Russian Federation 8.50% 2031	475,380	6,450
	Russian Federation 7.70% 2033	295,840	3,796
	Russian Federation 7.25% 2034	121,920	1,504
			35,006
Malaysian ringgits 1.52%	Malaysia (Federation of), Series 0316, 3.90% 2026	MYR5,900	1,464
	Malaysia (Federation of), Series 0219, 3.885% 2029	24,615	6,035
	Malaysia (Federation of), Series 0418, 4.893% 2038	45,447	11,922
	Malaysia (Federation of), Series 0519, 3.757% 2040	40,283	9,238
	Malaysia (Federation of), Series 0518, 4.921% 2048	3,322	870
	Malaysia (Federation of), Series 0519, 4.638% 2049	4,521	1,110
	Malaysia (Federation of), Series 0120, 4.065% 2050	4,652	1,092
			31,731
Australian dollars 1.05%	Australia (Commonwealth of), Series 163, 1.00% 2031	A$31,864	21,812
Indonesian rupiah 0.74%	Indonesia (Republic of), Series 84, 7.25% 2026	IDR22,733,000	1,730
	Indonesia (Republic of), Series 56, 8.375% 2026	6,725,000	533
	Indonesia (Republic of), Series 59, 7.00% 2027	51,565,000	3,885
	Indonesia (Republic of), Series 78, 8.25% 2029	53,220,000	4,170
	Indonesia (Republic of), Series 82, 7.00% 2030	39,572,000	2,882
	Indonesia (Republic of), Series 68, 8.375% 2034	27,353,000	2,157
			15,357
Colombian pesos 0.71%	Colombia (Republic of), Series B, 5.75% 2027	COP16,096,300	3,577
	Colombia (Republic of), Series B, 7.00% 2031	19,961,800	4,536
	Colombia (Republic of), Series B, 7.25% 2050	31,167,000	6,604
			14,717
Brazilian reais 0.46%	Brazil (Federative Republic of) 6.00% 2024[3]	BRL52,110	9,535
South Korean won 0.42%	South Korea (Republic of), Series 2503, 1.50% 2025	KRW5,183,670	4,315
	South Korea (Republic of), Series 2712, 2.375% 2027	5,158,930	4,395
			8,710
Czech korunas 0.38%	Czech Republic 0% 2024	CZK87,290	3,633
	Czech Republic 1.25% 2025	102,510	4,402
			8,035

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Polish zloty 0.30%	Poland (Republic of), Series 0725, 3.25% 2025	PLN21,220	$5,189
	Poland (Republic of), Series 1029, 2.75% 2029	4,900	1,137
			6,326
Peruvian nuevos soles 0.26%	Peru (Republic of) 5.94% 2029	PEN15,395	3,952
	Peru (Republic of) 6.15% 2032	5,980	1,506
			5,458
Norwegian kroner 0.25%	Norway (Kingdom of) 1.75% 2025	NKr45,475	5,200
Indian rupees 0.24%	India (Republic of) 5.15% 2025	INR331,570	4,385
	National Highways Authority of India 7.27% 2022	50,000	681
			5,066
Ukrainian hryvnia 0.24%	Ukraine 16.06% 2022	UAH86,536	3,293
	Ukraine 17.25% 2022	47,384	1,738
			5,031
Chilean pesos 0.18%	Chile (Republic of) 1.50% 2026[3]	CLP713,154	823
	Chile (Republic of) 4.50% 2026	50,000	57
	Chile (Republic of) 5.00% 2028	955,000	1,087
	Chile (Republic of) 1.90% 2030[3]	682,148	776
	Chile (Republic of) 4.70% 2030	940,000	1,032
			3,775
South African rand 0.10%	South Africa (Republic of), Series R-2030, 8.00% 2030	ZAR7,920	459
	South Africa (Republic of), Series R-2048, 8.75% 2048	30,850	1,611
			2,070
Romanian leu 0.06%	Romania 4.75% 2025	RON5,000	1,156
U.S. dollars 39.66%	7-Eleven, Inc. 0.95% 2026[2]	$ 520	504
	7-Eleven, Inc. 1.30% 2028[2]	2,180	2,078
	7-Eleven, Inc. 1.80% 2031[2]	2,015	1,909
	AbbVie, Inc. 2.90% 2022	1,170	1,192
	AbbVie, Inc. 3.20% 2022	200	203
	Abu Dhabi (Emirate of) 2.50% 2025[2]	2,195	2,281
	ACE INA Holdings, Inc. 2.875% 2022	195	198
	ACE INA Holdings, Inc. 3.35% 2026	195	209
	ACE INA Holdings, Inc. 4.35% 2045	425	527
	Advisor Group Holdings, LLC 6.25% 2028[2]	425	442
	AerCap Ireland Capital, Ltd. / AerCap Global Aviation Trust 2.45% 2026	2,102	2,120
	Aeropuerto International de Tocume SA 5.125% 2061[2]	660	693
	Aetna, Inc. 2.80% 2023	340	348
	AG Merger Sub II, Inc. 10.75% 2027[2]	311	346
	Alabama Power Co. 3.00% 2052	980	980
	Albertsons Companies, Inc. 3.50% 2029[2]	125	125
	Alcoa Netherlands Holding BV 4.125% 2029[2]	75	77
	Alexandria Real Estate Equities, Inc. 1.875% 2033	2,047	1,926
	Allegheny Technologies, Inc. 4.875% 2029	70	70
	Allegheny Technologies, Inc. 5.125% 2031	53	53

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Alliant Holdings Intermediate, LLC 6.75% 2027[2]	$ 410	$ 426
	Alliant Holdings Intermediate, LLC / Alliant Holdings 5.875% 2029[2]	95	97
	Allied Universal Holdco LLC 9.75% 2027[2]	235	251
	Allied Universal Holdco LLC 6.00% 2029[2]	300	292
	Allstate Corp. 0.75% 2025	1,563	1,524
	Almonde, Inc., Term Loan, (3-month USD-LIBOR + 7.25%) 8.25% 2025[5,6]	650	650
	Altice France SA 5.125% 2029[2]	200	195
	Altria Group, Inc. 5.95% 2049	131	164
	Amazon.com, Inc. 1.50% 2030	2,040	1,979
	Amazon.com, Inc. 2.50% 2050	2,500	2,387
	American Airlines, Inc. 5.50% 2026[2]	135	141
	American Airlines, Inc. 5.75% 2029[2]	135	145
	American Campus Communities, Inc. 3.75% 2023	1,810	1,860
	American Campus Communities, Inc. 4.125% 2024	1,195	1,277
	American Electric Power Company, Inc. 1.00% 2025	250	245
	Amgen, Inc. 1.90% 2025	580	591
	Amgen, Inc. 2.20% 2027	445	456
	Amipeace, Ltd. 2.50% 2024	4,100	4,226
	AmWINS Group, Inc. 4.875% 2029[2]	45	46
	Anglo American Capital PLC 2.25% 2028[2]	454	446
	Anglo American Capital PLC 3.95% 2050[2]	521	554
	Angola (Republic of) 9.50% 2025	2,400	2,576
	Anheuser-Busch InBev NV 4.75% 2029	2,535	2,953
	Anheuser-Busch InBev NV 4.50% 2050	2,250	2,780
	Apache Corp. 4.375% 2028	126	137
	Apple, Inc. 3.35% 2027	1,075	1,167
	Apple, Inc. 2.40% 2050	1,100	1,036
	Ardagh Group SA 6.50% Cash 2027[2,7]	210	217
	Aretec Escrow Issuer, Inc. 7.50% 2029[2]	270	277
	Argentine Republic 0.50% 2030 (0.75% on 7/9/2023)[1]	1,921	677
	Argentine Republic 1.125% 2035 (1.50% on 7/9/2022)[1]	3,025	972
	Artera Services, LLC 9.033% 2025[2]	200	212
	Arthur J. Gallagher & Co. 3.50% 2051	34	36
	Asbury Automotive Group, Inc. 4.625% 2029[2]	25	25
	Asbury Automotive Group, Inc. 5.00% 2032[2]	35	36
	Ascensus, Inc., Term Loan, (3-month USD-LIBOR + 6.50%) 7.00% 2029[5,6]	120	120
	Ascent Resources - Utica LLC 8.25% 2028[2]	230	240
	Ascent Resources - Utica LLC 5.875% 2029[2]	100	96
	Associated Materials, LLC 9.00% 2025[2]	400	428
	AssuredPartners, Inc. 7.00% 2025[2]	200	202
	AssuredPartners, Inc. 5.625% 2029[2]	230	224
	AstraZeneca Finance LLC 1.75% 2028	685	682
	AstraZeneca Finance LLC 2.25% 2031	100	101
	AstraZeneca PLC 3.50% 2023	2,700	2,819
	AstraZeneca PLC 3.00% 2051	657	690
	AT&T, Inc. 3.50% 2053	2,070	2,092
	Atkore, Inc. 4.25% 2031[2]	25	26
	Atlantic Aviation FBO, Inc., Term Loan, (3-month USD-LIBOR + 3.00%) 3.50% 2028[5,6]	150	150
	Atlantic Aviation FBO, Inc., Term Loan, (3-month USD-LIBOR + 5.75%) 6.25% 2029[5,6]	260	264
	Avantor Funding, Inc. 3.875% 2029[2]	125	127
	Axiata SPV2 Bhd. 2.163% 2030	651	645
	Baidu, Inc. 3.425% 2030	675	709
	Bank of America Corp. 1.53% 2025 (USD-SOFR + 0.65% on 12/6/2024)[1]	6,260	6,274
	Bank of America Corp. 2.456% 2025 (3-month USD-LIBOR + 0.87% on 10/22/2024)[1]	847	870
	Bank of America Corp. 1.734% 2027 (USD-SOFR + 0.96% on 7/22/2026)[1]	3,745	3,720
	Bank of America Corp. 2.299% 2032 (USD-SOFR + 1.22% on 7/21/2031)[1]	4,780	4,705
	Bausch Health Companies, Inc. 9.25% 2026[2]	275	291
	Bausch Health Companies, Inc. 5.75% 2027[2]	200	208
	Bausch Health Companies, Inc. 4.875% 2028[2]	185	189
	Bausch Health Companies, Inc. 5.25% 2031[2]	210	185
	Bayer AG 3.375% 2024[2]	840	879
	Bayer US Finance II LLC 4.25% 2025[2]	203	220

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Bayerische Motoren Werke AG 2.95% 2022[2]	$3,675	$3,701
	Bayerische Motoren Werke AG 3.90% 2025[2]	900	969
	Bayerische Motoren Werke AG 4.15% 2030[2]	900	1,020
	Beasley Mezzanine Holdings, LLC 8.625% 2026[2]	30	30
	Belarus (Republic of) 6.875% 2023	4,955	4,912
	Belarus (Republic of) 7.625% 2027	2,100	1,940
	Berkshire Hathaway Energy Company 2.85% 2051	300	289
	Black Knight, Inc. 3.625% 2028[2]	195	195
	Blue Racer Midstream LLC and Blue Racer Finance Corp. 7.625% 2025[2]	120	127
	Bluestar Finance Holdings, Ltd. 3.10% junior subordinated perpetual bonds (3-year UST Yield Curve Rate T Note Constant Maturity + 5.634% on 7/12/2024)[1]	575	579
	BMC Software, Inc., Term Loan, (3-month USD-LIBOR + 5.50%) 6.128% 2026[5,6]	25	25
	BNP Paribas 2.159% 2029 (USD-SOFR + 1.218% on 9/15/2028)[1,2]	700	687
	BNP Paribas 2.871% 2032 (USD-SOFR + 1.387% on 4/19/2031)[1,2]	1,275	1,294
	Boeing Company 5.15% 2030	4,000	4,664
	Bombardier, Inc. 7.125% 2026[2]	175	182
	Bombardier, Inc. 7.875% 2027[2]	125	130
	Bombardier, Inc. 6.00% 2028[2]	90	90
	Bombardier, Inc. 7.45% 2034[2]	125	154
	Bonanza Creek Energy, Inc. 5.00% 2026[2]	30	30
	Boyd Gaming Corp. 4.75% 2027	170	174
	Brandywine Operating Partnership LP 3.95% 2023	190	195
	Braskem SA 4.50% 2030[2]	745	794
	Brightstar Escrow Corp. 9.75% 2025[2]	180	193
	British American Tobacco PLC 2.789% 2024	1,150	1,186
	British American Tobacco PLC 3.215% 2026	955	995
	British American Tobacco PLC 3.557% 2027	1,545	1,622
	British American Tobacco PLC 3.462% 2029	1,150	1,193
	British American Tobacco PLC 4.758% 2049	894	962
	Broadcom, Inc. 3.15% 2025	212	222
	Broadcom, Inc. 4.15% 2030	1,450	1,609
	Broadcom, Inc. 3.419% 2033[2]	698	732
	Broadcom, Inc. 3.469% 2034[2]	48	50
	Broadcom, Inc. 3.75% 2051[2]	926	970
	BWX Technologies, Inc. 4.125% 2029[2]	185	188
	CA Magnum Holdings 5.375% 2026[2]	200	207
	Caesars Entertainment, Inc. 6.25% 2025[2]	50	53
	Caesars Entertainment, Inc. 4.625% 2029[2]	40	40
	California Resources Corp. 7.125% 2026[2]	100	104
	Canadian Natural Resources, Ltd. 2.95% 2030	2,343	2,375
	Canadian Pacific Railway, Ltd. 2.45% 2031	774	790
	Canadian Pacific Railway, Ltd. 3.10% 2051	941	970
	Canpack SA / Canpack US, LLC 3.875% 2029[2]	90	88
	Carnival Corp. 4.00% 2028[2]	175	174
	Carnival Corp. 6.00% 2029[2]	120	120
	Carrier Global Corp. 2.242% 2025	530	543
	Carvana Co. 5.50% 2027[2]	10	10
	Carvana Co. 4.875% 2029[2]	145	138
	Castlelake Aviation Finance DAC 5.00% 2027[2]	175	174
	CCO Holdings LLC and CCO Holdings Capital Corp. 3.75% 2028	2,650	2,841
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2030[2]	575	589
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.75% 2030[2]	165	172
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2031[2]	200	202
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2033[2]	282	288
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2034[2]	125	123
	CEC Entertainment, Inc. 6.75% 2026[2]	135	132
	Centene Corp. 2.45% 2028	40	39
	Centene Corp. 4.625% 2029	375	405
	Centene Corp. 2.50% 2031	155	151
	Centene Corp. 2.625% 2031	25	25
	Centerfield Media Parent, Inc. 6.625% 2026[2]	125	125
	Central Garden & Pet Co. 4.125% 2030	99	100

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Central Garden & Pet Co. 4.125% 2031[2]	$ 120	$ 121
	Charles River Laboratories International, Inc. 4.25% 2028[2]	80	83
	Cheniere Energy Partners LP 4.50% 2029	210	223
	Cheniere Energy Partners LP 4.00% 2031	100	105
	Cheniere Energy Partners LP 3.25% 2032[2]	66	67
	Chesapeake Energy Corp. 4.875% 2022[8]	915	18
	Chesapeake Energy Corp. 5.50% 2026[2]	100	105
	Chesapeake Energy Corp. 5.875% 2029[2]	35	37
	China Construction Bank Corp. (Hong Kong Branch) 1.00% 2023	6,000	5,988
	Cigna Corp. 4.125% 2025	741	811
	Cigna Corp. 2.375% 2031	1,571	1,581
	Citigroup, Inc. 0.981% 2025 (USD-SOFR + 0.669% on 5/1/2024)[1]	808	802
	Citigroup, Inc. 3.106% 2026 (USD-SOFR + 2.842% on 3/8/2026)[1]	4,500	4,721
	Clarivate Science Holdings Corp. 3.875% 2028[2]	65	65
	Cleveland-Cliffs, Inc. 9.875% 2025[2]	171	194
	Cleveland-Cliffs, Inc. 6.75% 2026[2]	105	111
	Cleveland-Cliffs, Inc. 4.875% 2031[2]	140	146
	CMS Energy Corp. 3.875% 2024	100	105
	CMS Energy Corp. 3.00% 2026	1,200	1,253
	CNX Resources Corp. 7.25% 2027[2]	210	223
	CNX Resources Corp. 6.00% 2029[2]	120	125
	Cogent Communications Group, Inc. 3.50% 2026[2]	260	264
	Coinbase Global, Inc. 3.375% 2028[2]	125	117
	Coinbase Global, Inc. 3.625% 2031[2]	125	115
	Colombia (Republic of) 3.875% 2027	350	353
	Comcast Corp. 3.95% 2025	2,610	2,852
	Commonwealth Bank of Australia 2.688% 2031[2]	4,650	4,578
	Compass Diversified Holdings 5.25% 2029[2]	270	283
	Compass Diversified Holdings 5.00% 2032[2]	65	67
	Comstock Resources, Inc. 6.75% 2029[2]	140	152
	Comstock Resources, Inc. 5.875% 2030[2]	85	87
	Constellation Oil Services Holding SA 10.00% PIK 2024[2,7,8]	2,741	858
	Constellium SE 3.75% 2029[2]	125	123
	Consumers Energy Co. 3.375% 2023	345	357
	Convey Park Energy LLC 7.50% 2025[2]	125	129
	CoreLogic, Inc. 4.50% 2028[2]	304	303
	CoreLogic, Inc., Term Loan, (3-month USD-LIBOR + 6.50%) 7.00% 2029[5,6]	100	101
	Corporate Office Properties LP 2.75% 2031	1,212	1,206
	Costa Rica (Republic of) 6.125% 2031[2]	640	648
	Coty, Inc. 4.75% 2029[2]	50	51
	Covert Mergeco, Inc. 4.875% 2029[2]	20	20
	CQP Holdco LP / BIP-V Chinook Holdco LLC 5.50% 2031[2]	400	418
	Crédit Agricole SA 4.375% 2025[2]	1,100	1,183
	Crédit Agricole SA 1.907% 2026 (USD-SOFR + 1.676% on 6/16/2025)[1,2]	2,675	2,682
	Credit Suisse Group AG 2.95% 2025	875	917
	Credit Suisse Group AG 3.091% 2032 (USD-SOFR + 1.73% on 5/14/2031)[1,2]	1,000	1,019
	Crestwood Midstream Partners LP 6.00% 2029[2]	85	88
	Crown Castle International Corp. 2.50% 2031	767	762
	CSX Corp. 3.80% 2050	75	86
	CSX Corp. 2.50% 2051	1,075	996
	CVR Partners LP 9.25% 2023[2]	23	23
	CVR Partners LP 6.125% 2028[2]	120	127
	CVS Health Corp. 3.50% 2022	430	435
	Dana, Inc. 4.25% 2030	10	10
	Danske Bank AS 2.70% 2022[2]	1,400	1,405
	Danske Bank AS 3.875% 2023[2]	1,675	1,743
	DaVita, Inc. 4.625% 2030[2]	90	92
	Dell International LLC / EMC Corp. 8.10% 2036	27	41
	Deluxe Corp. 8.00% 2029[2]	20	21
	Deutsche Bank AG 2.129% 2026 (USD-SOFR + 1.87% on 11/24/2025)[1]	850	849
	Deutsche Telekom International Finance BV 9.25% 2032	930	1,487
	Development Bank of Mongolia LLC 7.25% 2023	1,980	2,089

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Diamond Foreign Asset Co. / Diamond Finance, LLC 9.00% Cash 2027[2,6,7]	$ 30	$ 30
	Diamond Foreign Asset Co. / Diamond Finance, LLC 9.00% Cash 2027[6,7]	27	27
	Diamond Sports Group LLC 6.625% 2027[2]	385	109
	Diebold Nixdorf AG, Term Loan B, (3-month USD-LIBOR + 2.75%) 2.875% 2023[5,6]	107	106
	Diebold Nixdorf, Inc. 9.375% 2025[2]	320	345
	Diebold, Inc. 8.50% 2024	150	150
	Digital Currency Group, Inc., Term Loan, (3-month USD-LIBOR + 7.00%) 7.00% 2026[5,6,9,10]	19	18
	Digital Currency Group, Inc., Term Loan, 8.75% 2026[5,9,10]	26	24
	DIRECTV Financing, LLC, Term Loan, (3-month USD-LIBOR + 5.00%) 5.75% 2027[5,6]	112	113
	DIRECTV Holdings LLC and DIRECTV Financing Co., Inc. 5.875% 2027[2]	180	185
	Discovery Communications, Inc. 3.625% 2030	468	501
	DISH DBS Corp. 5.25% 2026[2]	65	66
	Dominican Republic 5.50% 2025[2]	1,375	1,490
	Dominican Republic 8.625% 2027[2]	225	269
	Dominican Republic 6.40% 2049[2]	1,613	1,698
	DT Midstream, Inc. 4.125% 2029[2]	105	108
	Duke Energy Corp. 3.75% 2024	550	578
	Duke Energy Progress, LLC 2.00% 2031	2,360	2,308
	Dun & Bradstreet Corp. 5.00% 2029[2]	77	79
	Edison International 5.75% 2027	370	422
	Edison International 4.125% 2028	2,390	2,525
	Edison International 5.00% junior subordinated perpetual bonds (5-year UST Yield Curve Rate T Note Constant Maturity + 3.901% on 3/15/2027)[1]	100	102
	Egypt (Arab Republic of) 7.50% 2027[2]	2,200	2,296
	Electricité de France SA 4.875% 2038[2]	795	965
	EMD Finance LLC 2.95% 2022[2]	225	225
	EMD Finance LLC 3.25% 2025[2]	2,924	3,079
	Empresas Publicas de Medellin ESP 4.25% 2029[2]	1,030	979
	Enbridge, Inc. 4.00% 2023	600	627
	Endo DAC / Endo Finance LLC / Endo Finco 6.00% 2028[2]	292	218
	Endo Luxembourg Finance Co. I SARL / Endo U.S., Inc. 6.125% 2029[2]	225	221
	Enel Finance International SA 3.625% 2027[2]	2,375	2,568
	Energy Transfer Operating LP 5.00% 2050	3,408	3,931
	Energy Transfer Partners LP 6.00% 2048	47	59
	Energy Transfer Partners LP 6.25% 2049	565	739
	ENN Energy Holdings, Ltd. 2.625% 2030[2]	2,982	2,967
	Entergy Corp. 0.90% 2025	750	727
	Entergy Texas, Inc. 1.75% 2031	525	493
	EQM Midstream Partners LP 6.50% 2027[2]	220	247
	EQT Corp. 7.50% 2030[1]	50	64
	Equinix, Inc. 1.80% 2027	1,145	1,127
	Equinix, Inc. 2.15% 2030	9,390	9,139
	Essex Portfolio LP 3.50% 2025	2,835	2,995
	Essex Portfolio LP 3.375% 2026	885	940
	European Investment Bank 2.25% 2022	700	703
	Exelon Corp., junior subordinated, 3.497% 2022[1]	525	530
	Export-Import Bank of India 3.25% 2030	3,489	3,558
	Fair Isaac Corp. 4.00% 2028[2]	150	154
	Fannie Mae, Series 2012-M17, Class A2, Multi Family, 2.184% 2022[4]	745	751
	Fannie Mae Pool #MA2754 3.00% 2026[4]	98	102
	Fannie Mae Pool #AP7888 3.50% 2042[4]	404	437
	Fannie Mae Pool #AQ0770 3.50% 2042[4]	140	151
	Fannie Mae Pool #AO4151 3.50% 2042[4]	129	139
	Fertitta Entertainment, Inc. 6.75% 2024[2]	150	150
	First Quantum Minerals, Ltd. 6.875% 2026[2]	325	338
	First Quantum Minerals, Ltd. 6.875% 2027[2]	440	474
	First Student Bidco, Inc. / First Transit Parent, Inc. 4.00% 2029[2]	155	151
	FirstEnergy Corp., Series B, 4.40% 2027 (4.15% on 1/15/2022)[1]	1,800	1,940
	FirstEnergy Transmission LLC 2.866% 2028[2]	2,325	2,331
	Florida Power & Light Company 2.875% 2051	1,465	1,490
	FMG Resources 4.375% 2031[2]	220	231

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Ford Motor Co. 3.25% 2032	$ 100	$ 103
	Ford Motor Credit Company LLC 3.81% 2024	290	301
	Ford Motor Credit Company LLC 5.125% 2025	835	909
	Ford Motor Credit Company LLC 3.815% 2027	275	291
	Ford Motor Credit Company LLC 2.90% 2028	200	201
	Ford Motor Credit Company LLC 4.00% 2030	125	135
	Freddie Mac Pool #ZS8588 3.00% 2030[4]	63	66
	Freedom Mortgage Corp. 7.625% 2026[2]	90	92
	Freeport-McMoRan, Inc. 5.45% 2043	100	126
	Fresnillo PLC 4.25% 2050[2]	973	1,021
	Front Range BidCo, Inc. 6.125% 2028[2]	200	197
	Frontier Communications Corp. 5.875% 2027[2]	125	132
	Frontier Communications Corp. 5.00% 2028[2]	90	93
	Frontier Communications Holdings, LLC 5.875% 2029	370	371
	FS Energy and Power Fund 7.50% 2023[2]	230	240
	FXI Holdings, Inc. 7.875% 2024[2]	150	153
	FXI Holdings, Inc. 12.25% 2026[2]	522	588
	General Motors Company 6.125% 2025	117	135
	General Motors Financial Co. 1.05% 2024	725	722
	General Motors Financial Co. 2.40% 2028	2,250	2,261
	Genesis Energy, LP 8.00% 2027	175	181
	GeoPark, Ltd. 6.50% 2024	404	415
	Georgia (Republic of) 2.75% 2026[2]	400	399
	Glencore Funding LLC 1.625% 2026[2]	2,838	2,787
	Global Payments, Inc. 2.90% 2030	683	696
	Gol Finance SA 8.00% 2026[2]	70	66
	Goldman Sachs Group, Inc. 2.905% 2023 (3-month USD-LIBOR + 0.99% on 7/24/2022)[1]	1,200	1,214
	Goldman Sachs Group, Inc. 1.542% 2027 (USD-SOFR + 0.818% on 9/10/2026)[1]	1,080	1,059
	Goldman Sachs Group, Inc. 2.383% 2032 (USD-SOFR + 1.248% on 7/21/2031)[1]	726	715
	Goldman Sachs Group, Inc. 2.615% 2032 (USD-SOFR + 1.281% on 4/22/2031)[1]	2,510	2,531
	GPC Merger Sub, Inc. 7.125% 2028[2]	75	78
	GPS Hospitality Holding Co. LLC 7.00% 2028[2]	30	27
	Gray Escrow II, Inc. 5.375% 2031[2]	50	52
	Group 1 Automotive, Inc. 4.00% 2028[2]	45	45
	Groupe BPCE SA 5.15% 2024[2]	1,800	1,951
	Grupo Energia Bogota SA ESP 4.875% 2030[2]	660	712
	Guara Norte SARL 5.198% 2034[2]	192	189
	Harsco Corp. 5.75% 2027[2]	235	240
	Harvest Midstream I, LP 7.50% 2028[2]	60	64
	HCA, Inc. 5.625% 2028	210	246
	HCA, Inc. 5.25% 2049	170	219
	Hexion, Inc. 7.875% 2027[2]	320	338
	Hightower Holding, LLC 6.75% 2029[2]	285	293
	Hilcorp Energy I, LP 5.75% 2029[2]	45	46
	Hilton Grand Vacations Borrower 5.00% 2029[2]	350	359
	Hilton Worldwide Holdings, Inc. 4.00% 2031[2]	85	87
	Howard Hughes Corp. 5.375% 2028[2]	395	421
	Howard Hughes Corp. 4.125% 2029[2]	205	208
	Howard Hughes Corp. 4.375% 2031[2]	130	131
	Howard Midstream Energy Partners, LLC 6.75% 2027[2]	60	62
	HSBC Holdings PLC 3.033% 2023 (3-month USD-LIBOR + 0.923% on 11/12/2022)[1]	430	438
	HSBC Holdings PLC 2.633% 2025 (3-month USD-LIBOR + 1.14% on 11/7/2024)[1]	305	313
	HSBC Holdings PLC 4.292% 2026 (3-month USD-LIBOR + 1.348% on 9/12/2025)[1]	4,172	4,508
	HSBC Holdings PLC 2.357% 2031 (USD-SOFR + 1.947% on 8/18/2030)[1]	1,032	1,009
	Huarong Finance 2017 Co., Ltd. (3-month USD-LIBOR + 1.85%) 1.985% 2022[6]	5,390	5,380
	Huarong Finance 2017 Co., Ltd. 4.75% 2027	1,448	1,497
	Huarong Finance 2019 Co., Ltd. (3-month USD-LIBOR + 1.125%) 1.295% 2023[6]	1,843	1,806
	Huarong Finance 2019 Co., Ltd. (3-month USD-LIBOR + 1.25%) 1.43% 2025[6]	363	347
	Huarong Finance II Co., Ltd. 5.00% 2025	1,007	1,049
	Huarong Finance II Co., Ltd. 5.50% 2025	880	925
	Huarong Finance II Co., Ltd. 4.875% 2026	771	801

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	HUB International, Ltd. 7.00% 2026[2]	$ 275	$ 283
	Hungary (Republic of) 2.125% 2031[2]	2,910	2,870
	Hungary (Republic of) 3.125% 2051[2]	1,255	1,238
	Hyundai Capital America 3.25% 2022[2]	250	255
	Hyundai Capital America 0.875% 2024[2]	1,200	1,177
	Hyundai Capital America 1.50% 2026[2]	2,375	2,311
	Hyundai Capital America 1.65% 2026[2]	1,800	1,766
	Hyundai Capital America 2.375% 2027[2]	1,284	1,278
	Hyundai Capital America 2.00% 2028[2]	600	585
	Hyundai Capital Services, Inc. 3.75% 2023[2]	2,450	2,522
	II-VI, Inc. 5.00% 2029[2]	75	77
	II-VI, Inc., Term Loan B, (3-month USD-LIBOR + 2.75%) 3.25% 2028[5,6]	25	25
	Imperial Tobacco Finance PLC 3.50% 2023[2]	2,000	2,038
	Independence Energy Finance LLC 7.25% 2026[2]	150	156
	Ingles Markets, Inc. 4.00% 2031[2]	170	172
	Intesa Sanpaolo SpA 5.017% 2024[2]	3,270	3,506
	Iraq (Republic of) 6.752% 2023[2]	545	553
	Iron Mountain Information Management Services, Inc. 5.00% 2032[2]	110	113
	Iron Mountain, Inc. 5.25% 2030[2]	175	185
	Israel (State of) 3.375% 2050	1,470	1,593
	Israel (State of) 3.875% 2050	795	930
	JPMorgan Chase & Co. 1.045% 2026 (USD-SOFR + 0.80% on 11/19/2025)[1]	6,710	6,540
	JPMorgan Chase & Co. 1.578% 2027 (USD-SOFR + 0.885% on 4/22/2026)[1]	1,722	1,703
	Kantar Group LLC, Term Loan B2, (3-month USD-LIBOR + 4.50%) 5.25% 2026[5,6]	65	65
	KB Home 6.875% 2027	50	59
	Kennedy-Wilson Holdings, Inc. 4.75% 2029	205	210
	Kennedy-Wilson Holdings, Inc. 4.75% 2030	120	122
	Kennedy-Wilson Holdings, Inc. 5.00% 2031	80	83
	Kenya (Republic of) 6.875% 2024	1,300	1,377
	Keurig Dr Pepper, Inc. 4.597% 2028	2,740	3,119
	Keurig Dr Pepper, Inc. 3.20% 2030	146	155
	Keurig Dr Pepper, Inc. 5.085% 2048	1,075	1,406
	Kimberly-Clark Corp. 1.05% 2027	770	746
	Kimberly-Clark Corp. 3.10% 2030	110	119
	Kinder Morgan, Inc. 3.60% 2051	1,500	1,512
	Kraft Heinz Company 3.875% 2027	110	119
	Kraft Heinz Company 5.00% 2042	250	312
	Kraft Heinz Company 4.375% 2046	740	868
	Kronos Acquisition Holdings, Inc. 5.00% 2026[2]	95	94
	Kronos Acquisition Holdings, Inc. 7.00% 2027[2]	225	212
	Kuwait (State of) 2.75% 2022[2]	3,550	3,571
	Labl Escrow Issuer, LLC 10.50% 2027[2]	55	58
	Labl, Inc. 8.25% 2029[2]	250	252
	Lamb Weston Holdings, Inc. 4.125% 2030[2]	125	128
	Lamb Weston Holdings, Inc. 4.375% 2032[2]	75	77
	LCM Investments Holdings II, LLC 4.875% 2029[2]	9	9
	Ligado Networks LLC 15.50% PIK 2023[2,7]	262	213
	Lima Metro Line 2 Finance, Ltd. 5.875% 2034[2]	1,001	1,152
	Lima Metro Line 2 Finance, Ltd. 5.875% 2034	685	789
	Lima Metro Line 2 Finance, Ltd. 4.35% 2036[2]	615	650
	Limited Brands, Inc. 6.625% 2030[2]	75	85
	Limited Brands, Inc. 6.875% 2035	25	31
	Lloyds Banking Group PLC 1.326% 2023 (1-year UST Yield Curve Rate T Note Constant Maturity + 1.10% on 6/15/2022)[1]	1,825	1,828
	Lloyds Banking Group PLC 1.627% 2027 (1-year UST Yield Curve Rate T Note Constant Maturity + 0.85% on 5/11/2026)[1]	7,000	6,895
	LPL Holdings, Inc. 4.625% 2027[2]	270	280
	LPL Holdings, Inc. 4.375% 2031[2]	110	113
	LSB Industries, Inc. 6.25% 2028[2]	170	177
	LSC Communications, Inc. 8.75% 2023[2,8,9,10]	430	4
	LSF9 Atlantis Holdings LLC / Victra Finance Corp. 7.75% 2026[2]	60	61
	Mallinckrodt PLC 10.00% 2025[2]	960	1,019

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Masco Corp. 1.50% 2028	$ 791	$ 766
	Mastercard, Inc. 2.00% 2031	600	599
	Medtronic, Inc. 3.50% 2025	1,091	1,162
	Meituan Dianping 2.125% 2025	1,730	1,668
	Meituan Dianping 3.05% 2030[2]	3,095	2,868
	Mercer International, Inc. 5.125% 2029	130	133
	Methanex Corp. 5.65% 2044	80	80
	Mexico City Airport Trust 5.50% 2047	432	433
	MicroStrategy, Inc. 6.125% 2028[2]	50	50
	Midas Intermediate Holdco II, LLC 7.875% 2022[2]	15	15
	Midas OpCo Holdings LLC 5.625% 2029[2]	140	144
	Mohegan Gaming & Entertainment 8.00% 2026[2]	285	300
	Molina Healthcare, Inc. 3.875% 2030[2]	75	78
	MoneyGram International, Inc. 5.375% 2026[2]	60	61
	Morgan Stanley 1.593% 2027 (USD-SOFR + 0.879% on 5/4/2026)[1]	2,164	2,144
	Morgan Stanley 1.928% 2032 (USD-SOFR + 1.02% on 4/28/2031)[1]	1,396	1,335
	Mozart Debt Merger Sub, Inc. 3.875% 2029[2]	60	60
	Mozart Debt Merger Sub, Inc. 5.25% 2029[2]	185	188
	MPLX LP 2.65% 2030	837	834
	MPLX LP 5.50% 2049	1,900	2,432
	MSCI, Inc. 3.625% 2031[2]	150	156
	MSCI, Inc. 3.875% 2031[2]	265	276
	Nabors Industries, Inc. 7.375% 2027[2]	65	67
	National Financial Partners Corp. 6.875% 2028[2]	210	211
	Nationstar Mortgage Holdings, Inc. 5.125% 2030[2]	135	133
	Navient Corp. 5.50% 2023	375	391
	Navient Corp. 5.875% 2024	530	566
	Navient Corp. 6.125% 2024	100	107
	Navient Corp. 4.875% 2028	80	80
	NCL Corp., Ltd. 3.625% 2024[2]	280	265
	NCL Corp., Ltd. 5.875% 2026[2]	115	115
	NCR Corp. 5.125% 2029[2]	220	228
	Neiman Marcus Group, LLC 7.125% 2026[2]	190	202
	Nestlé Holdings, Inc. 1.50% 2028[2]	4,330	4,222
	Netflix, Inc. 4.875% 2028	150	171
	Netflix, Inc. 4.875% 2030[2]	225	263
	New Fortress Energy, Inc. 6.75% 2025[2]	50	51
	New Fortress Energy, Inc. 6.50% 2026[2]	500	497
	New York Life Global Funding 1.20% 2030[2]	2,725	2,546
	Newcrest Finance Pty, Ltd. 3.25% 2030[2]	909	953
	Newell Brands, Inc. 5.875% 2036[1]	100	123
	Newell Rubbermaid, Inc. 4.70% 2026	100	109
	Nexstar Broadcasting, Inc. 4.75% 2028[2]	125	128
	Nexstar Escrow Corp. 5.625% 2027[2]	100	106
	NGL Energy Operating LLC 7.50% 2026[2]	275	284
	NGL Energy Partners LP 7.50% 2023	300	296
	Niagara Mohawk Power Corp. 3.508% 2024[2]	180	188
	Nielsen Finance LLC and Nielsen Finance Co. 5.625% 2028[2]	210	217
	NIKE, Inc. 3.375% 2050	602	682
	Northern Oil and Gas, Inc. 8.125% 2028[2]	240	254
	NorthRiver Midstream Finance LP 5.625% 2026[2]	105	109
	Nova Chemicals Corp. 5.25% 2027[2]	20	21
	Nova Chemicals Corp. 4.25% 2029[2]	5	5
	Novelis Corp. 3.25% 2026[2]	15	15
	Novelis Corp. 4.75% 2030[2]	145	153
	Novelis Corp. 3.875% 2031[2]	20	20
	Oasis Midstream Partners LP / OMP Finance Corp. 8.00% 2029[2]	120	131
	Oasis Petroleum, Inc. 6.375% 2026[2]	35	37
	Occidental Petroleum Corp. 5.875% 2025	240	265
	Occidental Petroleum Corp. 6.375% 2028	234	278
	Occidental Petroleum Corp. 6.125% 2031	50	61

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	State of Ohio, Turnpike and Infrastructure Commission, Turnpike Rev. Ref. Bonds (Infrastructure Projects), Series 2020-A, 3.216% 2048	$1,410	$1,438
	Oleoducto Central SA 4.00% 2027[2]	2,535	2,524
	Oleoducto Central SA 4.00% 2027	630	627
	ONEOK, Inc. 4.95% 2047	111	129
	ONEOK, Inc. 5.20% 2048	858	1,039
	ONEOK, Inc. 4.45% 2049	3,510	3,888
	Option Care Health, Inc. 4.375% 2029[2]	30	30
	Oracle Corp. 2.65% 2026	2,327	2,394
	Oracle Corp. 3.25% 2027	1,880	1,981
	Oracle Corp. 3.60% 2050	980	961
	Oracle Corp. 3.95% 2051	22	23
	Orange SA 9.00% 2031[1]	2,434	3,734
	OSW Structured Asset Trust, Series 2020-RPL1, Class A1, 3.072% 2059[2,4,6]	514	514
	Owens & Minor, Inc. 4.375% 2024	360	383
	Pacific Gas and Electric Co. 2.95% 2026	590	601
	Pacific Gas and Electric Co. 2.10% 2027	9,935	9,599
	Pacific Gas and Electric Co. 3.30% 2027	659	671
	Pacific Gas and Electric Co. 4.65% 2028	542	592
	Pacific Gas and Electric Co. 3.25% 2031	930	934
	Pacific Gas and Electric Co. 3.30% 2040	6,850	6,364
	Pacific Gas and Electric Co. 3.50% 2050	931	865
	Pakistan (Islamic Republic of) 5.625% 2022	6,900	7,047
	Panama (Republic of) 3.75% 2026[2]	1,440	1,532
	Panther BF Aggregator 2, LP 6.25% 2026[2]	49	51
	Panther BF Aggregator 2, LP 8.50% 2027[2]	100	106
	Park Intermediate Holdings LLC 4.875% 2029[2]	80	82
	Parkland Corp. 4.625% 2030[2]	40	40
	Party City Holdings, Inc. 8.75% 2026[2]	75	78
	Pearl Merger Sub, Inc. 6.75% 2028[2]	75	77
	Peru (Republic of) 2.392% 2026	500	508
	Petróleos Mexicanos 4.625% 2023	1,200	1,232
	Petróleos Mexicanos 6.875% 2025[2]	1,340	1,466
	Petróleos Mexicanos 6.875% 2026	4,260	4,690
	Petróleos Mexicanos 6.50% 2027	2,203	2,353
	Petróleos Mexicanos 6.50% 2029	85	88
	Petróleos Mexicanos 6.70% 2032[2]	1,644	1,664
	Petróleos Mexicanos 7.69% 2050	75	73
	Petróleos Mexicanos 6.95% 2060	201	180
	PETRONAS Capital, Ltd. 3.50% 2030[2]	605	655
	PG&E Corp. 5.00% 2028	85	90
	PG&E Corp. 5.25% 2030	125	131
	PGT Innovations, Inc. 4.375% 2029[2]	20	20
	Philip Morris International, Inc. 2.10% 2030	634	621
	Post Holdings, Inc. 4.625% 2030[2]	474	484
	Power Financial Corp., Ltd. 3.35% 2031	1,870	1,847
	Procter & Gamble Company 3.00% 2030	338	368
	PT Bank Negara Indonesia (Persero) Tbk 3.75% 2026	2,940	2,989
	PT Indofood CBP Sukses Makmur Tbk 3.398% 2031	1,795	1,815
	PT Indonesia Asahan Aluminium Tbk 5.71% 2023	960	1,031
	PT Indonesia Asahan Aluminium Tbk 5.45% 2030[2]	500	571
	PTT Exploration and Production PCL 2.587% 2027[2]	200	204
	Public Service Electric and Gas Co. 2.05% 2050	415	352
	Puget Energy, Inc. 5.625% 2022	480	487
	Qatar (State of) 3.40% 2025[2]	4,805	5,106
	Qatar (State of) 5.103% 2048[2]	530	718
	Qatar Petroleum 1.375% 2026[2]	1,325	1,301
	Qatar Petroleum 3.125% 2041[2]	3,255	3,298
	Qatar Petroleum 3.30% 2051[2]	1,045	1,080
	Radiology Partners, Inc. 9.25% 2028[2]	220	231
	Range Resources Corp. 8.25% 2029	55	61
	Raptor Acquisition Corp. 4.875% 2026[2]	180	182

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Real Hero Merger Sub 2, Inc. 6.25% 2029[2]	$ 25	$ 25
	Realogy Corp. 5.75% 2029[2]	160	164
	Reynolds American, Inc. 4.45% 2025	2,115	2,286
	Ritchie Bros. Holdings, Inc. 4.75% 2031[2]	30	31
	RLJ Lodging Trust, LP 4.00% 2029[2]	35	35
	Rockcliff Energy II LLC 5.50% 2029[2]	25	26
	Roller Bearing Company of America, Inc. 4.375% 2029[2]	20	20
	Royal Bank of Canada 0.875% 2026	4,660	4,538
	Royal Bank of Canada 1.20% 2026	2,200	2,163
	Royal Caribbean Cruises, Ltd. 11.50% 2025[2]	57	64
	RP Escrow Issuer, LLC 5.25% 2025[2]	150	151
	Russian Federation 4.25% 2027	1,400	1,516
	SA Global Sukuk, Ltd. 0.946% 2024[2]	1,530	1,509
	SA Global Sukuk, Ltd. 1.602% 2026[2]	835	823
	SA Global Sukuk, Ltd. 2.694% 2031[2]	1,725	1,738
	Sabine Pass Liquefaction, LLC 4.50% 2030	49	55
	Santander Holdings USA, Inc. 3.244% 2026	3,750	3,917
	Saudi Arabia (Kingdom of) 2.894% 2022[2]	1,900	1,915
	Saudi Arabia (Kingdom of) 2.90% 2025	2,000	2,099
	Saudi Arabia (Kingdom of) 3.628% 2027[2]	1,900	2,062
	Saudi Arabia (Kingdom of) 3.625% 2028[2]	3,840	4,189
	Saudi Arabia (Kingdom of) 2.25% 2031[2]	2,735	2,716
	Saudi Arabian Oil Co. 1.625% 2025[2]	430	428
	Scentre Group 3.50% 2025[2]	210	221
	Scentre Group 3.75% 2027[2]	110	119
	Scientific Games Corp. 8.25% 2026[2]	375	395
	Scientific Games Corp. 7.25% 2029[2]	75	84
	SCIH Salt Holdings, Inc. 4.875% 2028[2]	115	111
	SCIH Salt Holdings, Inc. 6.625% 2029[2]	65	61
	Scotts Miracle-Gro Co. 4.50% 2029	115	120
	Scotts Miracle-Gro Co. 4.375% 2032[2]	75	75
	ServiceNow, Inc. 1.40% 2030	1,830	1,705
	Simmons Foods, Inc. 4.625% 2029[2]	160	158
	Sinopec Group Overseas Development (2018), Ltd. 1.45% 2026	1,465	1,448
	Sirius XM Radio, Inc. 4.00% 2028[2]	195	196
	Sirius XM Radio, Inc. 3.875% 2031[2]	100	98
	SK hynix, Inc. 1.50% 2026[2]	1,343	1,315
	Skandinaviska Enskilda Banken AB 2.80% 2022	2,100	2,109
	SM Energy Co. 6.50% 2028	50	52
	Sonic Automotive, Inc. 4.625% 2029[2]	70	71
	Sonic Automotive, Inc. 4.875% 2031[2]	25	25
	Southern California Edison Co. 2.85% 2029	200	207
	Southwestern Energy Co. 6.45% 2025 (6.20% on 1/23/2022)[1]	130	143
	Southwestern Energy Co. 7.75% 2027	25	27
	Southwestern Energy Co. 8.375% 2028	40	45
	Southwestern Energy Co. 5.375% 2030	155	166
	Southwestern Energy Co. 4.75% 2032	55	58
	Sprint Corp. 7.625% 2026	180	216
	Sri Lanka (Democratic Socialist Republic of) 5.75% 2022	8,643	7,860
	Sri Lanka (Democratic Socialist Republic of) 5.75% 2023	2,890	1,631
	State Grid Overseas Investment, Ltd. 3.50% 2027[2]	5,600	6,052
	Stellantis Finance US, Inc. 1.711% 2027[2]	1,900	1,869
	Stellantis Finance US, Inc. 2.691% 2031[2]	225	221
	Stericycle, Inc. 3.875% 2029[2]	225	222
	Summit Midstream Holdings / Summit Midstream Finance Corp. 8.50% 2026[2]	75	78
	Sunoco LP 4.50% 2029	145	147
	Sunoco LP 4.50% 2030[2]	75	77
	Surgery Center Holdings 10.00% 2027[2]	210	223
	SVB Financial Group 4.70% junior subordinated perpetual bonds (5-year UST Yield Curve Rate T Note Constant Maturity + 3.064% on 11/15/2031)[1]	77	79
	Swiss Re Finance (Luxembourg) SA 5.00% 2049 (5-year UST Yield Curve Rate T Note Constant Maturity + 3.582% on 4/2/2029)[1,2]	800	898

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Talen Energy Corp. 10.50% 2026[2]	$ 125	$ 54
	Talen Energy Corp. 7.25% 2027[2]	335	297
	Targa Resources Partners LP 5.50% 2030	210	230
	Targa Resources Partners LP 4.875% 2031	90	98
	Teekay Offshore Partners LP 8.50% 2023[2,9,10]	555	505
	Tencent Holdings, Ltd. 3.24% 2050[2]	3,450	3,262
	Tencent Music Entertainment Group 2.00% 2030	610	571
	Tenet Healthcare Corp. 4.875% 2026[2]	240	247
	Teva Pharmaceutical Finance Co. BV 6.00% 2024	4,600	4,826
	Teva Pharmaceutical Finance Co. BV 7.125% 2025	3,710	3,974
	Teva Pharmaceutical Finance Co. BV 3.15% 2026	2,900	2,731
	Teva Pharmaceutical Finance Co. BV 5.125% 2029	200	196
	State of Texas, Grand Parkway Transportation Corp., Grand Parkway System Toll Rev. Ref. Bonds, Series 2020-B, 3.236% 2052	1,780	1,802
	T-Mobile US, Inc. 2.40% 2029[2]	1,079	1,090
	TopBuild Corp. 4.125% 2032[2]	70	72
	Toronto-Dominion Bank 1.25% 2026	2,836	2,789
	Total Capital International 3.127% 2050	804	826
	Toyota Motor Credit Corp. 3.375% 2030	453	497
	TransCanada PipeLines, Ltd. 4.10% 2030	444	496
	TransDigm, Inc. 5.50% 2027	65	67
	TransDigm, Inc. 4.625% 2029	115	115
	Transocean Guardian, Ltd. 5.875% 2024[2]	37	35
	Transocean Poseidon, Ltd. 6.875% 2027[2]	130	126
	Transocean, Inc. 7.25% 2025[2]	90	69
	Transocean, Inc. 8.00% 2027[2]	80	58
	Truck Hero, Inc., Term Loan B, (3-month USD-LIBOR + 3.25%) 4.00% 2028[5,6]	25	25
	Turkey (Republic of) 6.25% 2022	1,880	1,898
	Turkey (Republic of) 5.75% 2024	2,500	2,449
	Turkey (Republic of) 6.35% 2024	2,220	2,189
	U.S. Treasury 0.125% 2022	12,340	12,321
	U.S. Treasury 0.125% 2023	12,320	12,279
	U.S. Treasury 2.625% 2023	6,900	7,071
	U.S. Treasury 0.375% 2024	12,920	12,752
	U.S. Treasury 1.875% 2024	4,515	4,630
	U.S. Treasury 0.25% 2025	30,740	29,789
	U.S. Treasury 2.875% 2025	5,400	5,758
	U.S. Treasury 0.50% 2026	7,453	7,244
	U.S. Treasury 0.75% 2026	4,361	4,265
	U.S. Treasury 0.875% 2026	24,418	23,999
	U.S. Treasury 1.125% 2026	1,698	1,688
	U.S. Treasury 1.375% 2031[11]	21,464	21,197
	U.S. Treasury 1.125% 2040	9,170	8,043
	U.S. Treasury 1.75% 2041	6,050	5,865
	U.S. Treasury 1.875% 2041[11]	21,440	21,225
	U.S. Treasury 2.75% 2047	1,625	1,896
	U.S. Treasury 3.00% 2048	5,045	6,184
	U.S. Treasury 1.25% 2050	2,100	1,787
	U.S. Treasury 1.625% 2050	2,580	2,408
	U.S. Treasury 2.00% 2051	7,115	7,262
	U.S. Treasury Inflation-Protected Security 0.125% 2022[3]	10,576	10,738
	U.S. Treasury Inflation-Protected Security 0.125% 2022[3]	10,267	10,528
	U.S. Treasury Inflation-Protected Security 0.125% 2051[3]	3,972	4,705
	UBS Group AG 1.008% 2024 (5-year UST Yield Curve Rate T Note Constant Maturity + 0.83% on 7/30/2023)[1,2]	1,950	1,944
	UKG, Inc., Term Loan B, (3-month USD-LIBOR + 3.25%) 3.75% 2026[5,6]	60	60
	UKG, Inc., Term Loan, (3-month USD-LIBOR + 5.25%) 5.75% 2027[5,6]	75	75
	Ukraine 7.75% 2022	4,460	4,431
	Ukraine 7.75% 2024	1,570	1,527
	UniCredit SpA 3.75% 2022[2]	1,750	1,763
	Uniform Mortgage-Backed Security 1.50% 2037[4,12]	2,962	2,965
	Uniform Mortgage-Backed Security 1.50% 2037[4,12]	1,935	1,940

Capital World Bond Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. dollars (continued)	Uniform Mortgage-Backed Security 3.00% 2037[4,12]	$ 17	$ 18
	Uniform Mortgage-Backed Security 2.50% 2052[4,12]	16,805	17,066
	Uniform Mortgage-Backed Security 2.50% 2052[4,12]	6,534	6,651
	Uniform Mortgage-Backed Security 3.00% 2052[4,12]	6,797	7,042
	Uniform Mortgage-Backed Security 3.00% 2052[4,12]	3,493	3,614
	Unifrax Escrow Issuer Corp. 5.25% 2028[2]	35	35
	Unifrax Escrow Issuer Corp. 7.50% 2029[2]	100	101
	United Technologies Corp. 4.125% 2028	1,900	2,127
	Univision Communications, Inc. 6.625% 2027[2]	85	92
	Univision Communications, Inc. 4.50% 2029[2]	290	293
	US Foods, Inc. 4.625% 2030[2]	45	46
	Valeant Pharmaceuticals International, Inc. 6.125% 2025[2]	51	52
	Valvoline, Inc. 3.625% 2031[2]	130	126
	Venator Materials Corp. 5.75% 2025[2]	190	183
	Venator Materials Corp. 9.50% 2025[2]	225	246
	Venture Global Calcasieu Pass, LLC 3.875% 2029[2]	215	223
	Venture Global Calcasieu Pass, LLC 4.125% 2031[2]	200	212
	Venture Global Calcasieu Pass, LLC 3.875% 2033[2]	65	68
	Verizon Communications, Inc. 3.15% 2030	575	609
	Verizon Communications, Inc. 2.55% 2031	2,100	2,121
	Verizon Communications, Inc. 3.40% 2041	3,460	3,629
	Viavi Solutions, Inc. 3.75% 2029[2]	17	17
	VICI Properties LP 4.625% 2029[2]	45	48
	VICI Properties LP / VICI Note Co., Inc. 4.125% 2030[2]	390	413
	Virtusa Corp., Term Loan B, (3-month USD-LIBOR + 3.75%) 4.50% 2028[5,6]	25	25
	Volkswagen Group of America Finance, LLC 4.625% 2025[2]	1,280	1,411
	W. R. Grace Holdings LLC 5.625% 2029[2]	65	67
	Warrior Met Coal, Inc. 7.875% 2028[2]	200	205
	WASH Multifamily Acquisition, Inc. 5.75% 2026[2]	200	210
	WEA Finance LLC 3.75% 2024[2]	535	562
	Weatherford International, Ltd. 11.00% 2024[2]	12	12
	Weatherford International, Ltd. 8.625% 2030[2]	50	52
	WESCO Distribution, Inc. 7.125% 2025[2]	195	207
	WESCO Distribution, Inc. 7.25% 2028[2]	215	236
	Western Global Airlines LLC 10.375% 2025[2]	15	17
	Western Midstream Operating, LP 4.35% 2025 (4.10% on 2/1/2022)[1]	85	89
	Western Midstream Operating, LP 4.75% 2028	70	77
	Westpac Banking Corp. 2.894% 2030 (5-year UST Yield Curve Rate T Note Constant Maturity + 1.35% on 2/4/2025)[1]	2,900	2,963
	WeWork Companies, LLC 5.00% 2025[2]	50	43
	Williams Companies, Inc. 3.50% 2030	893	950
	Wynn Las Vegas, LLC and Wynn Capital Corp. 4.25% 2023[2]	38	38
	Xcel Energy, Inc. 3.35% 2026	2,581	2,745
	Yahoo Holdings, Inc., Term Loan B, (1-month USD-LIBOR + 5.50%) 6.25% 2027[5,6]	135	135
	Ziggo Bond Co. BV 5.125% 2030[2]	200	201
	Ziggo Bond Finance BV 4.875% 2030[2]	300	308
	Zimmer Holdings, Inc. 3.15% 2022	790	792
			826,862
	Total bonds, notes & other debt instruments (cost: $1,930,539,000)		1,937,589

Preferred securities 0.00%		Shares	
U.S. dollars 0.00%	ACR III LSC Holdings LLC, Series B, preferred shares[2,9,10,13]	48	34
	Total preferred securities (cost: $49,000)		34

Capital World Bond Fund (continued)

Common stocks 0.09%

		Shares	Value (000)
U.S. dollars 0.09%	New AMI I, LLC[9,10,13]	174,911	$ 1,322
	Chesapeake Energy Corp.	6,577	424
	Diamond Offshore Drilling, Inc.[13]	36,338	154
	Diamond Offshore Drilling, Inc.[2,9,13]	12,700	50
	McDermott International, Ltd.[13]	4,287	2
	Total common stocks (cost: $2,106,000)		1,952

Rights & warrants 0.00%

U.S. dollars 0.00%	Chesapeake Energy Corp., Class C, warrants, expire 2026[13]	187	6
	Sable Permian Resources, LLC, Class A, warrants, expire 2024[9,10,13]	531	–[14]
	Total rights & warrants (cost: $58,000)		6

Short-term securities 8.07%

		Weighted average yield at acquisition	Principal amount (000)	
Money market investments 6.91%				
	Capital Group Central Cash Fund 0.09%[15,16]		1,440,655	144,080
Bills & notes of governments & government agencies outside the U.S. 1.16%				
	Egyptian Treasury 1/4/2022	12.077%	EGP69,125	4,399
	Egyptian Treasury 1/18/2022	11.246	82,900	5,255
	Egyptian Treasury 4/19/2022	11.506	31,100	1,915
	Egyptian Treasury 4/26/2022	11.461	204,150	12,545
				24,114
	Total short-term securities (cost: $168,175,000)			168,194
	Total investment securities 101.09% (cost: $2,100,927,000)			2,107,775
	Other assets less liabilities (1.09)%			(22,767)
	Net assets 100.00%			$2,085,008

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
90 Day Euro Dollar Futures	Long	515	December 2022	$127,405	$(251)
2 Year U.S. Treasury Note Futures	Long	12	March 2022	2,618	(2)
5 Year U.S. Treasury Note Futures	Short	367	March 2022	(44,398)	(66)
10 Year Euro-Bund Futures	Short	157	March 2022	(30,631)	573
10 Year Italy Government Bond Futures	Short	213	March 2022	(35,650)	614
10 Year Japanese Government Bond Futures	Long	24	March 2022	31,628	(97)
10 Year U.S. Treasury Note Futures	Short	159	March 2022	(20,745)	(226)
10 Year Ultra U.S. Treasury Note Futures	Short	252	March 2022	(36,902)	(514)
10 Year UK Gilt Futures	Long	208	March 2022	35,164	(80)
20 Year U.S. Treasury Bond Futures	Long	153	March 2022	24,547	214

Capital World Bond Fund (continued)

Futures contracts (continued)

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
30 Year Euro-Buxl Futures	Long	62	March 2022	$ 14,593	$(757)
30 Year Ultra U.S. Treasury Bond Futures	Long	116	March 2022	22,866	416
					$(176)

Forward currency contracts

Contract amount						Unrealized appreciation (depreciation) at 12/31/2021 (000)
Currency purchased (000)		Currency sold (000)		Counterparty	Settlement date	
USD	2,089	JPY	236,280	JPMorgan Chase	1/6/2022	$ 35
USD	4,572	JPY	524,790	Goldman Sachs	1/6/2022	10
USD	1,480	CAD	1,871	UBS AG	1/6/2022	1
JPY	259,830	USD	2,299	Bank of America	1/6/2022	(40)
JPY	1,568,780	USD	13,690	Goldman Sachs	1/6/2022	(51)
AUD	3,250	USD	2,338	Citibank	1/7/2022	27
GBP	12,800	USD	17,056	Goldman Sachs	1/10/2022	269
GBP	2,680	USD	3,542	Bank of America	1/10/2022	85
GBP	4,410	USD	5,895	Goldman Sachs	1/10/2022	74
EUR	8,130	USD	9,225	JPMorgan Chase	1/10/2022	33
MYR	13,980	USD	3,335	HSBC Bank	1/10/2022	25
USD	1,537	NZD	2,240	HSBC Bank	1/10/2022	3
USD	1,266	AUD	1,770	Goldman Sachs	1/10/2022	(22)
USD	17,453	DKK	114,240	BNP Paribas	1/10/2022	(40)
USD	6,757	BRL	38,280	Standard Chartered Bank	1/10/2022	(101)
USD	13,645	MYR	57,690	Standard Chartered Bank	1/10/2022	(221)
USD	6,315	MXN	135,010	Goldman Sachs	1/10/2022	(268)
EUR	4,940	USD	5,582	Morgan Stanley	1/11/2022	43
USD	1,561	CAD	2,000	Citibank	1/11/2022	(20)
USD	4,682	RUB	346,336	Citibank	1/12/2022	75
CNH	27,100	USD	4,239	Barclays Bank PLC	1/13/2022	20
PLN	4,950	EUR	1,074	BNP Paribas	1/13/2022	5
EUR	17,710	DKK	131,740	Goldman Sachs	1/13/2022	(6)
EUR	4,991	CZK	127,210	Citibank	1/13/2022	(132)
USD	14,872	MXN	314,310	Citibank	1/13/2022	(445)
USD	3,323	JPY	381,060	HSBC Bank	1/18/2022	10
JPY	597,660	USD	5,268	UBS AG	1/18/2022	(71)
JPY	712,220	USD	6,267	Bank of New York Mellon	1/18/2022	(74)
JPY	1,263,200	USD	11,099	Bank of New York Mellon	1/18/2022	(116)
CHF	800	USD	870	Bank of America	1/20/2022	9
EUR	0	USD	0	Morgan Stanley	1/20/2022	–[14]
EUR	13,366	DKK	99,400	Morgan Stanley	1/20/2022	(1)
SEK	23,400	USD	2,595	HSBC Bank	1/20/2022	(5)
NOK	34,920	EUR	3,489	UBS AG	1/20/2022	(10)
EUR	5,355	NOK	54,550	Morgan Stanley	1/20/2022	(93)
JPY	8,221,018	USD	72,438	Morgan Stanley	1/20/2022	(958)
INR	155,700	USD	2,083	UBS AG	1/21/2022	2
USD	2,239	IDR	32,232,353	Citibank	1/21/2022	(25)
KRW	33,705,640	USD	28,377	Citibank	1/21/2022	(51)
USD	1,711	COP	6,884,150	Morgan Stanley	1/24/2022	23
USD	3,446	PEN	14,010	UBS AG	1/24/2022	(60)
USD	3,159	COP	12,396,140	Goldman Sachs	2/14/2022	126
USD	11,661	BRL	61,700	Citibank	6/15/2022	1,080

Capital World Bond Fund (continued)

Forward currency contracts (continued)

Contract amount						Unrealized appreciation (depreciation) at 12/31/2021 (000)
Currency purchased (000)		Currency sold (000)		Counterparty	Settlement date	
BRL	61,700	USD	11,125	JPMorgan Chase	6/15/2022	$ (545)
USD	13,962	BRL	77,286	Citibank	7/1/2022	773
USD	6,024	BRL	33,600	Citibank	7/1/2022	290
BRL	110,886	USD	19,160	Citibank	7/1/2022	(238)
USD	13,967	BRL	77,966	Citibank	8/10/2022	823
USD	11,219	BRL	63,000	JPMorgan Chase	8/10/2022	598
BRL	140,966	USD	24,130	Citibank	8/10/2022	(364)
						$ 482

Swap contracts

Interest rate swaps

Centrally cleared interest rate swaps

Receive		Pay					Upfront premium paid (000)	Unrealized (depreciation) appreciation at 12/31/2021 (000)
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)		
1.2475%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/20/2023	NZ$4,428	$ (38)	$–	$ (38)
1.234974%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/20/2023	37,736	(328)	–	(328)
1.2375%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/26/2023	13,908	(121)	–	(121)
1.264%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/27/2023	34,765	(293)	–	(293)
1.26%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/30/2023	5,734	(49)	–	(49)
1.28%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	8/31/2023	5,734	(48)	–	(48)
1.30%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/3/2023	6,295	(52)	–	(52)
3-month USD-LIBOR	Quarterly	0.3302%	Semi-annual	9/21/2023	$ 7,599	64	–	64
1.4975%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/21/2023	NZ$11,830	(76)	–	(76)
3-month USD-LIBOR	Quarterly	0.3792%	Semi-annual	9/28/2023	$ 8,240	65	–	65
1.445%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/28/2023	NZ$11,817	(86)	–	(86)
3-month USD-LIBOR	Quarterly	0.3842%	Semi-annual	9/29/2023	$ 8,240	64	–	64
1.4475%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/29/2023	NZ$12,043	(87)	–	(87)
3-month USD-LIBOR	Quarterly	0.3975%	Semi-annual	9/30/2023	$ 8,367	63	–	63
1.4475%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	9/30/2023	NZ$12,093	(88)	–	(88)
3-month USD-LIBOR	Quarterly	0.4557%	Semi-annual	10/14/2023	$ 8,240	57	–	57
3-month USD-LIBOR	Quarterly	0.4562%	Semi-annual	10/14/2023	8,240	57	–	57
1.5125%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/14/2023	NZ$10,675	(73)	–	(73)
1.53%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/14/2023	12,176	(80)	–	(80)
3-month USD-LIBOR	Quarterly	0.4692%	Semi-annual	10/15/2023	$ 8,240	55	–	55
1.5625%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/15/2023	NZ$12,163	(76)	–	(76)
3-month USD-LIBOR	Quarterly	0.4917%	Semi-annual	10/18/2023	$ 8,254	52	–	52
1.59%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/18/2023	NZ$12,163	(72)	–	(72)
3-month USD-LIBOR	Quarterly	0.4997%	Semi-annual	10/19/2023	$10,569	66	–	66
1.62%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	10/19/2023	NZ$13,521	(75)	–	(75)
2.2525%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	11/8/2023	17,111	33	–	33
2.24%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	11/8/2023	17,111	30	–	30
2.20%	Semi-annual	3-month NZD-BBR-FRA	Quarterly	11/9/2023	1,440	2	–	2
0.3653%	Semi-annual	3-month USD-LIBOR	Quarterly	3/5/2024	$13,710	(180)	–	(180)
3-month SEK-STIBOR	Quarterly	0.175%	Annual	2/9/2026	SKr56,800	113	–	113
3-month SEK-STIBOR	Quarterly	0.179%	Annual	2/9/2026	28,400	56	–	56
3-month SEK-STIBOR	Quarterly	0.189%	Annual	2/11/2026	28,500	55	–	55
3-month SEK-STIBOR	Quarterly	0.185%	Annual	2/11/2026	28,500	55	–	55
6.21%	28-Day	28-day MXN-TIIE	28-Day	5/21/2026	MXN72,300	(162)	–	(162)
6.255%	28-Day	28-day MXN-TIIE	28-Day	5/22/2026	47,800	(103)	–	(103)

Swap contracts (continued)

Interest rate swaps (continued)

Centrally cleared interest rate swaps (continued)

Receive		Pay						
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized (depreciation) appreciation at 12/31/2021 (000)
6.21%	28-Day	28-day MXN-TIIE	28-Day	5/22/2026	MXN47,800	$(107)	$–	$ (107)
6.19%	28-Day	28-day MXN-TIIE	28-Day	5/22/2026	48,400	(111)	–	(111)
6.15%	28-Day	28-day MXN-TIIE	28-Day	5/25/2026	47,800	(113)	–	(113)
6.14%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	29,400	(71)	–	(71)
6.115%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	29,400	(72)	–	(72)
6.12%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	44,400	(108)	–	(108)
6.13%	28-Day	28-day MXN-TIIE	28-Day	6/8/2026	103,200	(250)	–	(250)
6.16%	28-Day	28-day MXN-TIIE	28-Day	6/9/2026	58,800	(139)	–	(139)
6.15%	28-Day	28-day MXN-TIIE	28-Day	6/9/2026	58,800	(140)	–	(140)
6.23%	28-Day	28-day MXN-TIIE	28-Day	6/10/2026	30,100	(67)	–	(67)
6.195%	28-Day	28-day MXN-TIIE	28-Day	6/10/2026	30,100	(69)	–	(69)
6.36%	28-Day	28-day MXN-TIIE	28-Day	6/12/2026	26,040	(52)	–	(52)
6.5375%	28-Day	28-day MXN-TIIE	28-Day	6/17/2026	14,000	(23)	–	(23)
6.50%	28-Day	28-day MXN-TIIE	28-Day	6/17/2026	13,900	(24)	–	(24)
6.47%	28-Day	28-day MXN-TIIE	28-Day	6/17/2026	14,200	(25)	–	(25)
6.55%	28-Day	28-day MXN-TIIE	28-Day	6/17/2026	43,000	(70)	–	(70)
6.55%	28-Day	28-day MXN-TIIE	28-Day	6/18/2026	14,100	(23)	–	(23)
6.50%	28-Day	28-day MXN-TIIE	28-Day	6/18/2026	27,800	(48)	–	(48)
6.59%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	38,700	(61)	–	(61)
6.58%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	41,600	(66)	–	(66)
6.585%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	50,900	(80)	–	(80)
6.64%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	62,600	(92)	–	(92)
6.6175%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	165,900	(251)	–	(251)
6.633%	28-Day	28-day MXN-TIIE	28-Day	6/25/2026	172,500	(256)	–	(256)
6.63%	28-Day	28-day MXN-TIIE	28-Day	6/26/2026	176,800	(263)	–	(263)
6.605%	28-Day	28-day MXN-TIIE	28-Day	7/6/2026	105,000	(163)	–	(163)
7.235%	28-Day	28-day MXN-TIIE	28-Day	10/5/2026	17,500	(7)	–	(7)
7.22%	28-Day	28-day MXN-TIIE	28-Day	10/5/2026	17,500	(7)	–	(7)
7.20%	28-Day	28-day MXN-TIIE	28-Day	10/5/2026	34,940	(15)	–	(15)
7.205%	28-Day	28-day MXN-TIIE	28-Day	10/7/2026	38,540	(17)	–	(17)
7.66%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	70,800	34	–	34
7.64%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	70,800	31	–	31
7.62%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	43,375	17	–	17
7.59%	28-Day	28-day MXN-TIIE	28-Day	10/29/2026	28,900	10	–	10
7.52%	28-Day	28-day MXN-TIIE	28-Day	10/30/2026	89,445	18	–	18
3-month USD-LIBOR	Quarterly	1.4822%	Semi-annual	3/5/2031	$ 5,120	24	–	24
							$–	$(3,856)

Credit default swaps

Centrally cleared credit default swaps on credit indices – buy protection

Reference index	Financing rate paid	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium received (000)	Unrealized depreciation at 12/31/2021 (000)
ITRAX.EUR.IG.36	1.00%	Quarterly	12/20/2026	$ 2,430	$ (72)	$ (69)	$ (3)
CDX.NA.HY.37	5.00%	Quarterly	12/20/2026	22,302	(2,038)	(1,949)	(89)
						$(2,018)	$(92)

Swap contracts (continued)

Credit default swaps (continued)

Centrally cleared credit default swaps on credit indices — sell protection

Financing rate received	Payment frequency	Reference index	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized appreciation at 12/31/2021 (000)
1.00%	Quarterly	CDX.NA.IG.37	12/20/2026	$30,400	$738	$728	$10

Investments in affiliates[16]

	Value of affiliate at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized loss (000)	Net unrealized appreciation (000)	Value of affiliate at 12/31/2021 (000)	Dividend income (000)
Short-term securities 6.91%							
Money market investments 6.91%							
Capital Group Central Cash Fund 0.09%[15]	$147,017	$810,222	$813,160	$(10)	$11	$144,080	$128

[1]Step bond; coupon rate may change at a later date.
[2]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $211,518,000, which represented 10.14% of the net assets of the fund.
[3]Index-linked bond whose principal amount moves with a government price index.
[4]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[5]Loan participations and assignments; may be subject to legal or contractual restrictions on resale. The total value of all such loans was $1,981,000, which represented .10% of the net assets of the fund.
[6]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[7]Payment in kind; the issuer has the option of paying additional securities in lieu of cash. Payment methods and rates are as of the most recent payment when available.
[8]Scheduled interest and/or principal payment was not received.
[9]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $1,957,000, which represented .09% of the net assets of the fund.
[10]Value determined using significant unobservable inputs.
[11]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $10,137,000, which represented .49% of the net assets of the fund.
[12]Purchased on a TBA basis.
[13]Security did not produce income during the last 12 months.
[14]Amount less than one thousand.
[15]Rate represents the seven-day yield at 12/31/2021.
[16]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.

Key to abbreviations and symbols

AUD/A$ = Australian dollars
BBR = Bank Base Rate
BRL = Brazilian reais
CAD/C$ = Canadian dollars
CHF = Swiss francs
CLP = Chilean pesos
CNH/CNY = Chinese yuan renminbi
COP = Colombian pesos
CZK = Czech korunas
DAC = Designated Activity Company
DKK/DKr = Danish kroner
EGP = Egyptian pounds
EUR/€ = Euros
EURIBOR = Euro Interbank Offered Rate
FRA = Forward Rate Agreement
GBP/£ = British pounds
IDR = Indonesian rupiah
INR = Indian rupees
JPY/¥ = Japanese yen
KRW = South Korean won
LIBOR = London Interbank Offered Rate
MXN = Mexican pesos
MYR = Malaysian ringgits
NOK/NKr = Norwegian kroner
NZD/NZ$ = New Zealand dollars
PEN = Peruvian nuevos soles
PLN = Polish zloty
Ref. = Refunding
Rev. = Revenue
RON = Romanian leu
RUB = Russian rubles
SEK/SKr = Swedish kronor
SOFR = Secured Overnight Financing Rate
STIBOR = Stockholm Interbank Offered Rate
TBA = To-be-announced
TIIE = Equilibrium Interbank Interest Rate
UAH = Ukrainian hryvnia
USD/$ = U.S. dollars
ZAR = South African rand

See notes to financial statements.

American High-Income Trust

(formerly High-Income Bond Fund)

Investment portfolio December 31, 2021

Bonds, notes & other debt instruments 91.04%		Principal amount (000)	Value (000)
Corporate bonds, notes & loans 91.01%			
Consumer discretionary 13.59%	Adient US LLC 9.00% 2025[1]	$ 500	$ 532
	Allied Universal Holdco LLC 6.625% 2026[1]	858	901
	Allied Universal Holdco LLC 9.75% 2027[1]	976	1,044
	Allied Universal Holdco LLC 4.625% 2028[1]	490	491
	Allied Universal Holdco LLC 6.00% 2029[1]	1,390	1,354
	Asbury Automotive Group, Inc. 4.625% 2029[1]	795	811
	Asbury Automotive Group, Inc. 5.00% 2032[1]	725	753
	Atlas LuxCo 4 SARL 4.625% 2028[1]	280	275
	Boyd Gaming Corp. 8.625% 2025[1]	60	64
	Boyd Gaming Corp. 4.75% 2027	621	635
	Boyd Gaming Corp. 4.75% 2031[1]	895	914
	Boyne USA, Inc. 4.75% 2029[1]	235	242
	Caesars Entertainment, Inc. 6.25% 2025[1]	1,085	1,140
	Caesars Entertainment, Inc. 4.625% 2029[1]	550	551
	Caesars Resort Collection, LLC 5.75% 2025[1]	345	361
	Carnival Corp. 7.625% 2026[1]	975	1,023
	Carnival Corp. 10.50% 2026[1]	1,130	1,291
	Carnival Corp. 4.00% 2028[1]	3,000	2,984
	Carnival Corp. 6.00% 2029[1]	950	947
	Carvana Co. 5.625% 2025[1]	150	150
	Carvana Co. 5.50% 2027[1]	1,671	1,656
	Carvana Co. 5.875% 2028[1]	2,189	2,184
	Carvana Co. 4.875% 2029[1]	2,110	2,013
	CEC Entertainment, Inc. 6.75% 2026[1]	1,150	1,128
	Dana, Inc. 5.625% 2028	345	367
	Empire Communities Corp. 7.00% 2025[1]	475	492
	Empire Resorts, Inc. 7.75% 2026[1]	870	875
	Everi Holdings, Inc. 5.00% 2029[1]	155	157
	Fertitta Entertainment, Inc. 6.75% 2024[1]	2,671	2,674
	First Student Bidco, Inc. / First Transit Parent, Inc. 4.00% 2029[1]	2,985	2,906
	Foot Locker, Inc. 4.00% 2029[1]	535	537
	Ford Motor Co. 3.25% 2032	1,130	1,159
	Ford Motor Co. 5.291% 2046	70	82
	Ford Motor Credit Company LLC 3.664% 2024	500	520
	Ford Motor Credit Company LLC 5.584% 2024	350	378
	Ford Motor Credit Company LLC 3.375% 2025	1,115	1,160
	Ford Motor Credit Company LLC 5.125% 2025	3,835	4,176
	Ford Motor Credit Company LLC 2.70% 2026	750	758
	Ford Motor Credit Company LLC 4.542% 2026	1,460	1,587
	Ford Motor Credit Company LLC 3.815% 2027	2,125	2,250
	Ford Motor Credit Company LLC 4.125% 2027	835	902
	Ford Motor Credit Company LLC 4.271% 2027	525	565
	Ford Motor Credit Company LLC 2.90% 2028	550	552
	Ford Motor Credit Company LLC 5.113% 2029	200	228
	Ford Motor Credit Company LLC 4.00% 2030	1,820	1,961
	Ford Motor Credit Company LLC 3.625% 2031	400	422
	Full House Resorts, Inc. 8.25% 2028[1]	160	168
	GPS Hospitality Holding Co. LLC 7.00% 2028[1]	240	218
	Group 1 Automotive, Inc. 4.00% 2028[1]	485	484
	Hanesbrands, Inc. 4.625% 2024[1]	1,945	2,039
	Hanesbrands, Inc. 4.875% 2026[1]	2,024	2,166
	Hilton Grand Vacations Borrower 5.00% 2029[1]	2,455	2,520
	Hilton Worldwide Holdings, Inc. 5.375% 2025[1]	100	104
	Hilton Worldwide Holdings, Inc. 3.75% 2029[1]	300	303
	Hilton Worldwide Holdings, Inc. 4.875% 2030	508	544
	Hilton Worldwide Holdings, Inc. 4.00% 2031[1]	1,720	1,761
	International Game Technology PLC 6.50% 2025[1]	1,383	1,502
	International Game Technology PLC 4.125% 2026[1]	335	345
	International Game Technology PLC 5.25% 2029[1]	3,380	3,587

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer discretionary (continued)	KB Home 6.875% 2027	$ 330	$ 387
	Kontoor Brands, Inc. 4.125% 2029[1]	370	371
	Landry's Finance Acquisition Co., Term Loan, (3-month USD-LIBOR + 12.00%) 13.00% 2023[2,3]	17	19
	Lennar Corp. 4.50% 2024	40	43
	Levi Strauss & Co. 3.50% 2031[1]	430	439
	Limited Brands, Inc. 6.625% 2030[1]	370	420
	Limited Brands, Inc. 6.875% 2035	786	978
	Limited Brands, Inc. 6.75% 2036	655	810
	Lithia Motors, Inc. 4.625% 2027[1]	100	105
	Lithia Motors, Inc. 3.875% 2029[1]	505	516
	Lithia Motors, Inc. 4.375% 2031[1]	475	508
	LSF9 Atlantis Holdings LLC / Victra Finance Corp. 7.75% 2026[1]	195	197
	M.D.C. Holdings, Inc. 6.00% 2043	823	1,042
	Marriott Ownership Resorts, Inc. 4.50% 2029[1]	490	494
	Melco International Development, Ltd. 5.75% 2028[1]	1,370	1,380
	Melco International Development, Ltd. 5.375% 2029[1]	1,956	1,900
	Melco Resorts Finance, Ltd. 5.25% 2026[1]	300	297
	Merlin Entertainment 5.75% 2026[1]	792	825
	MGM Growth Properties LLC 5.625% 2024	557	596
	MGM Growth Properties LLC 4.625% 2025[1]	900	961
	MGM Growth Properties LLC 3.875% 2029[1]	1,400	1,472
	MGM Resorts International 6.00% 2023	281	294
	MGM Resorts International 5.50% 2027	401	427
	Midas Intermediate Holdco II, LLC 7.875% 2022[1]	160	161
	Midas Intermediate Holdco II, LLC, Term Loan B, (3-month USD-LIBOR + 6.75%) 4.00% PIK and 4.50% Cash 2025[2,3,4]	2,345	2,247
	Mohegan Gaming & Entertainment 8.00% 2026[1]	1,340	1,409
	Motel 6 Operating LP, Term Loan B, (1-month USD-LIBOR + 5.00%) 5.75% 2026[2,3]	613	619
	NCL Corp., Ltd. 3.625% 2024[1]	650	614
	NCL Corp., Ltd. 5.875% 2026[1]	475	474
	Neiman Marcus Group, LLC 7.125% 2026[1]	2,905	3,088
	Newell Brands, Inc. 5.875% 2036[5]	30	37
	Newell Rubbermaid, Inc. 4.875% 2025	445	486
	Norwegian Cruise Line Holdings, Ltd. 10.25% 2026[1]	179	208
	Panther BF Aggregator 2, LP 6.25% 2026[1]	140	147
	Panther BF Aggregator 2, LP 8.50% 2027[1]	340	361
	Party City Holdings, Inc. 6.625% 2026[1]	500	428
	Party City Holdings, Inc. 8.75% 2026[1]	3,600	3,721
	Penske Automotive Group, Inc., 3.75% 2029	340	338
	Playa Resorts Holding BV, Term Loan B, (3-month USD-LIBOR + 2.75%) 3.75% 2024[2,3]	822	803
	Premier Entertainment Sub LLC 5.625% 2029[1]	2,000	1,987
	Premier Entertainment Sub LLC 5.875% 2031[1]	1,905	1,915
	QVC, Inc. 4.375% 2028	200	199
	Raptor Acquisition Corp. 4.875% 2026[1]	690	698
	Real Hero Merger Sub 2, Inc. 6.25% 2029[1]	430	430
	Royal Caribbean Cruises, Ltd. 10.875% 2023[1]	325	355
	Royal Caribbean Cruises, Ltd. 11.50% 2025[1]	1,881	2,109
	Royal Caribbean Cruises, Ltd. 4.25% 2026[1]	2,110	2,046
	Royal Caribbean Cruises, Ltd. 5.50% 2026[1]	545	555
	Royal Caribbean Cruises, Ltd. 3.70% 2028	60	56
	Royal Caribbean Cruises, Ltd. 5.50% 2028[1]	70	71
	Sally Holdings LLC and Sally Capital, Inc. 8.75% 2025[1]	1,959	2,088
	Scientific Games Corp. 5.00% 2025[1]	91	94
	Scientific Games Corp. 8.625% 2025[1]	1,675	1,790
	Scientific Games Corp. 8.25% 2026[1]	2,409	2,539
	Scientific Games Corp. 7.00% 2028[1]	455	485
	Scientific Games Corp. 7.25% 2029[1]	1,980	2,211
	Sonic Automotive, Inc. 4.625% 2029[1]	1,725	1,744

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer discretionary (continued)	Sonic Automotive, Inc. 4.875% 2031[1]	$1,380	$ 1,395
	Staples, Inc. 7.50% 2026[1]	421	433
	Studio City Finance, Ltd. 5.00% 2029[1]	650	583
	Tempur Sealy International, Inc. 4.00% 2029[1]	485	494
	Tempur Sealy International, Inc. 3.875% 2031[1]	1,460	1,465
	The Gap, Inc. 3.625% 2029[1]	170	168
	The Gap, Inc. 3.875% 2031[1]	108	107
	The Home Co., Inc. 7.25% 2025[1]	725	742
	Thor Industries, Inc. 4.00% 2029[1]	420	416
	TopBuild Corp. 4.125% 2032[1]	500	514
	Travel + Leisure Co. 6.60% 2025[5]	50	56
	Travel + Leisure Co. 6.00% 2027	350	382
	Travel + Leisure Co. 4.50% 2029[1]	1,980	2,000
	Truck Hero, Inc., Term Loan B, (3-month USD-LIBOR + 3.25%) 4.00% 2028[2,3]	529	528
	Universal Entertainment Corp. 8.50% 2024[1]	2,595	2,736
	Vail Resorts, Inc. 6.25% 2025[1]	315	328
	VICI Properties LP 4.25% 2026[1]	962	1,003
	VICI Properties LP 4.625% 2029[1]	1,385	1,476
	VICI Properties LP / VICI Note Co., Inc. 3.50% 2025[1]	851	865
	VICI Properties LP / VICI Note Co., Inc. 3.75% 2027[1]	379	392
	VICI Properties LP / VICI Note Co., Inc. 4.125% 2030[1]	3,124	3,309
	WASH Multifamily Acquisition, Inc. 5.75% 2026[1]	405	426
	Wheel Pros, Inc. 6.50% 2029[1]	820	788
	Wheel Pros, Inc., Term Loan, (3-month USD-LIBOR + 4.50%) 5.25% 2028[2,3]	958	957
	Wyndham Destinations, Inc. 6.625% 2026[1]	525	583
	Wyndham Destinations, Inc. 4.625% 2030[1]	400	403
	Wyndham Worldwide Corp. 4.375% 2028[1]	1,490	1,537
	Wynn Las Vegas, LLC and Wynn Capital Corp. 4.25% 2023[1]	861	868
	Wynn Las Vegas, LLC and Wynn Capital Corp. 5.50% 2025[1]	200	206
	Wynn Macau, Ltd. 5.125% 2029[1]	750	683
	Wynn Resorts, Ltd. 7.75% 2025[1]	494	519
	Wynn Resorts, Ltd. 5.125% 2029[1]	852	866
	Yahoo Holdings, Inc., Term Loan B, (1-month USD-LIBOR + 5.50%) 6.25% 2027[2,3]	925	928
			143,043
Energy 13.36%	Aethon United BR LP / Aethon United Finance Corp. 8.25% 2026[1]	425	457
	Antero Midstream Partners LP 5.375% 2029[1]	570	602
	Antero Resources Corp. 7.625% 2029[1]	417	464
	Antero Resources Corp. 5.375% 2030[1]	720	771
	Apache Corp. 4.625% 2025	420	451
	Apache Corp. 4.875% 2027	875	955
	Apache Corp. 6.00% 2037	165	202
	Apache Corp. 5.10% 2040	695	786
	Apache Corp. 4.75% 2043	265	292
	Ascent Resources - Utica LLC 7.00% 2026[1]	1,640	1,665
	Ascent Resources - Utica LLC 9.00% 2027[1]	170	228
	Ascent Resources - Utica LLC 8.25% 2028[1]	271	283
	Ascent Resources - Utica LLC 5.875% 2029[1]	1,105	1,065
	Ascent Resources - Utica LLC, Term Loan, (3-month USD-LIBOR + 9.00%) 10.00% 2025[1,2,3]	228	247
	Blue Racer Midstream LLC and Blue Racer Finance Corp. 7.625% 2025[1]	676	717
	Bonanza Creek Energy, Inc. 5.00% 2026[1]	735	743
	California Resources Corp. 7.125% 2026[1]	290	302
	Cenovus Energy, Inc. 5.375% 2025	246	272
	Cenovus Energy, Inc. 5.40% 2047	400	499
	Centennial Resource Production, LLC 6.875% 2027[1]	440	449
	Cheniere Energy Partners LP 4.50% 2029	938	996
	Cheniere Energy Partners LP 4.00% 2031	2,323	2,440

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	Cheniere Energy Partners LP 3.25% 2032[1]	$1,105	$1,118
	Cheniere Energy, Inc. 7.00% 2024	319	353
	Cheniere Energy, Inc. 5.875% 2025	495	549
	Cheniere Energy, Inc. 4.625% 2028	5,311	5,658
	Chesapeake Energy Corp. 4.875% 2022[6]	4,300	86
	Chesapeake Energy Corp. 5.50% 2026[1]	1,185	1,249
	Chesapeake Energy Corp. 5.875% 2029[1]	1,020	1,093
	CNX Midstream Partners LP 4.75% 2030[1]	210	210
	CNX Resources Corp. 7.25% 2027[1]	1,478	1,569
	CNX Resources Corp. 6.00% 2029[1]	1,345	1,401
	Comstock Resources, Inc. 6.75% 2029[1]	785	853
	Comstock Resources, Inc. 5.875% 2030[1]	1,120	1,150
	Constellation Oil Services Holding SA 10.00% PIK 2024[1,4,6]	7,784	2,436
	Continental Resources, Inc. 5.75% 2031[1]	865	1,020
	Convey Park Energy LLC 7.50% 2025[1]	417	432
	CQP Holdco LP / BIP-V Chinook Holdco LLC 5.50% 2031[1]	2,860	2,990
	Crestwood Midstream Partners LP 6.00% 2029[1]	575	598
	Devon Energy Corp. 5.875% 2028	202	219
	Devon Energy Corp. 4.50% 2030	493	529
	Diamond Foreign Asset Co. / Diamond Finance, LLC 9.00% Cash 2027[1,3,4]	68	67
	Diamond Foreign Asset Co. / Diamond Finance, LLC 9.00% Cash 2027[3,4]	62	61
	DT Midstream, Inc. 4.125% 2029[1]	1,750	1,794
	DT Midstream, Inc. 4.375% 2031[1]	785	818
	Encino Acquisition Partners Holdings, LLC 8.50% 2028[1]	50	52
	Endeavor Energy Resources LP 6.625% 2025[1]	850	900
	Energean Israel Finance, Ltd. 4.50% 2024[1]	945	952
	Energean Israel Finance, Ltd. 4.875% 2026[1]	800	796
	Energean PLC 6.50% 2027[1]	580	578
	Energy Transfer Operating LP 5.00% 2050	1,529	1,764
	EnLink Midstream Partners, LLC 5.625% 2028[1]	660	687
	EQM Midstream Partners LP 4.75% 2023	400	416
	EQM Midstream Partners LP 4.125% 2026	127	130
	EQM Midstream Partners LP 6.50% 2027[1]	2,365	2,652
	EQM Midstream Partners LP 5.50% 2028	1,231	1,347
	EQM Midstream Partners LP 4.50% 2029[1]	835	870
	EQM Midstream Partners LP 4.75% 2031[1]	1,155	1,223
	EQM Midstream Partners LP 6.50% 2048	100	122
	EQT Corp. 6.625% 2025[5]	630	711
	EQT Corp. 3.90% 2027	125	134
	EQT Corp. 5.00% 2029	480	532
	EQT Corp. 7.50% 2030[5]	400	515
	EQT Corp. 3.625% 2031[1]	500	520
	Genesis Energy, LP 5.625% 2024	120	119
	Genesis Energy, LP 6.50% 2025	1,735	1,715
	Genesis Energy, LP 6.25% 2026	180	176
	Genesis Energy, LP 8.00% 2027	2,663	2,747
	Guara Norte SARL 5.198% 2034[1]	579	569
	Harbour Energy PLC 5.50% 2026[1]	1,295	1,287
	Harvest Midstream I, LP 7.50% 2028[1]	1,867	2,000
	Hess Midstream Operations LP 4.25% 2030[1]	1,400	1,392
	Hess Midstream Partners LP 5.125% 2028[1]	687	716
	Hilcorp Energy I, LP 6.25% 2028[1]	145	153
	Hilcorp Energy I, LP 5.75% 2029[1]	790	815
	Hilcorp Energy I, LP 6.00% 2031[1]	650	674
	Howard Midstream Energy Partners, LLC 6.75% 2027[1]	460	472
	Independence Energy Finance LLC 7.25% 2026[1]	500	520
	Lealand Finance Company BV, Term Loan, (3-month USD-LIBOR + 3.00%) 3.09% 2024[2,3]	12	7

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	Lealand Finance Company BV, Term Loan, (3-month USD-LIBOR + 1.00%) 3.00% PIK and 1.09% Cash 2025[2,3,4]	$ 151	$ 68
	Murphy Oil Corp. 6.875% 2024	335	342
	Murphy Oil Corp. 5.75% 2025	250	257
	Murphy Oil Corp. 6.375% 2028	415	442
	Murphy Oil USA, Inc. 3.75% 2031[1]	200	199
	Nabors Industries, Inc. 5.75% 2025	355	329
	Nabors Industries, Inc. 7.375% 2027[1]	1,470	1,523
	Neptune Energy Group Holdings, Ltd. 6.625% 2025[1]	850	870
	New Fortress Energy, Inc. 6.75% 2025[1]	1,290	1,305
	New Fortress Energy, Inc. 6.50% 2026[1]	3,395	3,373
	NGL Energy Operating LLC 7.50% 2026[1]	7,705	7,956
	NGL Energy Partners LP 7.50% 2023	414	408
	NGL Energy Partners LP 6.125% 2025	2,229	1,908
	Northern Oil and Gas, Inc. 8.125% 2028[1]	2,055	2,171
	NorthRiver Midstream Finance LP 5.625% 2026[1]	625	651
	NuStar Logistics LP 6.00% 2026	286	311
	Oasis Midstream Partners LP / OMP Finance Corp. 8.00% 2029[1]	1,845	2,014
	Oasis Petroleum, Inc. 6.375% 2026[1]	1,087	1,143
	Occidental Petroleum Corp. 5.875% 2025	710	784
	Occidental Petroleum Corp. 8.00% 2025	1,400	1,636
	Occidental Petroleum Corp. 3.50% 2029	310	319
	Occidental Petroleum Corp. 6.625% 2030	810	1,004
	Occidental Petroleum Corp. 8.875% 2030	300	405
	Occidental Petroleum Corp. 6.125% 2031	530	645
	Occidental Petroleum Corp. 4.20% 2048	165	165
	Parkland Corp. 4.625% 2030[1]	835	831
	PDC Energy, Inc. 5.75% 2026	1,100	1,138
	Petróleos Mexicanos 6.875% 2025[1]	350	383
	Petróleos Mexicanos 5.35% 2028	449	447
	Petróleos Mexicanos 7.69% 2050	651	629
	Petrorio Luxembourg SARL 6.125% 2026[1]	320	321
	Precision Drilling Corp. 6.875% 2029[1]	160	163
	Range Resources Corp. 4.875% 2025	642	664
	Range Resources Corp. 8.25% 2029	850	949
	Rattler Midstream Partners LP 5.625% 2025[1]	955	994
	Rockcliff Energy II LLC 5.50% 2029[1]	440	454
	Rockies Express Pipeline LLC 4.95% 2029[1]	1,000	1,066
	Sabine Pass Liquefaction, LLC 4.50% 2030	586	662
	Sanchez Energy Corp. 7.25% 2023[1,6]	739	29
	SM Energy Co. 6.50% 2028	220	228
	Southwestern Energy Co. 6.45% 2025 (6.20% on 1/23/2022)[5]	715	787
	Southwestern Energy Co. 7.75% 2027	272	294
	Southwestern Energy Co. 8.375% 2028	565	631
	Southwestern Energy Co. 5.375% 2029	340	360
	Southwestern Energy Co. 5.375% 2030	2,220	2,383
	Southwestern Energy Co. 4.75% 2032	1,255	1,324
	Suburban Propane Partners LP / Suburban Energy Finance Corp. 5.00% 2031[1]	335	339
	Summit Midstream Holdings / Summit Midstream Finance Corp. 8.50% 2026[1]	555	579
	Sunoco LP 6.00% 2027	547	571
	Sunoco LP 4.50% 2029	1,680	1,709
	Sunoco LP 4.50% 2030[1]	1,680	1,724
	Superior Plus LP and Superior General Partner, Inc. 4.50% 2029[1]	690	710
	Tallgrass Energy Partners, LP 7.50% 2025[1]	230	249
	Targa Resources Partners LP 5.875% 2026	171	179
	Targa Resources Partners LP 6.50% 2027	133	143
	Targa Resources Partners LP 6.875% 2029	985	1,103
	Targa Resources Partners LP 5.50% 2030	802	878
	Targa Resources Partners LP 4.875% 2031	1,620	1,762

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Energy (continued)	Targa Resources Partners LP 4.00% 2032[1]	$ 550	$ 576
	Teekay Corp. 9.25% 2022[1]	683	701
	Teekay Offshore Partners LP 8.50% 2023[1,7,8]	2,009	1,828
	Transocean Guardian, Ltd. 5.875% 2024[1]	379	359
	Transocean Poseidon, Ltd. 6.875% 2027[1]	385	372
	Transocean, Inc. 7.25% 2025[1]	500	386
	Transocean, Inc. 8.00% 2027[1]	550	397
	USA Compression Partners, LP 6.875% 2026	264	275
	USA Compression Partners, LP 6.875% 2027	247	261
	Venture Global Calcasieu Pass, LLC 4.125% 2031[1]	2,695	2,861
	Venture Global Calcasieu Pass, LLC 3.875% 2033[1]	650	682
	Weatherford International, Ltd. 11.00% 2024[1]	445	459
	Weatherford International, Ltd. 6.50% 2028[1]	1,960	2,077
	Weatherford International, Ltd. 8.625% 2030[1]	2,120	2,204
	Western Gas Partners LP 4.50% 2028	1,374	1,498
	Western Midstream Operating, LP 4.35% 2025 (4.10% on 2/1/2022)[5]	369	386
	Western Midstream Operating, LP 4.75% 2028	160	177
	Western Midstream Operating, LP 5.30% 2030 (5.05% on 2/1/2022)[5]	400	440
	Western Midstream Operating, LP 6.50% 2050 (6.25% on 2/1/2022)[5]	290	343
			140,595
Communication services 12.70%	Allen Media, LLC 10.50% 2028[1]	50	52
	Altice France SA 5.125% 2029[1]	2,547	2,489
	Beasley Mezzanine Holdings, LLC 8.625% 2026[1]	475	470
	Brightstar Escrow Corp. 9.75% 2025[1]	1,095	1,176
	CCO Holdings LLC and CCO Holdings Capital Corp. 5.50% 2026[1]	132	136
	CCO Holdings LLC and CCO Holdings Capital Corp. 5.00% 2028[1]	96	100
	CCO Holdings LLC and CCO Holdings Capital Corp. 5.375% 2029[1]	100	108
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2030[1]	3,604	3,695
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.75% 2030[1]	3,137	3,268
	CCO Holdings LLC and CCO Holdings Capital Corp. 2.80% 2031	140	139
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2031[1]	3,285	3,321
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2032	1,024	1,055
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.50% 2033[1]	1,210	1,236
	CCO Holdings LLC and CCO Holdings Capital Corp. 4.25% 2034[1]	750	739
	Centerfield Media Parent, Inc. 6.625% 2026[1]	1,160	1,164
	CenturyLink, Inc. 6.75% 2023	1,480	1,600
	CenturyLink, Inc. 4.00% 2027[1]	750	762
	Cinemark USA, Inc. 5.875% 2026[1]	188	191
	Clear Channel Worldwide Holdings, Inc. 7.75% 2028[1]	570	611
	Clear Channel Worldwide Holdings, Inc. 7.50% 2029[1]	380	406
	Cogent Communications Group, Inc. 3.50% 2026[1]	700	712
	Consolidated Communications, Inc. 5.00% 2028[1]	225	228
	CSC Holdings, LLC 3.375% 2031[1]	500	469
	Diamond Sports Group LLC 5.375% 2026[1]	1,573	788
	Diamond Sports Group LLC 6.625% 2027[1]	1,056	298
	DIRECTV Financing, LLC, Term Loan, (3-month USD-LIBOR + 5.00%) 5.75% 2027[2,3]	1,823	1,827
	DIRECTV Holdings LLC and DIRECTV Financing Co., Inc. 5.875% 2027[1]	2,920	2,994
	DISH DBS Corp. 5.25% 2026[1]	490	499
	DISH DBS Corp. 5.125% 2029	900	820
	Embarq Corp. 7.995% 2036	2,102	2,358
	Epicor Software Corp., Term Loan C, (3-month USD-LIBOR + 3.25%) 4.00% 2027[2,3]	74	74
	Epicor Software Corp., Term Loan, (3-month USD-LIBOR + 7.75%) 8.75% 2028[2,3]	525	539
	Front Range BidCo, Inc. 6.125% 2028[1]	839	828
	Frontier Communications Corp. 5.875% 2027[1]	1,550	1,642
	Frontier Communications Corp. 5.00% 2028[1]	4,030	4,158
	Frontier Communications Corp. 6.75% 2029[1]	2,010	2,093
	Frontier Communications Holdings, LLC 5.875% 2029	1,390	1,392

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Communication services (continued)	Frontier Communications Holdings, LLC 6.00% 2030[1]	$ 750	$ 755
	Gannett Holdings, LLC 6.00% 2026[1]	500	511
	Gray Escrow II, Inc. 5.375% 2031[1]	1,350	1,391
	Gray Television, Inc. 7.00% 2027[1]	828	886
	Gray Television, Inc. 4.75% 2030[1]	250	249
	iHeartCommunications, Inc. 5.25% 2027[1]	1,445	1,504
	Inmarsat PLC 6.75% 2026[1]	1,475	1,553
	Intelsat Jackson Holding Co. 8.00% 2024[1]	1,675	1,703
	Intelsat Jackson Holding Co. 8.50% 2024[1,6]	1,050	482
	Intelsat Jackson Holding Co., Term Loan, (3-month USD-LIBOR + 4.75%) 5.75% 2022[2,3]	1,010	1,014
	Intelsat Jackson Holding Co., Term Loan, 6.625% 2024[2]	3,900	3,908
	Kantar Group LLC, Term Loan B2, (3-month USD-LIBOR + 4.50%) 5.25% 2026[2,3]	389	389
	Lamar Media Corp. 3.75% 2028	61	61
	Lamar Media Corp. 4.875% 2029	300	314
	Lamar Media Corp. 4.00% 2030	260	264
	Lamar Media Corp. 3.625% 2031	125	122
	Level 3 Financing, Inc. 3.75% 2029[1]	550	523
	Ligado Networks LLC 15.50% PIK 2023[1,4]	1,649	1,338
	Ligado Networks LLC 17.50% PIK 2024[1,4]	267	126
	Live Nation Entertainment, Inc. 3.75% 2028[1]	425	423
	Mav Acquisition Corp. 5.75% 2028[1]	520	516
	Midas OpCo Holdings LLC 5.625% 2029[1]	3,300	3,384
	Netflix, Inc. 4.875% 2028	635	725
	Netflix, Inc. 5.375% 2029[1]	50	59
	Netflix, Inc. 4.875% 2030[1]	674	787
	News Corp. 3.875% 2029[1]	1,200	1,214
	Nexstar Broadcasting, Inc. 4.75% 2028[1]	2,400	2,449
	Nexstar Escrow Corp. 5.625% 2027[1]	789	833
	Qwest Capital Funding, Inc. 6.875% 2028	860	916
	Scripps Escrow II, Inc. 3.875% 2029[1]	750	750
	Sinclair Television Group, Inc. 5.125% 2027[1]	195	189
	Sinclair Television Group, Inc. 4.125% 2030[1]	1,550	1,471
	Sirius XM Radio, Inc. 3.125% 2026[1]	2,100	2,103
	Sirius XM Radio, Inc. 4.00% 2028[1]	2,475	2,493
	Sirius XM Radio, Inc. 4.125% 2030[1]	445	446
	Sirius XM Radio, Inc. 3.875% 2031[1]	2,400	2,357
	Sprint Corp. 7.625% 2026	1,450	1,743
	Sprint Corp. 6.875% 2028	7,396	9,368
	Sprint Corp. 8.75% 2032	5,791	8,696
	Summer (BC) BidCo B LLC 5.50% 2026[1]	365	374
	TEGNA, Inc. 4.75% 2026[1]	650	677
	TEGNA, Inc. 4.625% 2028	478	484
	TEGNA, Inc. 5.00% 2029	936	959
	T-Mobile US, Inc. 2.625% 2026	1,000	1,006
	T-Mobile US, Inc. 3.375% 2029[1]	1,750	1,786
	T-Mobile US, Inc. 2.875% 2031	460	455
	Trilogy International South Pacific LLC / TISP Finance, Inc. 8.875% 2023[1]	5,096	4,980
	Univision Communications, Inc. 5.125% 2025[1]	3,195	3,231
	Univision Communications, Inc. 6.625% 2027[1]	3,050	3,289
	Univision Communications, Inc. 4.50% 2029[1]	5,000	5,059
	UPC Broadband Finco BV 4.875% 2031[1]	650	664
	Virgin Media O2 4.25% 2031[1]	2,625	2,577
	Virgin Media Secured Finance PLC 4.50% 2030[1]	990	998
	VMED O2 UK Financing I PLC 4.75% 2031[1]	200	203
	Warner Music Group 3.75% 2029[1]	700	699
	Warner Music Group 3.875% 2030[1]	850	865

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Communication services (continued)	Ziggo Bond Co. BV 5.125% 2030[1]	$ 419	$ 422
	Ziggo Bond Finance BV 5.50% 2027[1]	824	848
	Ziggo Bond Finance BV 4.875% 2030[1]	1,550	1,592
			133,620
Health care 11.16%	AdaptHealth, LLC 5.125% 2030[1]	725	739
	Auris Luxembourg III SARL, Term Loan, (3-month USD-LIBOR + 3.75%) 3.854% 2026[2,3]	836	831
	Avantor Funding, Inc. 4.625% 2028[1]	1,910	1,994
	Avantor Funding, Inc. 3.875% 2029[1]	500	506
	Bausch Health Companies, Inc. 9.25% 2026[1]	2,644	2,796
	Bausch Health Companies, Inc. 5.75% 2027[1]	1,000	1,039
	Bausch Health Companies, Inc. 4.875% 2028[1]	2,445	2,498
	Bausch Health Companies, Inc. 5.00% 2028[1]	987	910
	Bausch Health Companies, Inc. 7.00% 2028[1]	553	551
	Bausch Health Companies, Inc. 5.00% 2029[1]	375	332
	Bausch Health Companies, Inc. 6.25% 2029[1]	815	776
	Bausch Health Companies, Inc. 7.25% 2029[1]	260	258
	Bausch Health Companies, Inc. 5.25% 2030[1]	852	751
	Bausch Health Companies, Inc. 5.25% 2031[1]	3,615	3,182
	Catalent Pharma Solutions, Inc. 5.00% 2027[1]	53	55
	Catalent Pharma Solutions, Inc. 3.125% 2029[1]	285	282
	Catalent Pharma Solutions, Inc. 3.50% 2030[1]	670	669
	Centene Corp. 4.25% 2027	584	610
	Centene Corp. 2.45% 2028	3,890	3,838
	Centene Corp. 4.625% 2029	4,305	4,650
	Centene Corp. 3.00% 2030	2,530	2,576
	Centene Corp. 3.375% 2030	842	859
	Centene Corp. 2.50% 2031	1,485	1,448
	Centene Corp. 2.625% 2031	970	952
	Charles River Laboratories International, Inc. 4.25% 2028[1]	241	251
	Charles River Laboratories International, Inc. 3.75% 2029[1]	680	688
	Community Health Systems, Inc. 5.625% 2027[1]	730	773
	Community Health Systems, Inc. 6.00% 2029[1]	653	697
	DaVita, Inc. 4.625% 2030[1]	1,200	1,231
	Encompass Health Corp. 4.50% 2028	496	511
	Encompass Health Corp. 4.75% 2030	285	294
	Endo DAC / Endo Finance LLC / Endo Finco 9.50% 2027[1]	954	972
	Endo DAC / Endo Finance LLC / Endo Finco 6.00% 2028[1]	1,558	1,163
	Endo International PLC 5.75% 2022[1]	2,777	2,531
	Endo International PLC 5.875% 2024[1]	1,300	1,281
	Endo Luxembourg Finance Co. I SARL / Endo U.S., Inc. 6.125% 2029[1]	1,390	1,365
	Grifols Escrow Issuer SA 4.75% 2028[1]	700	715
	HCA, Inc. 5.875% 2026	321	362
	HCA, Inc. 5.625% 2028	1,565	1,831
	HCA, Inc. 5.875% 2029	750	895
	HCA, Inc. 3.50% 2030	1,650	1,747
	HCA, Inc. 5.50% 2047	128	168
	HCA, Inc. 5.25% 2049	475	611
	HCA, Inc. 7.50% 2095	250	366
	HealthEquity, Inc. 4.50% 2029[1]	730	724
	IMS Health Holdings, Inc. 5.00% 2026[1]	823	846
	Jazz Securities DAC 4.375% 2029[1]	1,256	1,303
	Mallinckrodt International Finance SA 5.50% 2025[1,6]	1,118	610
	Mallinckrodt PLC 5.75% 2022[1,6]	325	173
	Mallinckrodt PLC 10.00% 2025[1]	1,144	1,214
	ModivCare Escrow Issuer, Inc. 5.00% 2029[1]	570	583
	Molina Healthcare, Inc. 4.375% 2028[1]	920	949

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Health care (continued)	Molina Healthcare, Inc. 3.875% 2030[1]	$1,999	$ 2,077
	Molina Healthcare, Inc. 3.875% 2032[1]	1,490	1,502
	Mozart Debt Merger Sub, Inc. 3.875% 2029[1]	1,100	1,098
	Mozart Debt Merger Sub, Inc. 5.25% 2029[1]	2,435	2,473
	Option Care Health, Inc. 4.375% 2029[1]	580	582
	Organon Finance 1 LLC 4.125% 2028[1]	475	484
	Organon Finance 1 LLC 5.125% 2031[1]	240	251
	Owens & Minor, Inc. 4.375% 2024	1,935	2,059
	Owens & Minor, Inc. 4.50% 2029[1]	1,980	2,032
	Par Pharmaceutical, Inc. 7.50% 2027[1]	4,375	4,478
	Radiology Partners, Inc. 9.25% 2028[1]	1,213	1,276
	Rotech Healthcare, Inc., Term Loan, (3-month USD-LIBOR + 11.00%) 13.00% PIK 2023[2,3,4,7,8]	4,387	4,388
	RP Escrow Issuer, LLC 5.25% 2025[1]	1,335	1,348
	Select Medical Holdings Corp. 6.25% 2026[1]	554	588
	Surgery Center Holdings 10.00% 2027[1]	416	442
	Syneos Health, Inc. 3.625% 2029[1]	530	524
	Team Health Holdings, Inc. 6.375% 2025[1]	899	847
	Team Health Holdings, Inc., Term Loan B, 3.75% 2024[2,3]	312	300
	Tenet Healthcare Corp. 4.625% 2024	130	132
	Tenet Healthcare Corp. 4.875% 2026[1]	5,280	5,431
	Tenet Healthcare Corp. 5.125% 2027[1]	710	740
	Tenet Healthcare Corp. 6.25% 2027[1]	500	518
	Tenet Healthcare Corp. 4.625% 2028[1]	550	566
	Tenet Healthcare Corp. 6.125% 2028[1]	500	529
	Tenet Healthcare Corp. 4.25% 2029[1]	990	1,007
	Tenet Healthcare Corp. 4.375% 2030[1]	1,450	1,472
	Tenet Healthcare Corp. 6.875% 2031	100	114
	Teva Pharmaceutical Finance Co. BV 6.00% 2024	3,879	4,069
	Teva Pharmaceutical Finance Co. BV 7.125% 2025	2,209	2,366
	Teva Pharmaceutical Finance Co. BV 3.15% 2026	2,134	2,009
	Teva Pharmaceutical Finance Co. BV 4.75% 2027	350	347
	Teva Pharmaceutical Finance Co. BV 6.75% 2028	2,238	2,387
	Teva Pharmaceutical Finance Co. BV 5.125% 2029	4,935	4,846
	Teva Pharmaceutical Finance Co. BV 4.10% 2046	672	569
	Valeant Pharmaceuticals International, Inc. 6.125% 2025[1]	4,446	4,534
	Valeant Pharmaceuticals International, Inc. 9.00% 2025[1]	581	613
	Valeant Pharmaceuticals International, Inc. 8.50% 2027[1]	502	528
			117,482
Materials 10.20%	Alcoa Netherlands Holding BV 5.50% 2027[1]	510	546
	Alcoa Netherlands Holding BV 4.125% 2029[1]	430	444
	Allegheny Technologies, Inc. 4.875% 2029	1,600	1,604
	Allegheny Technologies, Inc. 5.125% 2031	745	752
	ArcelorMittal 4.25% 2029	372	408
	ArcelorMittal 7.00% 2039	558	770
	ArcelorMittal 6.75% 2041	1,025	1,387
	Arconic Corp. 6.00% 2025[1]	810	848
	Arconic Rolled Products Corp. 6.125% 2028[1]	200	213
	Ardagh Group SA 6.50% Cash 2027[1,4]	622	641
	Ardagh Metal Packaging Finance USA LLC 4.00% 2029[1]	650	645
	Ardagh Packaging Finance 5.25% 2025[1]	495	512
	Axalta Coating Systems LLC 4.75% 2027[1]	460	480
	Ball Corp. 3.125% 2031	1,330	1,315
	Braskem Idesa SAPI 6.99% 2032[1]	515	518
	BWAY Parent Co., Inc. 5.50% 2024[1]	1,619	1,636
	Canpack SA / Canpack US, LLC 3.875% 2029[1]	2,120	2,073
	Cleveland-Cliffs, Inc. 9.875% 2025[1]	204	231

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Materials (continued)	Cleveland-Cliffs, Inc. 6.75% 2026[1]	$ 462	$ 490
	Cleveland-Cliffs, Inc. 5.875% 2027	2,880	3,002
	Cleveland-Cliffs, Inc. 7.00% 2027	297	309
	Cleveland-Cliffs, Inc. 4.625% 2029[1]	2,300	2,349
	Cleveland-Cliffs, Inc. 4.875% 2031[1]	2,475	2,575
	Consolidated Energy Finance SA 6.50% 2026[1]	600	612
	Consolidated Energy Finance SA 5.625% 2028[1]	1,555	1,522
	Constellium SE 3.75% 2029[1]	350	345
	CVR Partners LP 9.25% 2023[1]	236	238
	CVR Partners LP 6.125% 2028[1]	2,525	2,668
	Diamond (BC) BV 4.625% 2029[1]	205	204
	Element Solutions, Inc. 3.875% 2028[1]	620	624
	First Quantum Minerals, Ltd. 7.25% 2023[1]	1,282	1,298
	First Quantum Minerals, Ltd. 7.50% 2025[1]	3,893	4,010
	First Quantum Minerals, Ltd. 6.875% 2026[1]	3,276	3,407
	First Quantum Minerals, Ltd. 6.875% 2027[1]	5,240	5,645
	FMG Resources 4.375% 2031[1]	585	615
	Freeport-McMoRan, Inc. 4.25% 2030	637	673
	Freeport-McMoRan, Inc. 5.40% 2034	512	624
	Freeport-McMoRan, Inc. 5.45% 2043	801	1,008
	FXI Holdings, Inc. 7.875% 2024[1]	2,805	2,861
	FXI Holdings, Inc. 12.25% 2026[1]	5,615	6,324
	GPC Merger Sub, Inc. 7.125% 2028[1]	534	553
	Hexion, Inc. 7.875% 2027[1]	2,061	2,176
	Joseph T. Ryerson & Son, Inc. 8.50% 2028[1]	620	675
	Labl, Inc. 5.875% 2028[1]	500	516
	Labl, Inc. 8.25% 2029[1]	1,300	1,310
	LSB Industries, Inc. 6.25% 2028[1]	2,160	2,249
	Mercer International, Inc. 5.125% 2029	400	409
	Methanex Corp. 5.125% 2027	3,915	4,115
	Methanex Corp. 5.25% 2029	1,300	1,373
	Methanex Corp. 5.65% 2044	1,225	1,232
	Neon Holdings, Inc. 10.125% 2026[1]	840	896
	Nova Chemicals Corp. 4.875% 2024[1]	495	512
	Nova Chemicals Corp. 5.00% 2025[1]	295	309
	Nova Chemicals Corp. 5.25% 2027[1]	2,536	2,703
	Nova Chemicals Corp. 4.25% 2029[1]	2,980	2,996
	Novelis Corp. 3.25% 2026[1]	335	338
	Novelis Corp. 4.75% 2030[1]	1,013	1,067
	Novelis Corp. 3.875% 2031[1]	1,057	1,052
	Olin Corp. 5.625% 2029	200	217
	Olin Corp. 5.00% 2030	180	189
	Olympus Water US Holding Corp. 4.25% 2028[1]	1,340	1,334
	Olympus Water US Holding Corp. 6.25% 2029[1]	200	195
	Owens-Illinois, Inc. 5.875% 2023[1]	420	440
	Owens-Illinois, Inc. 6.375% 2025[1]	265	286
	Pearl Merger Sub, Inc. 6.75% 2028[1]	470	483
	Rayonier A.M. Products, Inc. 7.625% 2026[1]	285	302
	SCIH Salt Holdings, Inc. 4.875% 2028[1]	4,375	4,207
	SCIH Salt Holdings, Inc. 6.625% 2029[1]	1,605	1,503
	SCIL IV LLC 5.375% 2026[1]	500	514
	Scotts Miracle-Gro Co. 4.50% 2029	639	667
	Scotts Miracle-Gro Co. 4.375% 2032[1]	455	455
	Sealed Air Corp. 4.00% 2027[1]	316	330
	Silgan Holdings, Inc. 4.125% 2028	377	386
	Summit Materials, Inc. 6.50% 2027[1]	360	374
	Summit Materials, Inc. 5.25% 2029[1]	955	1,002
	TPC Group Inc. 10.50% 2024[1]	190	138
	Trivium Packaging BV 5.50% 2026[1]	530	552

American High-Income Trust (continued)
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Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Materials (continued)	Trivium Packaging BV 8.50% 2027[1]	$ 403	$ 427
	Tronox, Ltd. 4.625% 2029[1]	730	730
	Unifrax Escrow Issuer Corp. 5.25% 2028[1]	1,189	1,204
	Unifrax Escrow Issuer Corp. 7.50% 2029[1]	760	769
	Valvoline, Inc. 4.25% 2030[1]	353	361
	Valvoline, Inc. 3.625% 2031[1]	620	601
	Venator Materials Corp. 5.75% 2025[1]	3,896	3,744
	Venator Materials Corp. 9.50% 2025[1]	1,155	1,264
	W. R. Grace Holdings LLC 4.875% 2027[1]	655	674
	W. R. Grace Holdings LLC 5.625% 2029[1]	790	811
	Warrior Met Coal, Inc. 7.875% 2028[1]	2,270	2,330
			107,396
Industrials 8.73%	ADT Security Corp. 4.125% 2029[1]	1,635	1,613
	Allison Transmission Holdings, Inc. 3.75% 2031[1]	1,720	1,680
	American Airlines, Inc. 5.50% 2026[1]	1,960	2,041
	American Airlines, Inc. 5.75% 2029[1]	750	803
	Artera Services, LLC 9.033% 2025[1]	1,060	1,123
	Associated Materials, LLC 9.00% 2025[1]	2,156	2,309
	Atkore, Inc. 4.25% 2031[1]	385	395
	Atlantic Aviation FBO, Inc., Term Loan, (3-month USD-LIBOR + 3.00%) 3.50% 2028[2,3]	550	549
	Atlantic Aviation FBO, Inc., Term Loan, (3-month USD-LIBOR + 5.75%) 6.25% 2029[2,3]	1,700	1,726
	ATS Automation Tooling Systems, Inc. 4.125% 2028[1]	275	278
	Avis Budget Car Rental, LLC 5.75% 2027[1]	885	921
	Avis Budget Group, Inc. 5.375% 2029[1]	1,150	1,215
	Avolon Holdings Funding, Ltd. 5.25% 2024[1]	660	708
	Avolon Holdings Funding, Ltd. 2.528% 2027[1]	2,098	2,039
	Azul Investments LLP 7.25% 2026[1]	670	615
	BlueLinx Holdings, Inc. 6.00% 2029[1]	500	498
	Boeing Company 3.625% 2031	500	534
	Bohai Financial Investment Holding Co., Ltd. 4.50% 2023[1]	132	136
	Bombardier, Inc. 7.50% 2024[1]	600	626
	Bombardier, Inc. 7.50% 2025[1]	1,601	1,633
	Bombardier, Inc. 7.125% 2026[1]	2,120	2,202
	Bombardier, Inc. 7.875% 2027[1]	2,903	3,014
	Bombardier, Inc. 6.00% 2028[1]	1,615	1,622
	Bombardier, Inc. 7.45% 2034[1]	700	861
	Builders FirstSource, Inc. 4.25% 2032[1]	1,230	1,276
	BWX Technologies, Inc. 4.125% 2028[1]	515	524
	BWX Technologies, Inc. 4.125% 2029[1]	770	781
	Clarivate Science Holdings Corp. 3.875% 2028[1]	1,515	1,526
	Clarivate Science Holdings Corp. 4.875% 2029[1]	1,265	1,285
	Clean Harbors, Inc. 4.875% 2027[1]	766	790
	CoreLogic, Inc. 4.50% 2028[1]	4,439	4,429
	CoreLogic, Inc., Term Loan, (3-month USD-LIBOR + 6.50%) 7.00% 2029[2,3]	750	759
	Covanta Holding Corp. 5.00% 2030	1,195	1,222
	Covert Mergeco, Inc. 4.875% 2029[1]	855	869
	Dun & Bradstreet Corp. 6.875% 2026[1]	703	732
	Dun & Bradstreet Corp. 5.00% 2029[1]	1,275	1,307
	Electricidad Firme de Mexico Holdings, SA de CV, 4.90% 2026[1]	505	501
	Fortress Transportation and Infrastructure Investors LLC 9.75% 2027[1]	445	499
	Fortress Transportation and Infrastructure Investors LLC 5.50% 2028[1]	440	449
	Garda World Security Corp. 6.00% 2029[1]	150	144
	GFL Environmental, Inc. 3.50% 2028[1]	780	770
	GFL Environmental, Inc. 4.00% 2028[1]	140	137
	Global Infrastructure Solutions, Inc. 5.625% 2029[1]	500	513
	Gol Finance SA 8.00% 2026[1]	410	386
	Harsco Corp. 5.75% 2027[1]	650	663

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Industrials (continued)	Herc Holdings, Inc. 5.50% 2027[1]	$ 200	$ 208
	Icahn Enterprises Finance Corp. 4.75% 2024	1,080	1,122
	JELD-WEN Holding, Inc. 4.875% 2027[1]	1,033	1,062
	Kratos Defense & Security Solutions, Inc. 6.50% 2025[1]	1,450	1,493
	Labl Escrow Issuer, LLC 6.75% 2026[1]	850	877
	Labl Escrow Issuer, LLC 10.50% 2027[1]	1,170	1,228
	LSC Communications, Inc. 8.75% 2023[1,6,7,8]	8,933	87
	LSC Communications, Inc., Term Loan B, (USD Prime Rate + 4.50%) 7.75% 2022[2,3,6,7,8]	301	3
	MasTec, Inc. 4.50% 2028[1]	1,250	1,300
	Meritor, Inc. 4.50% 2028[1]	1,025	1,029
	Mueller Water Products, Inc. 4.00% 2029[1]	275	278
	NESCO Holdings II, Inc. 5.50% 2029[1]	155	160
	Nielsen Finance LLC and Nielsen Finance Co. 5.625% 2028[1]	250	259
	Nielsen Finance LLC and Nielsen Finance Co. 5.875% 2030[1]	1,400	1,480
	Park River Holdings, Inc. 5.625% 2029[1]	775	741
	PGT Innovations, Inc. 4.375% 2029[1]	725	730
	Pitney Bowes, Inc. 6.875% 2027[1]	750	780
	PM General Purchaser LLC 9.50% 2028[1]	1,050	1,065
	Prime Security Services Borrower, LLC 3.375% 2027[1]	475	459
	Prime Security Services Borrower, LLC 6.25% 2028[1]	627	655
	R.R. Donnelley & Sons Co. 6.125% 2026[1]	375	413
	R.R. Donnelley & Sons Co., Term Loan B, (3-month USD-LIBOR + 5.00%) 5.104% 2024[2,3]	368	368
	Ritchie Bros. Holdings, Inc. 4.75% 2031[1]	600	627
	Roller Bearing Company of America, Inc. 4.375% 2029[1]	430	439
	Rolls-Royce PLC 5.75% 2027[1]	415	459
	Sensata Technologies, Inc. 3.75% 2031[1]	500	499
	SkyMiles IP, Ltd. 4.75% 2028[1]	2,095	2,289
	SRS Distribution, Inc. 4.625% 2028[1]	480	483
	SRS Distribution, Inc. 6.00% 2029[1]	470	473
	SRS Distribution, Inc. 6.125% 2029[1]	305	311
	Stericycle, Inc. 5.375% 2024[1]	1,135	1,159
	Stericycle, Inc. 3.875% 2029[1]	890	878
	The Brink's Co. 4.625% 2027[1]	719	741
	The Hertz Corp. 4.625% 2026[1]	100	101
	Titan International, Inc. 7.00% 2028	750	800
	TransDigm, Inc. 6.25% 2026[1]	1,438	1,496
	TransDigm, Inc. 5.50% 2027	855	882
	TransDigm, Inc. 4.625% 2029	875	874
	TransDigm, Inc. 4.875% 2029	360	362
	Triumph Group, Inc. 6.25% 2024[1]	1,955	1,969
	Triumph Group, Inc. 8.875% 2024[1]	226	247
	Triumph Group, Inc. 7.75% 2025[1]	270	268
	Uber Technologies, Inc. 8.00% 2026[1]	498	531
	United Airlines Holdings, Inc. 6.50% 2027[1]	4,095	4,378
	United Airlines, Inc. 4.375% 2026[1]	250	261
	United Airlines, Inc. 4.625% 2029[1]	1,330	1,374
	United Rentals, Inc. 3.875% 2031	525	534
	United Rentals, Inc. 3.75% 2032	450	454
	Vertical Holdco GMBH 7.625% 2028[1]	235	252
	Vertical U.S. Newco, Inc. 5.25% 2027[1]	1,125	1,184
	WESCO Distribution, Inc. 7.125% 2025[1]	1,375	1,459
	WESCO Distribution, Inc. 7.25% 2028[1]	665	730
	Western Global Airlines LLC 10.375% 2025[1]	535	596
	XPO Logistics, Inc. 6.25% 2025[1]	300	314
			91,924

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials 7.01%	Advisor Group Holdings, LLC 6.25% 2028[1]	$1,926	$2,001
	AG Merger Sub II, Inc. 10.75% 2027[1]	4,240	4,713
	Albion Financing 1 SARL / Aggreko Holdings, Inc. 6.125% 2026[1]	550	556
	Albion Financing 2 SARL 8.75% 2027[1]	400	407
	Alliant Holdings Intermediate, LLC 6.75% 2027[1]	1,566	1,626
	Alliant Holdings Intermediate, LLC / Alliant Holdings 4.25% 2027[1]	890	891
	Alliant Holdings Intermediate, LLC / Alliant Holdings 5.875% 2029[1]	1,950	1,987
	Ally Financial, Inc. 8.00% 2031	466	658
	AmWINS Group, Inc. 4.875% 2029[1]	705	713
	Aretec Escrow Issuer, Inc. 7.50% 2029[1]	2,165	2,224
	Ascensus, Inc., Term Loan, (3-month USD-LIBOR + 6.50%) 7.00% 2029[2,3]	1,245	1,250
	AssuredPartners, Inc. 8.00% 2027[1]	437	454
	AssuredPartners, Inc. 5.625% 2029[1]	365	356
	BroadStreet Partners, Inc. 5.875% 2029[1]	575	566
	Castlelake Aviation Finance DAC 5.00% 2027[1]	2,150	2,136
	Cobra AcquisitionCo LLC 6.375% 2029[1]	500	494
	Coinbase Global, Inc. 3.375% 2028[1]	2,085	1,951
	Coinbase Global, Inc. 3.625% 2031[1]	1,765	1,627
	Compass Diversified Holdings 5.25% 2029[1]	3,670	3,851
	Compass Diversified Holdings 5.00% 2032[1]	1,230	1,263
	Credit Acceptance Corp. 5.125% 2024[1]	765	785
	Digital Currency Group, Inc., Term Loan, (3-month USD-LIBOR + 7.00%) 7.00% 2026[2,3,7,8]	947	897
	Digital Currency Group, Inc., Term Loan, 8.75% 2026[2,7,8]	1,263	1,196
	Freedom Mortgage Corp. 7.625% 2026[1]	625	639
	FS Energy and Power Fund 7.50% 2023[1]	3,774	3,939
	Hightower Holding, LLC 6.75% 2029[1]	650	669
	HUB International, Ltd. 7.00% 2026[1]	1,550	1,595
	HUB International, Ltd. 5.625% 2029[1]	240	248
	Icahn Enterprises Finance Corp. 5.25% 2027	277	285
	Icahn Enterprises Finance Corp. 4.375% 2029	675	659
	Iron Mountain Information Management Services, Inc. 5.00% 2032[1]	965	989
	Ladder Capital Corp. 4.25% 2027[1]	1,689	1,702
	LPL Holdings, Inc. 4.625% 2027[1]	962	997
	LPL Holdings, Inc. 4.00% 2029[1]	1,270	1,302
	LPL Holdings, Inc. 4.375% 2031[1]	1,060	1,086
	MGIC Investment Corp. 5.25% 2028	525	552
	MidCap Financial Issuer Trust 6.50% 2028[1]	750	783
	MidCap Financial Issuer Trust 5.625% 2030[1]	265	266
	MSCI, Inc. 4.00% 2029[1]	900	942
	MSCI, Inc. 3.625% 2030[1]	66	68
	MSCI, Inc. 3.625% 2031[1]	1,625	1,688
	MSCI, Inc. 3.875% 2031[1]	1,450	1,512
	MSCI, Inc. 3.25% 2033[1]	1,425	1,443
	National Financial Partners Corp. 6.875% 2028[1]	639	642
	Navient Corp. 5.50% 2023	2,701	2,816
	Navient Corp. 5.875% 2024	1,720	1,836
	Navient Corp. 6.125% 2024	1,267	1,352
	Navient Corp. 5.00% 2027	2,883	2,943
	Navient Corp. 4.875% 2028	320	320
	Navient Corp. 5.50% 2029	830	829
	Navient Corp. 5.625% 2033	1,778	1,696
	OneMain Holdings, Inc. 7.125% 2026	1,335	1,524
	Owl Rock Capital Corp. 3.75% 2025	900	933
	Owl Rock Capital Corp. 3.375% 2026	390	397
	Owl Rock Capital Corp. II 4.625% 2024[1]	750	786
	Owl Rock Capital Corp. III 3.125% 2027[1]	600	587
	Owl Rock Core Income Corp. 3.125% 2026[1]	550	532
	PRA Group, Inc. 5.00% 2029[1]	450	452

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Financials (continued)	Quicken Loans, LLC 3.625% 2029[1]	$ 455	$ 457
	Rocket Mortgage / Rocket Mortgage Co-Issuer, Inc. 2.875% 2026[1]	900	894
	Springleaf Finance Corp. 6.125% 2024	367	389
	Springleaf Finance Corp. 6.625% 2028	190	213
	Springleaf Finance Corp. 5.375% 2029	183	199
	Travelport Finance Luxembourg SARL, Term Loan, (3-month USD-LIBOR + 1.50%) 7.25% PIK and 2.50% Cash 2025[2,3,4]	–[9]	–[9]
			73,763
Information technology 4.23%	Almonde, Inc., Term Loan, (3-month USD-LIBOR + 7.25%) 8.25% 2025[2,3]	3,574	3,575
	Applied Systems, Inc., Term Loan, (3-month USD-LIBOR + 5.50%) 6.25% 2025[2,3]	822	831
	Avaya, Inc. 6.125% 2028[1]	490	520
	Black Knight, Inc. 3.625% 2028[1]	1,315	1,315
	BMC Software, Inc. 7.125% 2025[1]	225	236
	BMC Software, Inc. 9.125% 2026[1]	240	251
	BMC Software, Inc., Term Loan, (3-month USD-LIBOR + 5.50%) 6.128% 2026[2,3]	1,850	1,869
	Booz Allen Hamilton, Inc. 3.875% 2028[1]	1,240	1,264
	Booz Allen Hamilton, Inc. 4.00% 2029[1]	815	843
	CA Magnum Holdings 5.375% 2026[1]	200	207
	Conduent Business Services, LLC 6.00% 2029[1]	500	494
	Dell, Inc. 5.40% 2040	300	340
	Diebold Nixdorf AG, Term Loan B, (3-month USD-LIBOR + 2.75%) 2.875% 2023[2,3]	639	633
	Diebold Nixdorf, Inc. 9.375% 2025[1]	4,700	5,066
	Diebold, Inc. 8.50% 2024	1,534	1,536
	Elastic NV 4.125% 2029[1]	350	347
	Fair Isaac Corp. 4.00% 2028[1]	1,575	1,622
	Gartner, Inc. 4.50% 2028[1]	1,635	1,710
	Gartner, Inc. 3.75% 2030[1]	250	256
	II-VI, Inc. 5.00% 2029[1]	525	537
	II-VI, Inc., Term Loan B, (3-month USD-LIBOR + 2.75%) 3.25% 2028[2,3]	225	225
	Imola Merger Corp. 4.75% 2029[1]	300	308
	MicroStrategy, Inc. 6.125% 2028[1]	625	627
	MoneyGram International, Inc. 5.375% 2026[1]	1,575	1,600
	NCR Corp. 5.125% 2029[1]	2,675	2,774
	Rocket Software, Inc. 6.50% 2029[1]	1,465	1,431
	Sabre GLBL, Inc. 7.375% 2025[1]	48	50
	Sabre Holdings Corp. 9.25% 2025[1]	548	620
	Solera Holdings, Inc., Term Loan B, (3-month USD-LIBOR + 4.00%) 4.50% 2028[2,3]	599	599
	Square, Inc. 2.75% 2026[1]	2,180	2,186
	Square, Inc. 3.50% 2031[1]	1,540	1,581
	Synaptics, Inc. 4.00% 2029[1]	375	381
	UKG, Inc., Term Loan B, (3-month USD-LIBOR + 3.25%) 3.75% 2026[2,3]	470	468
	UKG, Inc., Term Loan, (3-month USD-LIBOR + 5.25%) 5.75% 2027[2,3]	2,200	2,214
	Unisys Corp. 6.875% 2027[1]	1,695	1,837
	VeriSign, Inc. 5.25% 2025	132	146
	Veritas Holdings, Ltd. 7.50% 2025[1]	2,140	2,218
	Viavi Solutions, Inc. 3.75% 2029[1]	450	451
	Virtusa Corp., Term Loan B, (3-month USD-LIBOR + 3.75%) 4.50% 2028[2,3]	50	50
	Xerox Corp. 5.00% 2025[1]	595	631
	Xerox Corp. 5.50% 2028[1]	585	618
			44,467
Consumer staples 3.85%	Albertsons Companies, Inc. 3.50% 2029[1]	2,398	2,407
	Albertsons Companies, Inc. 4.875% 2030[1]	335	362
	B&G Foods, Inc. 5.25% 2025	612	626
	B&G Foods, Inc. 5.25% 2027	1,428	1,478
	Central Garden & Pet Co. 4.125% 2030	420	424

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Consumer staples (continued)	Central Garden & Pet Co. 4.125% 2031[1]	$1,005	$ 1,012
	Coty, Inc. 5.00% 2026[1]	700	722
	Coty, Inc. 6.50% 2026[1]	520	537
	Coty, Inc. 4.75% 2029[1]	1,675	1,705
	Darling Ingredients, Inc. 5.25% 2027[1]	459	474
	Edgewell Personal Care Co. 5.50% 2028[1]	275	292
	Energizer Holdings, Inc. 4.375% 2029[1]	545	533
	Fresh Market, Inc. 9.75% 2023[1]	120	124
	Ingles Markets, Inc. 4.00% 2031[1]	345	348
	Kraft Heinz Company 3.875% 2027	725	784
	Kraft Heinz Company 5.00% 2042	500	623
	Kraft Heinz Company 5.20% 2045	330	421
	Kraft Heinz Company 4.375% 2046	1,701	1,996
	Kraft Heinz Company 4.875% 2049	2,120	2,668
	Kraft Heinz Company 5.50% 2050	1,210	1,642
	Kronos Acquisition Holdings, Inc. 5.00% 2026[1]	1,740	1,721
	Kronos Acquisition Holdings, Inc. 7.00% 2027[1]	2,900	2,738
	Lamb Weston Holdings, Inc. 4.125% 2030[1]	2,880	2,960
	Lamb Weston Holdings, Inc. 4.375% 2032[1]	550	568
	Nestle Skin Health SA, Term Loan B3, (3-month USD-LIBOR + 3.75%) 4.50% 2026[2,3]	1,792	1,796
	Performance Food Group, Inc. 4.25% 2029[1]	483	480
	Post Holdings, Inc. 5.625% 2028[1]	569	604
	Post Holdings, Inc. 5.50% 2029[1]	811	853
	Post Holdings, Inc. 4.625% 2030[1]	3,605	3,678
	Post Holdings, Inc. 4.50% 2031[1]	1,350	1,342
	Prestige Brands International, Inc. 5.125% 2028[1]	103	107
	Prestige Brands International, Inc. 3.75% 2031[1]	1,275	1,239
	Simmons Foods, Inc. 4.625% 2029[1]	993	980
	United Natural Foods, Inc. 6.75% 2028[1]	1,700	1,823
	US Foods, Inc. 4.625% 2030[1]	460	466
			40,533
Real estate 3.15%	Brookfield Property REIT, Inc. 5.75% 2026[1]	2,284	2,366
	Diversified Healthcare Trust 4.375% 2031	725	697
	Howard Hughes Corp. 5.375% 2028[1]	1,447	1,543
	Howard Hughes Corp. 4.125% 2029[1]	2,643	2,682
	Howard Hughes Corp. 4.375% 2031[1]	2,218	2,243
	Iron Mountain, Inc. 4.875% 2027[1]	1,616	1,678
	Iron Mountain, Inc. 5.00% 2028[1]	617	635
	Iron Mountain, Inc. 5.25% 2028[1]	1,214	1,265
	Iron Mountain, Inc. 5.25% 2030[1]	2,610	2,755
	Iron Mountain, Inc. 4.50% 2031[1]	1,050	1,063
	Kennedy-Wilson Holdings, Inc. 4.75% 2029	2,905	2,975
	Kennedy-Wilson Holdings, Inc. 4.75% 2030	2,515	2,553
	Kennedy-Wilson Holdings, Inc. 5.00% 2031	2,565	2,646
	Ladder Capital Corp. 5.25% 2025[1]	1,040	1,053
	Ladder Capital Corp. 4.75% 2029[1]	100	103
	Medical Properties Trust, Inc. 5.00% 2027	638	668
	Medical Properties Trust, Inc. 3.50% 2031	239	242
	Park Intermediate Holdings LLC 4.875% 2029[1]	1,440	1,475
	Realogy Corp. 9.375% 2027[1]	740	800
	Realogy Corp. 5.75% 2029[1]	740	760
	Realogy Group LLC 7.625% 2025[1]	260	276
	RHP Hotel Properties LP / RHP Finance Corp. 4.50% 2029[1]	635	636
	RLJ Lodging Trust, LP 4.00% 2029[1]	800	793
	WeWork Companies, Inc. 7.875% 2025[1]	140	134
	WeWork Companies, LLC 5.00% 2025[1]	1,260	1,095
			33,136

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans (continued)			
Utilities 3.03%	Alfa Desarrollo SpA 4.55% 2051[1]	$ 295	$ 292
	AmeriGas Partners LP 5.75% 2027	297	329
	Calpine Corp. 4.50% 2028[1]	150	156
	Calpine Corp. 5.125% 2028[1]	518	527
	Calpine Corp. 3.75% 2031[1]	500	483
	Calpine Corp. 5.00% 2031[1]	1,000	1,001
	DPL, Inc. 4.125% 2025	765	800
	Emera, Inc. 6.75% 2076 (3-month USD-LIBOR + 5.44% on 6/15/2026)[5]	1,155	1,333
	FirstEnergy Corp. 2.25% 2030	1,170	1,128
	FirstEnergy Corp. 2.65% 2030	624	618
	FirstEnergy Corp. 7.375% 2031	734	992
	FirstEnergy Corp. 3.40% 2050	1,710	1,680
	FirstEnergy Corp., Series C, 5.35% 2047[5]	550	655
	FirstEnergy Transmission LLC 2.866% 2028[1]	325	326
	FirstEnergy Transmission LLC 4.55% 2049[1]	100	114
	Instituto Costarricense de Electricidad 6.75% 2031[1]	750	761
	Inversiones Latin America Power 5.125% 2033[1]	310	298
	NextEra Energy Partners LP 4.25% 2024[1]	122	127
	NextEra Energy Partners LP 3.875% 2026[1]	92	98
	NGL Energy Partners LP 7.50% 2026	1,150	987
	NRG Energy, Inc. 3.375% 2029[1]	355	348
	NRG Energy, Inc. 3.625% 2031[1]	1,130	1,104
	Pacific Gas and Electric Co. 4.55% 2030	623	674
	Pacific Gas and Electric Co. 3.95% 2047	500	483
	Pacific Gas and Electric Co. 3.50% 2050	400	371
	Pacific Gas and Electric Co. 4.95% 2050	350	382
	PG&E Corp. 5.00% 2028	3,205	3,377
	PG&E Corp. 5.25% 2030	3,280	3,446
	PG&E Corp., Term Loan, (3-month USD-LIBOR + 3.00%) 3.50% 2025[2,3]	251	249
	Talen Energy Corp. 6.50% 2025	220	88
	Talen Energy Corp. 10.50% 2026[1]	3,887	1,675
	Talen Energy Corp. 7.25% 2027[1]	3,353	2,971
	Talen Energy Corp. 6.625% 2028[1]	130	114
	Talen Energy Supply, LLC 7.625% 2028[1]	1,849	1,648
	Venture Global Calcasieu Pass, LLC 3.875% 2029[1]	1,970	2,047
	Vistra Operations Co. LLC 3.55% 2024[1]	231	238
			31,920
	Total corporate bonds, notes & loans		957,879
Asset-backed obligations 0.03%			
	Castlelake Aircraft Securitization Trust, Series 2017-1R, Class C, 6.50% 2041[1,10]	295	292
	Total bonds, notes & other debt instruments (cost: $948,481,000)		958,171

Convertible bonds & notes 0.06%

Communication services 0.05%	DISH DBS Corp., convertible notes, 3.375% 2026	635	602
Energy 0.01%	Mesquite Energy, Inc., convertible notes, 15.19% PIK 2023[1,4,7,8]	76	76
	Total convertible bonds & notes (cost: $715,000)		678

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Convertible stocks 0.08%		Shares	Value (000)
Financials 0.04%	2020 Cash Mandatory Exchangeable Trust, convertible preferred shares, 5.25% 2023[1]	411	$ 430
Utilities 0.04%	PG&E Corp., convertible preferred units, 5.50% 2023	3,350	387
	Total convertible stocks (cost: $697,000)		817

Common stocks 5.33%			
Health care 2.07%	Rotech Healthcare, Inc.[7,8,11,12]	201,793	21,794
Energy 1.61%	Chesapeake Energy Corp.	97,857	6,314
	Oasis Petroleum, Inc.	32,568	4,103
	Denbury, Inc.[11]	25,380	1,944
	Weatherford International[11]	52,159	1,446
	Civitas Resources, Inc.	25,725	1,260
	California Resources Corp.	17,202	734
	Ascent Resources - Utica LLC, Class A[7,8,11,12]	6,297,894	567
	Diamond Offshore Drilling, Inc.[11]	82,188	349
	Diamond Offshore Drilling, Inc.[1,7,11]	28,784	113
	McDermott International, Ltd.[11]	107,875	44
	Mesquite Energy, Inc.[7,8,11]	3,558	21
			16,895
Industrials 0.68%	New AMI I, LLC[7,8,11]	949,277	7,177
Consumer discretionary 0.48%	MYT Holding Co., Class B[7,11]	608,846	2,587
	NMG Parent LLC[11]	15,965	2,427
			5,014
Materials 0.22%	Hexion Holdings Corp., Class B[11]	81,939	2,328
Financials 0.20%	Jonah Energy Parent LLC[7,8,11]	38,716	1,658
	Navient Corp.	20,000	424
			2,082
Communication services 0.04%	iHeartMedia, Inc., Class A[11]	22,639	476
Information technology 0.03%	MoneyGram International, Inc.[11]	41,400	327
	Total common stocks (cost: $28,466,000)		56,093

Preferred securities 0.28%			
Consumer discretionary 0.21%	MYT Holdings LLC, Series A, preferred shares, 10.00% 2029	2,095,904	2,264

American High-Income Trust (continued)
(formerly High-Income Bond Fund)

Preferred securities (continued)		Shares	Value (000)
Industrials 0.07%	ACR III LSC Holdings LLC, Series B, preferred shares[1,7,8,11]	1,022	$ 719
	Total preferred securities (cost: $2,933,000)		2,983

Rights & warrants 0.16%

Energy 0.08%	Chesapeake Energy Corp., Class B, warrants, expire 2026[11]	11,862	426
	Chesapeake Energy Corp., Class A, warrants, expire 2026[11]	6,365	254
	Chesapeake Energy Corp., Class C, warrants, expire 2026[11]	5,257	170
			850
Consumer discretionary 0.08%	NMG Parent LLC, warrants, expire 2027[7,11]	27,111	801
	Total rights & warrants (cost: $1,983,000)		1,651

Short-term securities 1.64%

Money market investments 1.64%			
	Capital Group Central Cash Fund 0.09%[13,14]	172,360	17,238
	Total short-term securities (cost: $17,234,000)		17,238
	Total investment securities 98.59% (cost: $1,000,509,000)		1,037,631
	Other assets less liabilities 1.41%		14,804
	Net assets 100.00%		$1,052,435

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized depreciation at 12/31/2021 (000)
5 Year U.S. Treasury Note Futures	Short	24	March 2022	$ (2,903)	$ (12)
10 Year U.S. Treasury Note Futures	Short	120	March 2022	(15,656)	(184)
30 Year Ultra U.S. Treasury Bond Futures	Short	4	March 2022	(789)	(15)
					$(211)

Swap contracts

Credit default swaps

Centrally cleared credit default swaps on credit indices – buy protection

Reference index	Financing rate paid	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium received (000)	Unrealized appreciation (depreciation) at 12/31/2021 (000)
CDX.NA.HY.37	5.00%	Quarterly	12/20/2026	$8,014	$(733)	$(743)	$10
CDX.NA.IG.37	1.00%	Quarterly	12/20/2031	2,250	(22)	(18)	(4)
						$(761)	$ 6

Investments in affiliates[14]

	Value of affiliate at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized depreciation (000)	Value of affiliate at 12/31/2021 (000)	Dividend income (000)
Short-term securities 1.64%							
Money market investments 1.64%							
Capital Group Central Cash Fund 0.09%[13]	$33,493	$435,466	$451,723	$3	$(1)	$17,238	$20

[1]Acquired in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $684,751,000, which represented 65.06% of the net assets of the fund.
[2]Loan participations and assignments; may be subject to legal or contractual restrictions on resale. The total value of all such loans was $38,950,000, which represented 3.70% of the net assets of the fund.
[3]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[4]Payment in kind; the issuer has the option of paying additional securities in lieu of cash. Payment methods and rates are as of the most recent payment when available.
[5]Step bond; coupon rate may change at a later date.
[6]Scheduled interest and/or principal payment was not received.
[7]Valued under fair value procedures adopted by authority of the board of trustees. The total value of all such securities was $43,912,000, which represented 4.17% of the net assets of the fund.
[8]Value determined using significant unobservable inputs.
[9]Amount less than one thousand.
[10]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[11]Security did not produce income during the last 12 months.
[12]Acquired through a private placement transaction exempt from registration under the Securities Act of 1933. May be subject to legal or contractual restrictions on resale. Further details on these holdings appear on the following page.
[13]Rate represents the seven-day yield at 12/31/2021.
[14]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.

Private placement securities	Acquisition date	Cost (000)	Value (000)	Percent of net assets
Rotech Healthcare, Inc.	9/26/2013	$4,331	$21,794	2.07%
Ascent Resources - Utica LLC, Class A	11/15/2016	302	567	.05
Total private placement securities		**$4,633**	**$22,361**	**2.12%**

Key to abbreviations and symbol
DAC = Designated Activity Company
LIBOR = London Interbank Offered Rate
USD/$ = U.S. dollars

See notes to financial statements.

American Funds Mortgage Fund

Investment portfolio December 31, 2021

Bonds, notes & other debt instruments 77.77%		Principal amount (000)	Value (000)
Mortgage-backed obligations 53.22%			
Federal agency mortgage-backed obligations 45.88%	Fannie Mae Pool #695412 5.00% 2033[1]	$ –[2]	$ –[2]
	Fannie Mae Pool #AD3566 5.00% 2035[1]	2	2
	Fannie Mae Pool #256583 5.00% 2036[1,3]	34	35
	Fannie Mae Pool #889101 1.549% 2038[1,4]	31	32
	Fannie Mae Pool #964279 2.095% 2038[1,4]	30	31
	Fannie Mae Pool #964708 2.265% 2038[1,4]	4	4
	Fannie Mae Pool #AC0794 5.00% 2039[1]	5	6
	Fannie Mae Pool #931768 5.00% 2039[1]	1	2
	Fannie Mae Pool #AL9335 2.07% 2040[1,4]	1,054	1,109
	Fannie Mae Pool #932606 5.00% 2040[1]	4	4
	Fannie Mae Pool #MA4387 2.00% 2041[1]	21	21
	Fannie Mae Pool #AL9326 2.107% 2041[1,4]	1,189	1,252
	Fannie Mae Pool #AL9327 2.108% 2041[1,4]	906	955
	Fannie Mae Pool #AJ1873 4.00% 2041[1]	7	7
	Fannie Mae Pool #AE1248 5.00% 2041[1]	10	11
	Fannie Mae Pool #AE1274 5.00% 2041[1]	8	9
	Fannie Mae Pool #AE1277 5.00% 2041[1]	5	5
	Fannie Mae Pool #AE1283 5.00% 2041[1]	3	3
	Fannie Mae Pool #AE1290 5.00% 2042[1]	5	6
	Fannie Mae Pool #AT3954 3.50% 2043[1]	3	3
	Fannie Mae Pool #AT0300 3.50% 2043[1]	2	2
	Fannie Mae Pool #AY1829 3.50% 2044[1]	2	2
	Fannie Mae Pool #AW8240 3.50% 2044[1]	1	1
	Fannie Mae Pool #BJ5015 4.00% 2047[1]	50	54
	Fannie Mae Pool #BH3122 4.00% 2047[1]	1	1
	Fannie Mae Pool #BM4488 3.376% 2048[1,4]	442	457
	Fannie Mae Pool #BK6840 4.00% 2048[1]	31	34
	Fannie Mae Pool #BK5232 4.00% 2048[1]	23	25
	Fannie Mae Pool #BK9743 4.00% 2048[1]	9	10
	Fannie Mae Pool #BK9761 4.50% 2048[1]	5	6
	Fannie Mae Pool #BJ8402 3.456% 2049[1,4]	73	76
	Fannie Mae Pool #CA5496 3.00% 2050[1]	1,621	1,711
	Fannie Mae Pool #FM9492 2.50% 2051[1]	499	515
	Fannie Mae Pool #FM9804 2.50% 2051[1]	271	280
	Fannie Mae Pool #FM9694 2.50% 2051[1]	249	258
	Fannie Mae Pool #CB0041 3.00% 2051[1]	232	246
	Fannie Mae Pool #BF0379 3.50% 2059[1]	181	196
	Fannie Mae Pool #BF0497 3.00% 2060[1]	62	66
	Fannie Mae Pool #BF0481 3.50% 2060[1]	211	229
	Freddie Mac Pool #A18781 5.00% 2034[1]	787	889
	Freddie Mac Pool #C91883 4.00% 2036[1,3]	2,511	2,734
	Freddie Mac Pool #840222 2.13% 2040[1,4]	288	303
	Freddie Mac Pool #Q15874 4.00% 2043[1]	2	2
	Freddie Mac Pool #760014 2.843% 2045[1,4]	449	465
	Freddie Mac Pool #760012 3.113% 2045[1,4]	43	44
	Freddie Mac Pool #760013 3.169% 2045[1,4]	31	33
	Freddie Mac Pool #760015 2.627% 2047[1,4]	83	86
	Freddie Mac Pool #Q52069 3.50% 2047[1]	36	39
	Freddie Mac Pool #Q47615 3.50% 2047[1]	21	23
	Freddie Mac Pool #Q56599 4.00% 2048[1]	37	41
	Freddie Mac Pool #Q56175 4.00% 2048[1]	25	27
	Freddie Mac Pool #Q55971 4.00% 2048[1]	25	27
	Freddie Mac Pool #Q55970 4.00% 2048[1]	12	14
	Freddie Mac Pool #Q58411 4.50% 2048[1]	73	80
	Freddie Mac Pool #Q58436 4.50% 2048[1]	33	36
	Freddie Mac Pool #Q58378 4.50% 2048[1]	26	29
	Freddie Mac Pool #RA1339 3.00% 2049[1]	1,865	1,956
	Freddie Mac Pool #QA2748 3.50% 2049[1]	24	26
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class MA, 3.00% 2056[1]	938	969

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class HA, 3.00% 2056[1,4]	$ 927	$ 956
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-1, Class HA, 3.00% 2056[1,4]	725	748
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-3, Class HT, 3.25% 2056[1]	111	118
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-1, Class HT, 3.00% 2057[1]	603	632
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class HT, 3.25% 2057[1,4]	3,482	3,664
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-3, Class MA, 3.50% 2057[1]	1,851	1,921
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class MT, 3.50% 2057[1]	1,570	1,669
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-2, Class MT, 3.50% 2057[1]	868	918
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-2, Class MT, 3.50% 2058[1]	35	37
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-3, Class MT, 3.50% 2058[1]	21	23
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2018-2, Class A1, 3.50% 2028[1]	4,493	4,635
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2018-1, Class A1, 3.50% 2028[1]	1,246	1,280
	Government National Mortgage Assn. 2.50% 2052[1,5]	5,001	5,100
	Government National Mortgage Assn. 2.50% 2052[1,5]	1,015	1,040
	Government National Mortgage Assn. 3.00% 2052[1,5]	2,967	3,070
	Government National Mortgage Assn. 3.50% 2052[1,5]	37	39
	Government National Mortgage Assn. Pool #AH5894 3.75% 2034[1]	808	868
	Government National Mortgage Assn. Pool #AD0028 3.75% 2038[1]	564	597
	Government National Mortgage Assn. Pool #AH5897 3.75% 2039[1]	569	603
	Government National Mortgage Assn. Pool #004410 4.00% 2039[1]	57	58
	Government National Mortgage Assn. Pool #783690 6.00% 2039[1]	106	120
	Government National Mortgage Assn. Pool #004823 4.00% 2040[1]	86	88
	Government National Mortgage Assn. Pool #005142 4.50% 2041[1]	12	13
	Government National Mortgage Assn. Pool #005104 5.00% 2041[1]	175	188
	Government National Mortgage Assn. Pool #005165 6.50% 2041[1]	85	90
	Government National Mortgage Assn. Pool #MA0366 3.50% 2042[1]	204	207
	Government National Mortgage Assn. Pool #AA5326 3.50% 2042[1]	139	141
	Government National Mortgage Assn. Pool #AF0140 3.50% 2043[1]	230	240
	Government National Mortgage Assn. Pool #AD4360 3.50% 2043[1]	93	97
	Government National Mortgage Assn. Pool #AH5882 3.75% 2044[1]	518	558
	Government National Mortgage Assn. Pool #AH5884 4.25% 2044[1]	1,272	1,406
	Government National Mortgage Assn. Pool #MA3727 4.00% 2046[1]	208	217
	Government National Mortgage Assn. Pool #MA7419 3.00% 2051[1,3]	2,928	3,034
	Government National Mortgage Assn. Pool #AO0409 4.615% 2065[1]	164	172
	Government National Mortgage Assn. Pool #AN1825 4.631% 2065[1]	294	308
	Government National Mortgage Assn. Pool #AO0461 4.625% 2065[1]	85	89
	Government National Mortgage Assn. Pool #AO0385 4.512% 2066[1]	675	711
	Government National Mortgage Assn. Pool #725897 5.20% 2066[1]	2	2
	Uniform Mortgage-Backed Security 1.50% 2037[1,5]	414	415
	Uniform Mortgage-Backed Security 1.50% 2037[1,5]	271	271
	Uniform Mortgage-Backed Security 2.00% 2037[1,5]	772	791
	Uniform Mortgage-Backed Security 2.00% 2037[1,5]	693	708
	Uniform Mortgage-Backed Security 2.50% 2037[1,5]	300	310
	Uniform Mortgage-Backed Security 2.00% 2052[1,5]	22,285	22,122
	Uniform Mortgage-Backed Security 2.00% 2052[1,5]	18,496	18,399
	Uniform Mortgage-Backed Security 2.50% 2052[1,5]	26,254	26,662
	Uniform Mortgage-Backed Security 2.50% 2052[1,5]	11,911	12,123

American Funds Mortgage Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Uniform Mortgage-Backed Security 3.00% 2052[1,5]	$ 4,968	$ 5,140
	Uniform Mortgage-Backed Security 3.50% 2052[1,5]	11,555	12,165
	Uniform Mortgage-Backed Security 4.50% 2052[1,5]	2,938	3,148
			153,400
Collateralized mortgage-backed obligations (privately originated) 5.66%	Arroyo Mortgage Trust, Series 2021-1R, Class A1, 1.175% 2048[1,4,6]	675	672
	Cascade Funding Mortgage Trust, Series 2020-HB4, Class A, 0.946% 2030[1,4,6]	505	506
	Cascade Funding Mortgage Trust, Series 2021-HB7, Class A, 1.151% 2031[1,4,6]	423	422
	Cascade Funding Mortgage Trust, Series 2021-HB6, Class A, 0.898% 2036[1,4,6]	1,384	1,383
	COLT Funding, LLC, Series 2021-5, Class A1, 1.726% 2061[1,4,6]	159	159
	Credit Suisse Mortgage Trust, Series 2017-RPL3, Class A1, 2.00% 2060[1,4,6]	594	597
	Flagstar Mortgage Trust, Series 2021-10INV, Class A3, 2.50% 2051[1,4,6]	701	703
	GCAT, Series 2021-NQM6, Class A1, 1.855% 2066[1,4,6]	471	469
	Mello Warehouse Securitization Trust, Series 2020-2, Class A, (1-month USD-LIBOR + 0.80%) 0.902% 2053[1,4,6]	583	581
	Mello Warehouse Securitization Trust, Series 2020-1, Class A, (1-month USD-LIBOR + 0.90%) 1.002% 2053[1,4,6]	809	809
	Mello Warehouse Securitization Trust, Series 2021-2, Class A, (1-month USD-LIBOR + 0.75%) 0.852% 2055[1,4,6]	210	210
	Mello Warehouse Securitization Trust, Series 2021-3, Class A, (1-month USD-LIBOR + 0.85%) 0.952% 2055[1,4,6]	2,925	2,923
	Mortgage Repurchase Agreement Financing Trust, Series 2020-5, (1-month USD-LIBOR + 1.00%) 1.101% 2023[1,4,6]	750	751
	MRA Issuance Trust, Series 2020-10, Class A, (1-month USD-LIBOR + 1.70%) 1.786% 2022[1,4,6]	2,250	2,252
	MRA Issuance Trust, Series 2021-16, Class A1, (1-month USD-LIBOR + 1.55%) 1.644% 2051[1,4,6]	1,177	1,177
	NewRez Warehouse Securitization Trust, Series 2021-1, Class A, (1-month USD-LIBOR + 0.75%) 0.852% 2055[1,4,6]	1,021	1,020
	Provident Funding Mortgage Warehouse Securitization Trust, Series 2021-1, Class A, (1-month USD-LIBOR + 0.70%) 0.802% 2055[1,4,6]	768	765
	Reverse Mortgage Investment Trust, Series 2021-HB1, Class A, 1.259% 2031[1,4,6]	620	619
	RMF Proprietary Issuance Trust, Series 2019-1, Class A, 2.75% 2063[1,4,6]	464	465
	Station Place Securitization Trust, Series 2021-WL1, Class A, (1-month USD-LIBOR + 0.65%) 0.752% 2054[1,4,6]	1,317	1,318
	Station Place Securitization Trust, Series 2021-WL2, Class A, (1-month USD-LIBOR + 0.70%) 0.802% 2054[1,4,6]	375	375
	Towd Point Mortgage Trust, Series 2016-5, Class A1, 2.50% 2056[1,4,6]	206	208
	Towd Point Mortgage Trust, Series 2017-5, Class A1, 0.702% 2057[1,4,6]	18	18
	Towd Point Mortgage Trust, Series 2020-4, Class A1, 1.75% 2060[1,6]	536	535
			18,937
Commercial mortgage-backed securities 1.68%	BX Trust, Series 2021-VOLT, Class A, (1-month USD-LIBOR + 0.70%) 0.81% 2036[1,4,6]	1,215	1,212
	BX Trust, Series 2021-RISE, Class A, (1-month USD-LIBOR + 0.74%) 0.848% 2036[1,4,6]	255	255
	BX Trust, Series 2021-ARIA, Class A, (1-month USD-LIBOR + 0.899%) 1.009% 2036[1,4,6]	1,006	1,006
	BX Trust, Series 2021-SOAR, Class A, (1-month USD-LIBOR + 0.67%) 0.78% 2038[1,4,6]	1,174	1,169
	Extended Stay America Trust, Series 2021-ESH, Class A, (1-month USD-LIBOR + 1.08%) 1.19% 2038[1,4,6]	368	369
	LUXE Commercial Mortgage Trust, Series 2021-TRIP, Class A, (1-month USD-LIBOR + 1.05%) 1.16% 2038[1,4,6]	575	576

American Funds Mortgage Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Commercial mortgage-backed securities (continued)	MHC Commercial Mortgage Trust, CMO, Series 2021-MHC, Class A, (1-month USD-LIBOR + 0.801%) 0.911% 2026[1,4,6]	$ 273	$ 273
	Motel 6 Trust, Series 2021-MTL6, Class A, (1-month USD-LIBOR + 0.90%) 1.01% 2038[1,4,6]	100	100
	SREIT Trust, Series 2021-MFP, Class A, (1-month USD-LIBOR + 0.731%) 0.841% 2038[1,4,6]	664	662
			5,622
	Total mortgage-backed obligations		177,959
U.S. Treasury bonds & notes 20.45%			
U.S. Treasury 14.63%	U.S. Treasury 0.125% 2023	650	647
	U.S. Treasury 0.125% 2023	560	556
	U.S. Treasury 0.125% 2023	190	188
	U.S. Treasury 0.125% 2023	175	174
	U.S. Treasury 0.375% 2023	5,235	5,205
	U.S. Treasury 0.50% 2023	625	623
	U.S. Treasury 0.375% 2025	490	475
	U.S. Treasury 0.375% 2025	200	194
	U.S. Treasury 0.50% 2026	1,750	1,701
	U.S. Treasury 0.75% 2026[3]	7,592	7,451
	U.S. Treasury 0.75% 2026	560	548
	U.S. Treasury 0.875% 2026	485	477
	U.S. Treasury 1.25% 2026	1,955	1,955
	U.S. Treasury 1.00% 2028	375	365
	U.S. Treasury 1.125% 2028	2,000	1,972
	U.S. Treasury 1.25% 2028	5,975	5,925
	U.S. Treasury 1.25% 2028	415	411
	U.S. Treasury 1.50% 2028	150	151
	U.S. Treasury 0.625% 2030	1,000	933
	U.S. Treasury 1.125% 2031	2,525	2,451
	U.S. Treasury 1.25% 2031	713	698
	U.S. Treasury 1.375% 2031	930	918
	U.S. Treasury 1.375% 2040	380	346
	U.S. Treasury 1.875% 2041	1,750	1,732
	U.S. Treasury 1.25% 2050	1,730	1,472
	U.S. Treasury 1.375% 2050	6,000	5,267
	U.S. Treasury 1.625% 2050[3]	5,095	4,754
	U.S. Treasury 1.875% 2051	55	55
	U.S. Treasury 2.00% 2051	1,250	1,276
			48,920
U.S. Treasury inflation-protected securities 5.82%	U.S. Treasury Inflation-Protected Security 0.125% 2023[7]	2,909	3,007
	U.S. Treasury Inflation-Protected Security 0.375% 2023[7]	1,922	2,023
	U.S. Treasury Inflation-Protected Security 0.625% 2023[7]	719	753
	U.S. Treasury Inflation-Protected Security 0.125% 2024[7]	1,169	1,248
	U.S. Treasury Inflation-Protected Security 0.125% 2024[7]	315	337
	U.S. Treasury Inflation-Protected Security 0.50% 2024[7]	892	952
	U.S. Treasury Inflation-Protected Security 0.625% 2024[7]	1,114	1,187
	U.S. Treasury Inflation-Protected Security 0.125% 2025[7]	171	184
	U.S. Treasury Inflation-Protected Security 0.375% 2025[7]	391	425
	U.S. Treasury Inflation-Protected Security 0.125% 2026[7]	941	1,024
	U.S. Treasury Inflation-Protected Security 0.125% 2031[7]	3,983	4,460
	U.S. Treasury Inflation-Protected Security 2.125% 2041[7]	139	215
	U.S. Treasury Inflation-Protected Security 0.75% 2042[3,7]	1,375	1,738
	U.S. Treasury Inflation-Protected Security 1.00% 2049[7]	1,346	1,911
			19,464
	Total U.S. Treasury bonds & notes		68,384

American Funds Mortgage Fund (continued)

Bonds, notes & other debt instruments (continued)	Principal amount (000)	Value (000)
Asset-backed obligations 3.72%		
Allegro CLO, Ltd., Series 2016-1A, Class AR2, (3-month USD-LIBOR + 0.95%) 1.074% 2030[1,4,6]	$ 221	$ 221
Ares CLO, Ltd., Series 2017-42A, Class AR, (3-month USD-LIBOR + 0.92%) 1.048% 2028[1,4,6]	250	250
Ballyrock CLO, Ltd., Series 2019-2A, Class A1AR, (3-month USD-LIBOR + 1.00%) 1.16% 2030[1,4,6]	250	250
Bankers Healthcare Group Securitization Trust, Series 2021-A, Class A, 1.42% 2033[1,6]	80	79
Bankers Healthcare Group Securitization Trust, Series 2021-B, Class A, 0.90% 2034[1,6]	91	90
Carvana Auto Receivables Trust, Series 2021-P1, Class A3, 0.54% 2025[1]	195	195
Cent CLO, Ltd., Series 2014-21A, Class AR, (3-month USD-LIBOR + 0.97%) 1.105% 2030[1,4,6]	250	250
CF Hippolyta LLC, Series 2020-1, Class A1, 1.69% 2060[1,6]	520	516
CF Hippolyta LLC, Series 2020-1, Class A2, 1.99% 2060[1,6]	100	98
CF Hippolyta LLC, Series 2021-1, Class A1, 1.53% 2061[1,6]	812	798
Credit Acceptance Auto Loan Trust, Series 2021-3A, Class A, 1.00% 2030[1,6]	275	273
Dryden Senior Loan Fund, CLO, Series 2014-33A, Class AR3, (3-month USD-LIBOR + 1.00%) 1.124% 2029[1,4,6]	243	243
Exeter Automobile Receivables Trust, Series 2019-3A, Class C, 2.79% 2024[1,6]	551	554
Hertz Vehicle Financing III, LLC, Series 2021-1A, Class A, 1.21% 2025[1,6]	536	531
Hertz Vehicle Financing III, LLC, Series 2021-2A, Class A, 1.68% 2027[1,6]	285	281
Longfellow Place CLO, Ltd., Series 2013-1A, Class AR3, (3-month USD-LIBOR + 1.00%) 1.124% 2029[1,4,6]	187	187
Navient Student Loan Trust, Series 2021-A, Class A, 0.84% 2069[1,6]	159	157
Navient Student Loan Trust, Series 2021-B, Class A, 0.94% 2069[1,6]	182	181
Navient Student Loan Trust, Series 2021-C, Class A, 1.06% 2069[1,6]	378	373
Navient Student Loan Trust, Series 2021-FA, Class A, 1.11% 2070[1,6]	244	240
Navient Student Loan Trust, Series 2021-G, Class A, 1.58% 2070[1,6]	298	297
Nelnet Student Loan Trust, Series 2021-C, Class AFL, (1-month USD-LIBOR + 0.74%) 0.844% 2062[1,4,6]	690	693
Nelnet Student Loan Trust, Series 2021-A, Class APT1, 1.36% 2062[1,6]	466	459
Nelnet Student Loan Trust, Series 2021-B, Class AFX, 1.42% 2062[1,6]	1,361	1,343
New Economy Assets Phase 1 Issuer, LLC, Series 2021-1, Class A1, 1.91% 2061[1,6]	1,430	1,404
Newark BSL CLO 2, Ltd., Series 2017-1A, Class A1R, (3-month USD-LIBOR + 0.97%) 1.094% 2030[1,4,6]	250	250
OnDeck Asset Securitization Trust LLC, Series 2021-1A, Class A, 1.59% 2027[1,6]	594	591
OSW Structured Asset Trust, Series 2020-RPL1, Class A1, 3.072% 2059[1,4,6]	105	106
Palmer Square Loan Funding, CLO, Series 2019-2, Class A1, (3-month USD-LIBOR + 0.97%) 1.102% 2027[1,4,6]	246	246
Palmer Square Loan Funding, CLO, Series 2021-1, Class A1, (3-month USD-LIBOR + 0.90%) 1.032% 2029[1,4,6]	198	198
Race Point CLO, Ltd., Series 2015-9A, Class A1A2, (3-month USD-LIBOR + 0.94%) 1.064% 2030[1,4,6]	250	250
SMB Private Education Loan Trust, Series 2021-A, Class APT2, 1.07% 2053[1,6]	98	95
Sound Point CLO, Ltd., Series 2017-2A, Class AR, (3-month USD-LIBOR + 0.98%) 1.112% 2030[1,4,6]	250	250
Sound Point CLO, Ltd., Series 2017-3A, Class A1R, (3-month USD-LIBOR + 0.98%) 1.112% 2030[1,4,6]	250	250
Sound Point CLO, Ltd., Series 2015-1RA, Class AR, (3-month USD-LIBOR + 1.08%) 1.204% 2030[1,4,6]	250	250
		12,449
Bonds & notes of governments & government agencies outside the U.S. 0.22%		
CPPIB Capital, Inc. 0.875% 2026[6]	320	310
Oesterreichische Kontrollbank AG 0.50% 2024	195	192
Ontario Teachers' Finance Trust 0.875% 2026[6]	250	244
		746
Federal agency bonds & notes 0.09%		
Fannie Mae 0.875% 2030	300	283

American Funds Mortgage Fund (continued)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Corporate bonds, notes & loans 0.07%			
Communication services 0.07%	SBA Tower Trust 1.631% 2026[6]	$ 253	$ 249
	Total bonds, notes & other debt instruments (cost: $259,300,000)		260,070

Short-term securities 52.63%		Weighted average yield at acquisition		
Federal agency bills & notes 31.70%				
	Fannie Mae 3/9/2022	0.053%	2,500	2,500
	Federal Farm Credit Banks 1/24/2022	0.040	5,000	5,000
	Federal Farm Credit Banks 2/23/2022	0.050	2,000	2,000
	Federal Farm Credit Banks 2/28/2022	0.050	8,000	7,999
	Federal Farm Credit Banks 4/11/2022	0.050	3,000	2,999
	Federal Farm Credit Banks 5/18/2022	0.050	5,000	4,997
	Federal Farm Credit Banks 5/25/2022	0.070	1,600	1,599
	Federal Farm Credit Banks 6/7/2022	0.060	5,000	4,996
	Federal Home Loan Bank 1/21/2022	0.045	11,000	10,999
	Federal Home Loan Bank 1/28/2022	0.048	8,000	7,999
	Federal Home Loan Bank 2/2/2022	0.050	5,000	5,000
	Federal Home Loan Bank 2/9/2022	0.049	20,000	19,999
	Federal Home Loan Bank 2/16/2022	0.050	8,000	7,999
	Federal Home Loan Bank 3/3/2022	0.050	1,900	1,900
	Federal Home Loan Bank 3/11/2022	0.045	6,000	5,999
	Federal Home Loan Bank 3/16/2022	0.050	3,000	2,999
	Federal Home Loan Bank 3/23/2022	0.040	2,000	2,000
	Federal Home Loan Bank 3/25/2022	0.062	2,000	2,000
	Tennessee Valley Authority 1/12/2022	0.036	7,000	7,000
				105,984
Commercial paper 17.82%				
	Amazon.com, Inc. 1/10/2022[6]	0.049	9,000	9,000
	Apple, Inc. 1/4/2022[6]	0.050	5,000	5,000
	Apple, Inc. 1/13/2022[6]	0.050	3,000	3,000
	BofA Securities, Inc. 2/1/2022[6]	0.120	3,000	3,000
	Chariot Funding, LLC 1/24/2022[6]	0.130	1,000	1,000
	Cisco Systems, Inc. 3/8/2022[6]	0.120	6,000	5,998
	Cisco Systems, Inc. 3/10/2022[6]	0.120	2,800	2,799
	Coca-Cola Co. 2/16/2022[6]	0.070	4,800	4,800
	Coca-Cola Co. 4/5/2022[6]	0.080	5,000	4,999
	CRC Funding, LLC 1/14/2022[6]	0.100	9,000	9,000
	Paccar Financial Corp. 1/21/2022	0.090	2,000	2,000
	Procter & Gamble Co. 1/7/2022[6]	0.070	8,000	8,000
	Victory Receivables Corp. 1/3/2022[6]	0.050	1,000	1,000
				59,596

American Funds Mortgage Fund (continued)

Short-term securities (continued)		Weighted average yield at acquisition	Principal amount (000)	Value (000)
U.S. Treasury bills 3.11%				
	U.S. Treasury 5/12/2022	0.061%	$4,500	$ 4,498
	U.S. Treasury 5/19/2022	0.060	5,900	5,898
				10,396
	Total short-term securities (cost: $175,985,000)			175,976
	Total investment securities 130.40% (cost: $435,285,000)			436,046
	Other assets less liabilities (30.40)%			(101,648)
	Net assets 100.00%			$ 334,398

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized appreciation (depreciation) at 12/31/2021 (000)
2 Year U.S. Treasury Note Futures	Long	1	March 2022	$ 218	$ –[2]
5 Year U.S. Treasury Note Futures	Long	18	March 2022	2,178	11
10 Year U.S. Treasury Note Futures	Long	84	March 2022	10,959	82
10 Year Ultra U.S. Treasury Note Futures	Short	50	March 2022	(7,322)	(109)
20 Year U.S. Treasury Bond Futures	Long	8	March 2022	1,284	11
30 Year Ultra U.S. Treasury Bond Futures	Long	2	March 2022	394	9
					$ 4

Swap contracts

Interest rate swaps

Centrally cleared interest rate swaps

Receive		Pay						
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized appreciation at 12/31/2021 (000)
3-month USD-LIBOR	Quarterly	0.243%	Semi-annual	5/2/2024	$33,400	$ 598	$22	$ 576
3-month USD-LIBOR	Quarterly	0.32%	Semi-annual	9/23/2025	3,600	123	–	123
3-month USD-LIBOR	Quarterly	0.81%	Semi-annual	7/28/2045	5,700	1,057	16	1,041
3-month USD-LIBOR	Quarterly	0.811%	Semi-annual	7/27/2050	3,000	635	–	635
							$38	$2,375

[1]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[2]Amount less than one thousand.
[3]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $1,311,000, which represented .39% of the net assets of the fund.
[4]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available. For short-term securities, the date of the next scheduled coupon rate change is considered to be the maturity date.
[5]Purchased on a TBA basis.
[6]Acquired in a transaction exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $95,212,000, which represented 28.47% of the net assets of the fund.
[7]Index-linked bond whose principal amount moves with a government price index.

American Funds Mortgage Fund (continued)

Key to abbreviations and symbol
CLO = Collateralized Loan Obligations
CMO = Collateralized Mortgage Obligations
LIBOR = London Interbank Offered Rate
TBA = To-be-announced
USD/$ = U.S. dollars

See notes to financial statements.

Ultra-Short Bond Fund

Investment portfolio December 31, 2021

Short-term securities 97.89%	Weighted average yield at acquisition	Principal amount (000)	Value (000)
Commercial paper 68.84%			
Amazon.com, Inc. 1/26/2022[1]	0.050%	$ 9,700	$ 9,700
Apple, Inc. 1/4/2022[1]	0.050	4,000	4,000
Atlantic Asset Securitization, LLC 1/20/2022[1]	0.116	9,000	8,999
British Columbia (Province of) 1/10/2022	0.070	700	700
British Columbia (Province of) 1/18/2022	0.070	7,000	7,000
CAFCO, LLC 3/7/2022[1]	0.150	10,000	9,996
Caisse d'Amortissement de la Dette Sociale 2/8/2022	0.120	2,900	2,900
Caisse des Dépôts et Consignations 1/10/2022	0.100	2,000	2,000
Canadian Imperial Bank of Commerce 1/7/2022[1]	0.059	9,500	9,500
Coca-Cola Co. 2/15/2022[1]	0.070	9,500	9,499
DBS Bank, Ltd. 4/1/2022[1]	0.198	9,000	8,994
Equinor ASA 1/3/2022[1]	0.070	4,700	4,700
Equinor ASA 2/23/2022[1]	0.150	5,000	4,999
FMS Wertmanagement 2/18/2022[1]	0.114	5,000	4,999
KfW 2/10/2022[1]	0.135	1,202	1,202
Komatsu Finance America, Inc. 1/20/2022[1]	0.130	7,000	7,000
Longship Funding, LLC 1/14/2022[1]	0.080	1,300	1,300
LVMH Moët Hennessy Louis Vuitton, Inc. 1/21/2022[1]	0.078	9,000	9,000
Manhattan Asset Funding Company, LLC 2/28/2022[1]	0.200	9,000	8,997
Mizuho Bank, Ltd. 1/19/2022[1]	0.115	9,000	9,000
Nestlé Capital Corp. 1/6/2022[1]	0.070	4,450	4,450
Nestlé Finance International, Ltd. 1/21/2022[1]	0.070	3,000	3,000
Oesterreichische Kontrollbank AG 1/18/2022	0.105	5,000	5,000
OMERS Finance Trust 1/20/2022	0.090	9,170	9,169
OMERS Finance Trust 1/25/2022	0.120	3,906	3,906
Oversea-Chinese Banking Corp., Ltd. 1/27/2022[1]	0.140	7,000	6,999
Procter & Gamble Co. 1/4/2022[1]	0.050	10,000	10,000
Québec (Province of) 1/18/2022[1]	0.070	10,000	10,000
Starbird Funding Corp. 1/3/2022[1]	0.060	2,200	2,200
Sumitomo Mitsui Trust Bank, Ltd. 2/16/2022[1]	0.170	7,300	7,299
TotalEnergies Capital Canada, Ltd. 2/28/2022[1]	0.140	9,500	9,498
Toyota Industries Commercial Finance, Inc. 1/12/2022[1]	0.096	9,000	9,000
Toyota Motor Credit Corp. 2/22/2022	0.157	5,000	4,999
United Overseas Bank, Ltd. 3/10/2022[1]	0.175	10,000	9,997
Victory Receivables Corp. 2/9/2022[1]	0.150	9,000	8,998
			229,000
U.S. Treasury bills 17.73%			
U.S. Treasury 2/3/2022	0.050	20,000	19,999
U.S. Treasury 3/3/2022	0.051	5,000	5,000
U.S. Treasury 3/8/2022	0.051	5,000	5,000
U.S. Treasury 3/22/2022	0.053	10,000	9,999
U.S. Treasury 4/21/2022	0.064	9,000	8,998
U.S. Treasury 4/26/2022	0.101	10,000	9,998
			58,994
Federal agency bills & notes 11.32%			
Federal Farm Credit Banks 3/4/2022	0.050	5,000	4,999
Federal Home Loan Bank 1/12/2022	0.043	2,700	2,700
Federal Home Loan Bank 1/26/2022	0.040	15,000	14,999
Federal Home Loan Bank 2/9/2022	0.040	3,400	3,400

Ultra-Short Bond Fund (continued)

Short-term securities (continued)	Weighted average yield at acquisition	Principal amount (000)	Value (000)
Federal agency bills & notes (continued)			
Federal Home Loan Bank 2/25/2022	0.044%	$5,000	$ 5,000
Federal Home Loan Bank 3/2/2022	0.049	2,900	2,900
Federal Home Loan Bank 3/23/2022	0.065	3,650	3,649
			37,647
Total short-term securities (cost: $325,639,000)			325,641
Total investment securities 97.89% (cost: $325,639,000)			325,641
Other assets less liabilities 2.11%			7,020
Net assets 100.00%			$332,661

[1]Acquired in a transaction exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $193,327,000, which represented 58.12% of the net assets of the fund.

See notes to financial statements.

U.S. Government Securities Fund

(formerly U.S. Government/AAA-Rated Securities Fund)

Investment portfolio December 31, 2021

Bonds, notes & other debt instruments 74.13%		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes 50.24%			
U.S. Treasury inflation-protected securities 26.42%	U.S. Treasury Inflation-Protected Security 0.125% 2022[1]	$71,956	$ 73,784
	U.S. Treasury Inflation-Protected Security 0.125% 2022[1]	22,300	22,642
	U.S. Treasury Inflation-Protected Security 0.125% 2022[1]	6,475	6,492
	U.S. Treasury Inflation-Protected Security 0.125% 2023[1]	27,843	28,781
	U.S. Treasury Inflation-Protected Security 0.375% 2023[1]	30,460	32,057
	U.S. Treasury Inflation-Protected Security 0.625% 2023[1]	61,487	64,331
	U.S. Treasury Inflation-Protected Security 0.125% 2024[1]	45,202	48,314
	U.S. Treasury Inflation-Protected Security 0.125% 2024[1]	32,535	34,717
	U.S. Treasury Inflation-Protected Security 0.50% 2024[1]	5,313	5,669
	U.S. Treasury Inflation-Protected Security 0.625% 2024[1]	17,446	18,589
	U.S. Treasury Inflation-Protected Security 0.125% 2025[1]	16,973	18,316
	U.S. Treasury Inflation-Protected Security 0.125% 2025[1]	11,026	11,805
	U.S. Treasury Inflation-Protected Security 0.375% 2025[1]	54,760	59,587
	U.S. Treasury Inflation-Protected Security 0.125% 2026[1]	33,827	36,815
	U.S. Treasury Inflation-Protected Security 0.125% 2026[1]	25,892	27,957
	U.S. Treasury Inflation-Protected Security 0.625% 2026[1]	22,693	24,967
	U.S. Treasury Inflation-Protected Security 0.125% 2030[1]	6,768	7,572
	U.S. Treasury Inflation-Protected Security 0.125% 2031[1]	9,038	10,120
	U.S. Treasury Inflation-Protected Security 0.125% 2031[1]	841	945
	U.S. Treasury Inflation-Protected Security 2.125% 2041[1]	391	606
	U.S. Treasury Inflation-Protected Security 0.75% 2042[1,2]	8,799	11,121
	U.S. Treasury Inflation-Protected Security 0.625% 2043[1]	4,931	6,133
	U.S. Treasury Inflation-Protected Security 1.00% 2049[1]	5,165	7,333
	U.S. Treasury Inflation-Protected Security 0.25% 2050[1]	339	411
	U.S. Treasury Inflation-Protected Security 0.125% 2051[1]	10,998	13,026
			572,090
U.S. Treasury 23.82%	U.S. Treasury 0.50% 2023	2,160	2,152
	U.S. Treasury 2.125% 2023	—[3]	—[3]
	U.S. Treasury 0.375% 2024	28,000	27,610
	U.S. Treasury 0.375% 2024	4,500	4,441
	U.S. Treasury 0.625% 2024	37,735	37,437
	U.S. Treasury 0.75% 2024	44,280	44,041
	U.S. Treasury 0.25% 2025	10,042	9,741
	U.S. Treasury 0.25% 2025	4,000	3,875
	U.S. Treasury 0.375% 2025	2,190	2,124
	U.S. Treasury 0.375% 2025	1,017	987
	U.S. Treasury 0.875% 2026	31,816	31,270
	U.S. Treasury 1.125% 2026	15,060	14,969
	U.S. Treasury 1.25% 2026	7,885	7,883
	U.S. Treasury 1.25% 2026	1,595	1,595
	U.S. Treasury 1.625% 2026	10,000	10,176
	U.S. Treasury 0.50% 2027	54	52
	U.S. Treasury 1.125% 2028	450	444
	U.S. Treasury 1.25% 2028	12,328	12,224
	U.S. Treasury 0.625% 2030	1,175	1,096
	U.S. Treasury 1.25% 2031	35,733	34,949
	U.S. Treasury 1.375% 2031	4,245	4,192
	U.S. Treasury 1.125% 2040	9,875	8,625
	U.S. Treasury 1.125% 2040	7,000	6,140
	U.S. Treasury 1.75% 2041	37,690	36,536
	U.S. Treasury 2.25% 2041	900	945
	U.S. Treasury 2.50% 2046	5,400	5,980
	U.S. Treasury 2.50% 2046	3,900	4,316
	U.S. Treasury 2.875% 2046	2,700	3,201
	U.S. Treasury 2.25% 2049	1,635	1,753
	U.S. Treasury 2.375% 2049	11,925	13,126
	U.S. Treasury 2.875% 2049	26,000	31,374

U.S. Government Securities Fund (continued)

(formerly U.S. Government/AAA-Rated Securities Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
U.S. Treasury bonds & notes (continued)			
U.S. Treasury (continued)	U.S. Treasury 1.25% 2050	$27,680	$ 23,549
	U.S. Treasury 1.375% 2050	12,605	11,066
	U.S. Treasury 1.625% 2050[2]	55,205	51,515
	U.S. Treasury 1.875% 2051	17,152	17,001
	U.S. Treasury 1.875% 2051	2,794	2,775
	U.S. Treasury 2.00% 2051[2]	44,898	45,827
	U.S. Treasury 2.375% 2051	780	863
			515,850
	Total U.S. Treasury bonds & notes		1,087,940
Federal agency bonds & notes 12.75%			
	Export-Import Bank of the United States-Guaranteed, Ethiopian Leasing 2012 LLC 2.646% 2026	395	409
	Fannie Mae 2.875% 2023	36,000	37,341
	Fannie Mae 0.625% 2025	10,000	9,862
	Fannie Mae 0.75% 2027	2,900	2,805
	Fannie Mae 0.875% 2030	8,600	8,115
	Fannie Mae 7.125% 2030	2,000	2,837
	Federal Farm Credit Banks 0.375% 2022	1,500	1,501
	Federal Home Loan Bank 0.50% 2023	35,000	34,854
	Federal Home Loan Bank 3.375% 2023	16,715	17,462
	Federal Home Loan Bank 3.25% 2028	6,500	7,262
	Federal Home Loan Bank 5.50% 2036	300	437
	Private Export Funding Corp. 3.55% 2024	3,190	3,367
	Private Export Funding Corp. 1.40% 2028	3,000	2,960
	Tennessee Valley Authority 1.875% 2022	14,017	14,158
	Tennessee Valley Authority 0.75% 2025	3,700	3,657
	Tennessee Valley Authority 2.875% 2027	5,000	5,379
	Tennessee Valley Authority 1.50% 2031	7,000	6,904
	Tennessee Valley Authority 4.65% 2035	1,780	2,311
	Tennessee Valley Authority 5.88% 2036	875	1,274
	Tennessee Valley Authority, Series A, 4.625% 2060	250	378
	TVA Southaven 3.846% 2033	1,002	1,105
	U.S. Agency for International Development, Iraq (State of) 2.149% 2022	3,370	3,373
	U.S. Agency for International Development, Israel (State of), Class 1A, 5.50% 2023	1,250	1,351
	U.S. Agency for International Development, Jordan (Kingdom of) 2.578% 2022	41,500	41,934
	U.S. Agency for International Development, Jordan (Kingdom of) 3.00% 2025	14,779	15,625
	U.S. Agency for International Development, Morocco (Kingdom of) 7.55% 2026	2,303	2,622
	U.S. Department of Housing and Urban Development, Series 2015-A-8, 2.45% 2022	6,000	6,074
	U.S. Department of Housing and Urban Development, Series 2015-A-9, 2.80% 2023	1,500	1,549
	U.S. Department of Housing and Urban Development, Series 2015-A-10, 2.85% 2024	2,250	2,359
	U.S. Department of Housing and Urban Development, Series 2015-A-11, 2.95% 2025	2,640	2,768
	U.S. Department of Housing and Urban Development, Series 2015-A-12, 3.10% 2026	2,625	2,758
	U.S. Department of Housing and Urban Development, Series 2015-A-13, 3.15% 2027	11,482	12,055
	U.S. Department of Housing and Urban Development, Series 2015-A-14, 3.25% 2028	3,856	4,049
	U.S. Department of Housing and Urban Development, Series 2015-A-15, 3.35% 2029	2,650	2,785
	U.S. Department of Housing and Urban Development, Series 2015-A-16, 3.50% 2030	2,482	2,660
	U.S. Department of Housing and Urban Development, Series 2015-A-17, 3.55% 2031	2,475	2,619
	U.S. Department of Housing and Urban Development, Series 2015-A-18, 3.60% 2032	2,377	2,518
	U.S. Department of Housing and Urban Development, Series 2015-A-19, 3.65% 2033	2,059	2,185
	U.S. Department of Housing and Urban Development, Series 2015-A-20, 3.70% 2034	651	692
	U.S. Government-Guaranteed Certificates of Participation, Overseas Private Investment Corp. 3.82% 2032	790	887
	U.S. Government-Guaranteed Certificates of Participation, Overseas Private Investment Corp. 3.938% 2032	646	741
			275,982

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations 11.14%			
Federal agency mortgage-backed obligations 11.14%	Fannie Mae Pool #695412 5.00% 2033[4]	$ 1	$ 1
	Fannie Mae Pool #AD3566 5.00% 2035[4]	8	8
	Fannie Mae Pool #MA2746 4.00% 2036[4]	1,762	1,918
	Fannie Mae Pool #MA2588 4.00% 2036[4]	867	940
	Fannie Mae Pool #256860 6.50% 2037[4]	13	15
	Fannie Mae Pool #888698 7.00% 2037[4]	24	28
	Fannie Mae Pool #256828 7.00% 2037[4]	3	3
	Fannie Mae Pool #970343 6.00% 2038[4]	15	15
	Fannie Mae Pool #AC0794 5.00% 2039[4]	21	23
	Fannie Mae Pool #931768 5.00% 2039[4]	6	6
	Fannie Mae Pool #932606 5.00% 2040[4]	16	18
	Fannie Mae Pool #AJ1873 4.00% 2041[4]	27	30
	Fannie Mae Pool #AI1862 5.00% 2041[4]	470	532
	Fannie Mae Pool #AI3510 5.00% 2041[4]	289	328
	Fannie Mae Pool #AJ0704 5.00% 2041[4]	246	279
	Fannie Mae Pool #AJ5391 5.00% 2041[4]	156	177
	Fannie Mae Pool #AE1248 5.00% 2041[4]	39	44
	Fannie Mae Pool #AE1277 5.00% 2041[4]	19	21
	Fannie Mae Pool #AE1283 5.00% 2041[4]	10	11
	Fannie Mae Pool #AE1290 5.00% 2042[4]	22	25
	Fannie Mae Pool #AT7161 3.50% 2043[4]	52	56
	Fannie Mae Pool #AT3954 3.50% 2043[4]	12	13
	Fannie Mae Pool #AT0300 3.50% 2043[4]	7	8
	Fannie Mae Pool #BM6240 2.05% 2044[4,5]	607	638
	Fannie Mae Pool #AY1829 3.50% 2044[4]	8	8
	Fannie Mae Pool #AW8240 3.50% 2044[4]	4	4
	Fannie Mae Pool #BE5017 3.50% 2045[4]	69	74
	Fannie Mae Pool #BE8740 3.50% 2047[4]	65	69
	Fannie Mae Pool #BE8742 3.50% 2047[4]	20	22
	Fannie Mae Pool #BH2846 3.50% 2047[4]	8	9
	Fannie Mae Pool #BH2848 3.50% 2047[4]	7	8
	Fannie Mae Pool #BH2847 3.50% 2047[4]	5	6
	Fannie Mae Pool #BJ5015 4.00% 2047[4]	199	217
	Fannie Mae Pool #BH3122 4.00% 2047[4]	5	6
	Fannie Mae Pool #BM3788 3.50% 2048[4]	3,895	4,192
	Fannie Mae Pool #BJ4901 3.50% 2048[4]	48	52
	Fannie Mae Pool #BK6840 4.00% 2048[4]	126	138
	Fannie Mae Pool #BK5232 4.00% 2048[4]	92	100
	Fannie Mae Pool #BK9743 4.00% 2048[4]	37	40
	Fannie Mae Pool #CA1909 4.50% 2048[4]	28	30
	Fannie Mae Pool #BK9761 4.50% 2048[4]	21	22
	Fannie Mae Pool #CA4151 3.50% 2049[4]	673	730
	Fannie Mae Pool #FM1062 3.50% 2049[4]	541	585
	Fannie Mae Pool #FM1443 3.50% 2049[4]	399	430
	Fannie Mae Pool #BJ8411 3.50% 2049[4]	133	143
	Fannie Mae Pool #FM2179 3.00% 2050[4]	4,998	5,260
	Fannie Mae Pool #FM3834 4.50% 2050[4]	1,225	1,313
	Fannie Mae, Series 2001-4, Class GA, 9.00% 2025[4,5]	–[3]	–[3]
	Fannie Mae, Series 2001-4, Class NA, 9.00% 2025[4,5]	–[3]	–[3]
	Fannie Mae, Series 2012-M2, Class A2, Multi Family, 2.717% 2022[4]	2	2
	Fannie Mae, Series 2012-M3, Class 1A2, Multi Family, 3.044% 2022[4]	128	128
	Fannie Mae, Series 2014-M1, Class A2, Multi Family, 3.123% 2023[4,5]	457	470
	Fannie Mae, Series 2014-M3, Class A2, Multi Family, 3.489% 2024[4,5]	675	702
	Freddie Mac Pool #1H1354 2.34% 2036[4,5]	88	94
	Freddie Mac Pool #C03518 5.00% 2040[4]	342	385
	Freddie Mac Pool #G06459 5.00% 2041[4]	856	971
	Freddie Mac Pool #841039 2.186% 2043[4,5]	557	587
	Freddie Mac Pool #Q19133 3.50% 2043[4]	37	40
	Freddie Mac Pool #Q17696 3.50% 2043[4]	35	37

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Freddie Mac Pool #Q23190 4.00% 2043[4]	$ 181	$ 198
	Freddie Mac Pool #Q15874 4.00% 2043[4]	7	7
	Freddie Mac Pool #Q28558 3.50% 2044[4]	229	247
	Freddie Mac Pool #760014 2.843% 2045[4,5]	359	372
	Freddie Mac Pool #Q52069 3.50% 2047[4]	99	106
	Freddie Mac Pool #Q47615 3.50% 2047[4]	57	61
	Freddie Mac Pool #Q54701 3.50% 2048[4]	66	71
	Freddie Mac Pool #Q54709 3.50% 2048[4]	61	65
	Freddie Mac Pool #Q54700 3.50% 2048[4]	49	53
	Freddie Mac Pool #Q54781 3.50% 2048[4]	47	51
	Freddie Mac Pool #Q54782 3.50% 2048[4]	47	50
	Freddie Mac Pool #Q56590 3.50% 2048[4]	33	35
	Freddie Mac Pool #Q54699 3.50% 2048[4]	26	28
	Freddie Mac Pool #Q56589 3.50% 2048[4]	24	25
	Freddie Mac Pool #Q54831 3.50% 2048[4]	19	21
	Freddie Mac Pool #Q54698 3.50% 2048[4]	20	21
	Freddie Mac Pool #G67711 4.00% 2048[4]	1,754	1,920
	Freddie Mac Pool #Q56599 4.00% 2048[4]	149	164
	Freddie Mac Pool #Q56175 4.00% 2048[4]	101	110
	Freddie Mac Pool #Q55971 4.00% 2048[4]	98	107
	Freddie Mac Pool #Q58411 4.50% 2048[4]	292	321
	Freddie Mac Pool #Q58436 4.50% 2048[4]	132	146
	Freddie Mac Pool #Q58378 4.50% 2048[4]	105	114
	Freddie Mac Pool #ZT0522 4.50% 2048[4]	30	32
	Freddie Mac Pool #ZS4774 4.50% 2048[4]	28	30
	Freddie Mac Pool #RA1463 3.50% 2049[4]	473	513
	Freddie Mac Pool #QA0284 3.50% 2049[4]	256	276
	Freddie Mac Pool #RA1580 3.50% 2049[4]	238	258
	Freddie Mac Pool #QA2748 3.50% 2049[4]	66	71
	Freddie Mac Pool #RA2236 4.50% 2049[4]	364	391
	Freddie Mac Pool #SD0726 2.50% 2051[4]	15,847	16,330
	Freddie Mac, Series 1567, Class A, (1-month USD-LIBOR + 0.40%) 0.510% 2023[4,5]	3	3
	Freddie Mac, Series K031, Class A1, Multi Family, 2.778% 2022[4]	86	87
	Freddie Mac, Series KS01, Class A2, Multi Family, 2.522% 2023[4]	701	708
	Freddie Mac, Series K029, Class A2, Multi Family, 3.32% 2023[4]	194	199
	Freddie Mac, Series K035, Class A2, Multi Family, 3.458% 2023[4,5]	2,565	2,660
	Freddie Mac, Series K034, Class A2, Multi Family, 3.531% 2023[4]	2,745	2,845
	Freddie Mac, Series K040, Class A2, Multi Family, 3.241% 2024[4]	1,363	1,433
	Freddie Mac, Series K038, Class A2, Multi Family, 3.389% 2024[4]	4,698	4,915
	Freddie Mac, Series K063, Class A2, Multi Family, 3.43% 2027[4]	736	802
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class MA, 3.00% 2056[4]	6,240	6,447
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2, Class HA, 3.00% 2056[4,5]	5,584	5,761
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-1, Class HA, 3.00% 2056[4,5]	5,576	5,751
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-3, Class MT, 3.00% 2056[4]	1,815	1,878
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-3, Class HT, 3.25% 2056[4]	365	388
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-1, Class HT, 3.00% 2057[4]	1,977	2,072
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class HT, 3.25% 2057[4,5]	3,334	3,508
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-2, Class MT, 3.50% 2057[4]	5,853	6,191
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-3, Class MA, 3.50% 2057[4]	3,976	4,126

U.S. Government Securities Fund (continued)

(formerly U.S. Government/AAA-Rated Securities Fund)

Bonds, notes & other debt instruments (continued)		Principal amount (000)	Value (000)
Mortgage-backed obligations (continued)			
Federal agency mortgage-backed obligations (continued)	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-4, Class MT, 3.50% 2057[4]	$ 2,116	$ 2,251
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2018-2, Class MA, 3.50% 2057[4]	805	834
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-2, Class MA, 3.50% 2058[4]	3,566	3,721
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1, Class MT, 3.50% 2058[4]	2,171	2,297
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-1, Class MA, 3.50% 2058[4]	1,006	1,046
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-2, Class MT, 3.50% 2058[4]	834	882
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-3, Class MT, 3.50% 2058[4]	461	487
	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2019-4, Class MA, 3.00% 2059[4]	4,009	4,140
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2018-2, Class A1, 3.50% 2028[4]	25,841	26,654
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2018-1, Class A1, 3.50% 2028[4]	6,099	6,269
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2019-3, Class A1C, 2.75% 2029[4]	7,504	7,746
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2020-1, Class A1D, 2.00% 2030[4]	2,491	2,509
	Freddie Mac Seasoned Loan Structured Transaction Trust, Series 2020-1, Class A2D, 2.00% 2030[4]	535	522
	Government National Mortgage Assn. 2.50% 2052[4,6]	12,966	13,224
	Government National Mortgage Assn. 2.50% 2052[4,6]	2,632	2,695
	Government National Mortgage Assn. 4.50% 2052[4,6]	3,000	3,169
	Government National Mortgage Assn. Pool #698668 5.50% 2038[4]	63	69
	Government National Mortgage Assn. Pool #700778 5.50% 2038[4]	25	28
	Government National Mortgage Assn. Pool #782365 6.00% 2038[4]	112	130
	Government National Mortgage Assn. Pool #004269 6.50% 2038[4]	197	233
	Government National Mortgage Assn. Pool #698406 5.00% 2039[4]	233	270
	Government National Mortgage Assn. Pool #783690 6.00% 2039[4]	106	120
	Government National Mortgage Assn. Pool #783689 5.50% 2040[4]	3,345	3,820
	Government National Mortgage Assn. Pool #783687 4.50% 2041[4]	636	685
	Government National Mortgage Assn. Pool #783688 5.00% 2041[4]	1,124	1,239
	Government National Mortgage Assn. Pool #MA0533 3.00% 2042[4]	23	24
	Government National Mortgage Assn. Pool #MA1012 3.50% 2043[4]	781	837
	Uniform Mortgage-Backed Security 1.50% 2037[4,6]	5,937	5,942
	Uniform Mortgage-Backed Security 1.50% 2037[4,6]	3,878	3,889
	Uniform Mortgage-Backed Security 2.00% 2037[4,6]	1,713	1,755
	Uniform Mortgage-Backed Security 2.00% 2037[4,6]	1,537	1,571
	Uniform Mortgage-Backed Security 2.00% 2052[4,6]	2,860	2,845
	Uniform Mortgage-Backed Security 2.00% 2052[4,6]	1,991	1,976
	Uniform Mortgage-Backed Security 2.50% 2052[4,6]	8,337	8,467
	Uniform Mortgage-Backed Security 2.50% 2052[4,6]	3,961	4,032
	Uniform Mortgage-Backed Security 3.00% 2052[4,6]	1,102	1,140
	Uniform Mortgage-Backed Security 3.50% 2052[4,6]	27,398	28,845
	Uniform Mortgage-Backed Security 4.50% 2052[4,6]	800	857
			241,199
	Total bonds, notes & other debt instruments (cost: $1,586,413,000)		1,605,121

U.S. Government Securities Fund (continued)

(formerly U.S. Government/AAA-Rated Securities Fund)

Short-term securities 26.59%	Weighted average yield at acquisition	Principal amount (000)	Value (000)
Commercial paper 17.68%			
Amazon.com, Inc. 1/24/2022[7]	0.048%	$18,000	$ 17,999
Amazon.com, Inc. 1/26/2022[7]	0.050	10,600	10,600
Apple, Inc. 1/5/2022[7]	0.050	14,000	14,000
Apple, Inc. 1/12/2022[7]	0.060	20,000	20,000
Apple, Inc. 1/13/2022[7]	0.050	10,100	10,100
Chariot Funding, LLC 1/14/2022[7]	0.120	10,000	10,000
Chariot Funding, LLC 1/20/2022[7]	0.100	25,000	24,999
Chariot Funding, LLC 1/24/2022[7]	0.130	4,000	4,000
Chariot Funding, LLC 2/1/2022[7]	0.130	10,000	9,999
CHARTA, LLC 1/18/2022[7]	0.100	20,000	19,999
Cisco Systems, Inc. 3/8/2022[7]	0.120	30,100	30,093
Cisco Systems, Inc. 3/10/2022[7]	0.120	14,100	14,097
Coca-Cola Co. 2/15/2022[7]	0.070	5,500	5,499
Coca-Cola Co. 2/16/2022[7]	0.070	8,500	8,499
Coca-Cola Co. 4/5/2022[7]	0.100	25,000	24,995
CRC Funding, LLC 3/3/2022[7]	0.130	20,000	19,993
Manhattan Asset Funding Company LLC 3/16/2022[7]	0.210	21,112	21,102
Procter & Gamble Co. 1/21/2022[7]	0.060	30,000	29,999
Procter & Gamble Co. 2/23/2022[7]	0.070	19,000	18,998
Starbird Funding Corp. 1/3/2022[7]	0.060	53,800	53,800
Victory Receivables Corp. 1/3/2022[7]	0.050	14,000	14,000
			382,771
Federal agency bills & notes 8.91%			
Federal Farm Credit Bank 3/2/2022	0.050	6,000	5,999
Federal Farm Credit Bank 4/1/2022	0.060	25,000	24,994
Federal Farm Credit Bank 4/6/2022	0.050	5,000	4,999
Federal Farm Credit Bank 4/8/2022	0.060	20,000	19,994
Federal Home Loan Bank 1/21/2022	0.045	10,000	9,999
Federal Home Loan Bank 2/2/2022	0.050	25,000	24,999
Federal Home Loan Bank 2/4/2022	0.050	40,000	39,998
Federal Home Loan Bank 2/9/2022	0.049	25,000	24,998
Federal Home Loan Bank 3/4/2022	0.047	11,100	11,099
Federal Home Loan Bank 3/23/2022	0.040	26,000	25,996
			193,075
Total short-term securities (cost: $575,856,000)			575,846
Total investment securities 100.72% (cost: $2,162,269,000)			2,180,967
Other assets less liabilities (0.72)%			(15,668)
Net assets 100.00%			$2,165,299

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized appreciation (depreciation) at 12/31/2021 (000)
90 Day Euro Dollar Futures	Short	5	September 2022	$ (1,240)	$ 7
90 Day Euro Dollar Futures	Long	471	December 2022	116,520	(121)
90 Day Euro Dollar Futures	Short	21	June 2023	(5,178)	36
90 Day Euro Dollar Futures	Long	2,183	September 2023	537,509	(3,518)
90 Day Euro Dollar Futures	Short	1,396	December 2023	(343,451)	2,110
90 Day Euro Dollar Futures	Short	1,601	December 2024	(393,406)	664
2 Year U.S. Treasury Note Futures	Short	577	March 2022	(125,885)	241
5 Year U.S. Treasury Note Futures	Long	1,490	March 2022	180,255	221
10 Year U.S. Treasury Note Futures	Long	473	March 2022	61,712	530
10 Year Ultra U.S. Treasury Note Futures	Long	27	March 2022	3,954	(11)
20 Year U.S. Treasury Bond Futures	Long	357	March 2022	57,276	501
30 Year Ultra U.S. Treasury Bond Futures	Short	33	March 2022	(6,505)	(51)
					$ 609

Swap contracts

Interest rate swaps

Centrally cleared interest rate swaps

Receive		Pay						
Rate	Payment frequency	Rate	Payment frequency	Expiration date	Notional (000)	Value at 12/31/2021 (000)	Upfront premium paid (000)	Unrealized appreciation (depreciation) at 12/31/2021 (000)
2.5775%	Annual	U.S. EFFR	Annual	7/16/2022	$181,639	$ 2,338	$–	$ 2,338
SOFR	Annual	0.471%	Annual	10/26/2023	30,500	110	–	110
0.45801%	Annual	SOFR	Annual	10/26/2023	30,500	(118)	–	(118)
0.241%	Annual	U.S. EFFR	Annual	3/1/2024	119,400	(1,428)	–	(1,428)
U.S. EFFR	Annual	0.11%	Annual	5/18/2024	97,600	1,109	–	1,109
U.S. EFFR	Annual	0.126%	Annual	6/25/2025	20,100	615	–	615
U.S. EFFR	Annual	0.1275%	Annual	6/25/2025	20,100	613	–	613
U.S. EFFR	Annual	0.106%	Annual	6/30/2025	22,492	707	–	707
3-month USD-LIBOR	Quarterly	1.867%	Semi-annual	7/11/2025	49,400	(683)	–	(683)
2.91%	Semi-annual	3-month USD-LIBOR	Quarterly	2/1/2028	16,000	1,005	–	1,005
2.908%	Semi-annual	3-month USD-LIBOR	Quarterly	2/1/2028	16,000	1,003	–	1,003
2.925%	Semi-annual	3-month USD-LIBOR	Quarterly	2/1/2028	12,800	813	–	813
2.92%	Semi-annual	3-month USD-LIBOR	Quarterly	2/2/2028	12,200	772	–	772
U.S. EFFR	Annual	0.5385%	Annual	3/26/2030	49,000	2,771	–	2,771
0.913%	Semi-annual	3-month USD-LIBOR	Quarterly	6/9/2030	31,000	(1,501)	–	(1,501)
U.S. EFFR	Annual	0.666%	Annual	11/19/2030	15,500	793	–	793
3-month USD-LIBOR	Quarterly	2.986%	Semi-annual	2/1/2038	7,800	(730)	–	(730)
3-month USD-LIBOR	Quarterly	2.963%	Semi-annual	2/1/2038	9,800	(897)	–	(897)
0.833%	Semi-annual	3-month USD-LIBOR	Quarterly	4/3/2040	15,800	(2,287)	–	(2,287)
1.731%	Semi-annual	3-month USD-LIBOR	Quarterly	12/1/2041	7,575	(16)	–	(16)
3-month USD-LIBOR	Quarterly	0.811%	Semi-annual	7/27/2050	52,500	11,104	–	11,104
							$–	$16,093

[1]Index-linked bond whose principal amount moves with a government price index.
[2]All or a portion of this security was pledged as collateral. The total value of pledged collateral was $9,263,000, which represented .43% of the net assets of the fund.
[3]Amount less than one thousand.
[4]Principal payments may be made periodically. Therefore, the effective maturity date may be earlier than the stated maturity date.
[5]Coupon rate may change periodically. Reference rate and spread are as of the most recent information available. Some coupon rates are determined by the issuer or agent based on current market conditions; therefore, the reference rate and spread are not available.
[6]Purchased on a TBA basis.
[7]Acquired in a transaction exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was $382,771,000, which represented 17.68% of the net assets of the fund.

Key to abbreviations and symbol
EFFR = Effective Federal Funds Rate
LIBOR = London Interbank Offered Rate
SOFR = Secured Overnight Financing Rate
TBA = To-be-announced
USD/$ = U.S. dollars

See notes to financial statements.

Managed Risk Growth Fund

Investment portfolio December 31, 2021

Growth funds 84.63%	Shares	Value (000)
American Funds Insurance Series – Growth Fund, Class 1	3,957,627	$504,914
Total growth funds (cost: $364,803,000)		504,914
Fixed income funds 9.93%		
American Funds Insurance Series – The Bond Fund of America, Class 1	5,284,186	59,236
Total fixed income funds (cost: $61,496,000)		59,236
Short-term securities 4.40%		
State Street Institutional U.S. Government Money Market Fund, Premier Class 0.03%[1]	26,275,190	26,275
Total short-term securities (cost: $26,275,000)		26,275
Options purchased 0.44%		
Options purchased*		2,602
Total options purchased (cost: $4,012,000)		2,602
Total investment securities 99.40% (cost: $456,586,000)		593,027
Other assets less liabilities 0.60%		3,566
Net assets 100.00%		$596,593

***Options purchased**

Put

Description	Number of contracts	Notional amount (000)	Exercise price	Expiration date	Value at 12/31/2021 (000)
S&P 500 Index	15	$ 7,149	$2,800.00	3/18/2022	$ 6
S&P 500 Index	3	1,430	2,825.00	3/18/2022	1
S&P 500 Index	23	10,962	2,850.00	3/18/2022	10
S&P 500 Index	32	15,252	2,875.00	3/18/2022	14
S&P 500 Index	22	10,486	2,925.00	3/18/2022	10
S&P 500 Index	24	11,439	2,975.00	3/18/2022	12
S&P 500 Index	12	5,719	3,050.00	3/18/2022	7
S&P 500 Index	30	14,299	2,925.00	6/17/2022	54
S&P 500 Index	116	55,288	2,950.00	6/17/2022	214
S&P 500 Index	10	4,766	3,000.00	6/17/2022	20
S&P 500 Index	15	7,149	3,050.00	6/17/2022	31
S&P 500 Index	20	9,532	3,075.00	6/17/2022	43
S&P 500 Index	986	469,945	3,100.00	6/17/2022	2,180
					$2,602

Managed Risk Growth Fund (continued)

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
5 Year U.S. Treasury Note Futures	Long	926	March 2022	$112,024	$ (99)
Japanese Yen Currency Contracts	Short	3	March 2022	(326)	4
British Pound Currency Contracts	Short	4	March 2022	(338)	(7)
FTSE 100 Index Contracts	Short	4	March 2022	(397)	(7)
Nikkei 225 Index Contracts	Short	2	March 2022	(500)	(11)
Mini MSCI Emerging Market Index Contracts	Short	22	March 2022	(1,349)	(5)
Russell 2000 Mini Index Contracts	Short	21	March 2022	(2,355)	(52)
Euro Stoxx 50 Index Contracts	Short	55	March 2022	(2,685)	(82)
Euro Currency Contracts	Short	19	March 2022	(2,708)	(21)
S&P Mid 400 E-mini Index Contracts	Short	12	March 2022	(3,405)	(108)
S&P 500 E-mini Index Contracts	Short	158	March 2022	(37,592)	(951)
					$(1,339)

Investments in affiliates[2]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (loss) (000)	Net unrealized depreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Growth funds 84.63%								
American Funds Insurance Series – Growth Fund, Class 1	$452,559	$138,184	$119,110	$48,983	$(15,702)	$504,914	$2,279	$63,763
Fixed income funds 9.93%								
American Funds Insurance Series – The Bond Fund of America, Class 1[3]	84,922	43,055	64,950	(820)	(2,971)	59,236	945	2,342
Total 94.56%				$48,163	$(18,673)	$564,150	$3,224	$66,105

[1]Rate represents the seven-day yield at 12/31/2021.
[2]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[3]This fund changed its name during the reporting period.

See notes to financial statements.

Managed Risk International Fund

Investment portfolio December 31, 2021

Growth funds 84.91%	Shares	Value (000)
American Funds Insurance Series – International Fund, Class 1	6,034,676	$136,987
Total growth funds (cost: $111,823,000)		136,987
Fixed income funds 9.96%		
American Funds Insurance Series – The Bond Fund of America, Class 1	1,433,641	16,071
Total fixed income funds (cost: $16,737,000)		16,071
Short-term securities 3.65%		
State Street Institutional U.S. Government Money Market Fund, Premier Class 0.03%[1]	5,895,411	5,895
Total short-term securities (cost: $5,895,000)		5,895
Options purchased 0.37%		
Options purchased*		590
Total options purchased (cost: $1,147,000)		590
Total investment securities 98.89% (cost: $135,602,000)		159,543
Other assets less liabilities 1.11%		1,792
Net assets 100.00%		$161,335

***Options purchased**

Put

Description	Number of contracts	Notional amount (000)	Exercise price	Expiration date	Value at 12/31/2021 (000)
MSCI EAFE Index	53	$ 12,381	$1,675.00	3/18/2022	$ 17
MSCI EAFE Index	630	147,173	1,550.00	6/17/2022	573
					$590

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
5 Year U.S. Treasury Note Futures	Long	349	March 2022	$42,221	$ (70)
S&P 500 E-mini Index Contracts	Short	24	March 2022	(5,710)	(124)
Mini MSCI Emerging Market Index Contracts	Short	149	March 2022	(9,136)	68
MSCI EAFE Index Contracts	Short	83	March 2022	(9,636)	(257)
					$(383)

Investments in affiliates[2]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (loss) (000)	Net unrealized depreciation (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Growth funds 84.91%								
American Funds Insurance Series – International Fund, Class 1	$135,744	$27,423	$21,140	$3,428	$(8,468)	$136,987	$3,772	$ –
Fixed income funds 9.96%								
American Funds Insurance Series – The Bond Fund of America, Class 1[3]	25,472	10,358	18,641	(260)	(858)	16,071	257	694
Total 94.87%				$3,168	$(9,326)	$153,058	$4,029	$694

[1]Rate represents the seven-day yield at 12/31/2021.
[2]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[3]This fund changed its name during the reporting period.

See notes to financial statements.

Managed Risk Washington Mutual Investors Fund

(formerly Managed Risk Blue Chip Income and Growth Fund)

Investment portfolio December 31, 2021

Growth-and-income funds 84.69%	Shares	Value (000)
American Funds Insurance Series – Washington Mutual Investors Fund, Class 1	17,465,266	$315,947
Total growth-and-income funds (cost: $211,906,000)		315,947
Fixed income funds 9.94%		
American Funds Insurance Series – U.S. Government Securities Fund, Class 1	3,176,210	37,066
Total fixed income funds (cost: $40,177,000)		37,066
Short-term securities 4.86%		
State Street Institutional U.S. Government Money Market Fund, Premier Class 0.03%[1]	18,146,869	18,147
Total short-term securities (cost: $18,147,000)		18,147
Options purchased 0.48%		
Options purchased*		1,778
Total options purchased (cost: $2,809,000)		1,778
Total investment securities 99.97% (cost: $273,039,000)		372,938
Other assets less liabilities 0.03%		99
Net assets 100.00%		$373,037

***Options purchased**

Put

Description	Number of contracts	Notional amount (000)	Exercise price	Expiration date	Value at 12/31/2021 (000)
S&P 500 Index	22	$ 10,486	$2,725.00	3/18/2022	$ 8
S&P 500 Index	2	953	2,775.00	3/18/2022	1
S&P 500 Index	30	14,299	2,800.00	3/18/2022	12
S&P 500 Index	15	7,149	2,825.00	3/18/2022	6
S&P 500 Index	12	5,719	2,875.00	3/18/2022	5
S&P 500 Index	12	5,719	2,925.00	3/18/2022	6
S&P 500 Index	11	5,243	2,975.00	3/18/2022	5
S&P 500 Index	4	1,907	3,025.00	3/18/2022	2
S&P 500 Index	16	7,626	3,050.00	3/18/2022	9
S&P 500 Index	10	4,766	2,800.00	6/17/2022	15
S&P 500 Index	52	24,784	2,950.00	6/17/2022	96
S&P 500 Index	15	7,149	3,000.00	6/17/2022	30
S&P 500 Index	30	14,299	3,050.00	6/17/2022	63
S&P 500 Index	55	26,214	3,075.00	6/17/2022	118
S&P 500 Index	634	302,176	3,100.00	6/17/2022	1,402
					$1,778

Managed Risk Washington Mutual Investors Fund (continued)
(formerly Managed Risk Blue Chip Income and Growth Fund)

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized depreciation at 12/31/2021 (000)
5 Year U.S. Treasury Note Futures	Long	219	March 2022	$26,494	$ (28)
S&P 500 E-mini Index Contracts	Long	49	March 2022	11,658	(50)
Euro Currency Contracts	Short	1	March 2022	(143)	(1)
British Pound Currency Contracts	Short	2	March 2022	(169)	(4)
Euro Stoxx 50 Index Contracts	Short	5	March 2022	(244)	(8)
S&P Mid 400 E-mini Index Contracts	Short	1	March 2022	(284)	(7)
FTSE 100 Index Contracts	Short	3	March 2022	(297)	(5)
					$(103)

Investments in affiliates[2]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (loss) (000)	Net unrealized appreciation (depreciation) (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Growth-and-income funds 84.69%								
American Funds Insurance Series – Washington Mutual Investors Fund, Class 1[3]	$285,450	$34,322	$73,498	$27,698	$41,975	$315,947	$5,035	$ –
Fixed income funds 9.94%								
American Funds Insurance Series – U.S. Government Securities Fund, Class 1[3]	53,565	20,752	33,027	(1,832)	(2,392)	37,066	553	3,183
Total 94.63%				$25,866	$39,583	$353,013	$5,588	$3,183

[1]Rate represents the seven-day yield at 12/31/2021.
[2]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[3]This fund changed its name during the reporting period.

See notes to financial statements.

Managed Risk Growth-Income Fund

Investment portfolio December 31, 2021

Growth-and-income funds 79.67%	Shares	Value (000)
American Funds Insurance Series – Growth-Income Fund, Class 1	31,554,445	$2,125,192
Total growth-and-income funds (cost: $1,480,505,000)		2,125,192
Fixed income funds 14.95%		
American Funds Insurance Series – The Bond Fund of America, Class 1	35,574,396	398,789
Total fixed income funds (cost: $413,197,000)		398,789
Short-term securities 4.68%		
State Street Institutional U.S. Government Money Market Fund, Premier Class 0.03%[1]	124,761,468	124,761
Total short-term securities (cost: $124,761,000)		124,761
Options purchased 0.55%		
Options purchased*		14,711
Total options purchased (cost: $33,399,000)		14,711
Total investment securities 99.85% (cost: $2,051,862,000)		2,663,453
Other assets less liabilities 0.15%		4,119
Net assets 100.00%		$2,667,572

***Options purchased**

Put

Description	Number of contracts	Notional amount (000)	Exercise price	Expiration date	Value at 12/31/2021 (000)
S&P 500 Index	403	$ 192,077	$2,800.00	3/18/2022	$ 159
S&P 500 Index	150	71,493	2,825.00	3/18/2022	62
S&P 500 Index	375	178,732	2,850.00	3/18/2022	159
S&P 500 Index	294	140,126	2,875.00	3/18/2022	129
S&P 500 Index	268	127,734	2,900.00	3/18/2022	123
S&P 500 Index	211	100,566	2,925.00	3/18/2022	99
S&P 500 Index	150	71,493	2,950.00	3/18/2022	73
S&P 500 Index	177	84,361	2,975.00	3/18/2022	89
S&P 500 Index	3,560	1,696,760	3,000.00	3/18/2022	1,780
S&P 500 Index	142	67,680	3,025.00	3/18/2022	75
S&P 500 Index	46	21,924	3,050.00	3/18/2022	25
S&P 500 Index	100	47,662	2,725.00	6/17/2022	143
S&P 500 Index	135	64,343	2,750.00	6/17/2022	198
S&P 500 Index	240	114,388	2,800.00	6/17/2022	368
S&P 500 Index	510	243,075	2,900.00	6/17/2022	888
S&P 500 Index	60	28,597	2,925.00	6/17/2022	108
S&P 500 Index	11	5,243	2,950.00	6/17/2022	20
S&P 500 Index	41	19,541	3,000.00	6/17/2022	82
S&P 500 Index	60	28,597	3,050.00	6/17/2022	125
S&P 500 Index	310	147,752	3,075.00	6/17/2022	665
S&P 500 Index	3,167	1,509,449	3,100.00	6/17/2022	7,002
S&P 500 Index	640	305,036	2,975.00	9/16/2022	2,339
					$14,711

Managed Risk Growth-Income Fund (continued)

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized depreciation at 12/31/2021 (000)
5 Year U.S. Treasury Note Futures	Long	1,346	March 2022	$162,834	$ (61)
S&P 500 E-mini Index Contracts	Long	575	March 2022	136,807	(618)
British Pound Currency Contracts	Short	3	March 2022	(254)	(5)
Euro Currency Contracts	Short	4	March 2022	(570)	(4)
					$(688)

Investments in affiliates[2]

	Value of affiliates at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized appreciation (depreciation) (000)	Value of affiliates at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Growth-and-income funds 79.67%								
American Funds Insurance Series – Growth-Income Fund, Class 1	$1,938,260	$136,575	$351,326	$92,299	$309,384	$2,125,192	$27,669	$19,790
Fixed income funds 14.95%								
American Funds Insurance Series – The Bond Fund of America, Class 1[3]	363,712	179,173	122,342	5,435	(27,189)	398,789	6,324	15,522
Total 94.62%				$97,734	$282,195	$2,523,981	$33,993	$35,312

[1]Rate represents the seven-day yield at 12/31/2021.
[2]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.
[3]This fund changed its name during the reporting period.

See notes to financial statements.

Managed Risk Asset Allocation Fund

Investment portfolio December 31, 2021

Asset allocation funds 95.00%	Shares	Value (000)
American Funds Insurance Series – Asset Allocation Fund, Class 1	92,092,691	$2,678,055
Total asset allocation funds (cost: $2,102,003,000)		2,678,055

Short-term securities 4.87%		
State Street Institutional U.S. Government Money Market Fund, Premier Class 0.03%[1]	137,381,639	137,382
Total short-term securities (cost: $137,382,000)		137,382

Options purchased 0.13%	
Options purchased*	3,532
Total options purchased (cost: $5,432,000)	3,532
Total investment securities 100.00% (cost: $2,244,817,000)	2,818,969
Other assets less liabilities 0.00%	51
Net assets 100.00%	$2,819,020

***Options purchased**

Put

Description	Number of contracts	Notional amount (000)	Exercise price	Expiration date	Value at 12/31/2021 (000)
S&P 500 Index	15	$ 7,149	$2,725.00	3/18/2022	$ 5
S&P 500 Index	12	5,719	2,775.00	3/18/2022	5
S&P 500 Index	39	18,588	2,825.00	3/18/2022	16
S&P 500 Index	76	36,223	2,850.00	3/18/2022	32
S&P 500 Index	56	26,691	2,875.00	3/18/2022	25
S&P 500 Index	2	953	2,900.00	3/18/2022	1
S&P 500 Index	58	27,644	2,925.00	3/18/2022	27
S&P 500 Index	18	8,579	2,950.00	3/18/2022	9
S&P 500 Index	42	20,018	2,975.00	3/18/2022	21
S&P 500 Index	13	6,196	3,000.00	3/18/2022	6
S&P 500 Index	10	4,766	3,025.00	3/18/2022	5
S&P 500 Index	25	11,916	3,050.00	3/18/2022	14
S&P 500 Index	7	3,336	2,800.00	6/17/2022	11
S&P 500 Index	30	14,299	2,825.00	6/17/2022	48
S&P 500 Index	20	9,532	3,075.00	6/17/2022	43
S&P 500 Index	970	462,320	3,100.00	6/17/2022	2,145
S&P 500 Index	270	128,687	2,950.00	9/16/2022	958
S&P 500 Index	44	20,971	2,975.00	9/16/2022	161
					$3,532

Managed Risk Asset Allocation Fund (continued)

Futures contracts

Contracts	Type	Number of contracts	Expiration	Notional amount (000)	Value and unrealized (depreciation) appreciation at 12/31/2021 (000)
5 Year U.S. Treasury Note Futures	Long	1,401	March 2022	$169,488	$(107)
S&P 500 E-mini Index Contracts	Long	125	March 2022	29,741	(125)
Japanese Yen Currency Contracts	Short	1	March 2022	(109)	1
British Pound Currency Contracts	Short	2	March 2022	(169)	(4)
Euro Currency Contracts	Short	4	March 2022	(570)	(6)
					$(241)

Investments in affiliates[2]

	Value of affiliate at 1/1/2021 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized appreciation (000)	Value of affiliate at 12/31/2021 (000)	Dividend income (000)	Capital gain distributions received (000)
Asset allocation funds 95.00%								
American Funds Insurance Series – Asset Allocation Fund, Class 1	$2,646,718	$138,416	$357,415	$78,189	$172,147	$2,678,055	$46,260	$88,212

[1]Rate represents the seven-day yield at 12/31/2021.
[2]Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.

See notes to financial statements.

Financial statements

Statements of assets and liabilities at December 31, 2021

(dollars in thousands)

	Global Growth Fund	Global Small Capitalization Fund	Growth Fund	International Fund	New World Fund
Assets:					
Investment securities, at value:					
Unaffiliated issuers	$9,219,626	$4,376,784	$43,849,243	$8,495,949	$4,253,963
Affiliated issuers	378,522	276,570	1,630,491	1,011,457	221,019
Cash	780	178	3,232	145	773
Cash collateral received for securities on loan	428	7,641	4,809	8,068	1,008
Cash collateral pledged for futures contracts	–	–	–	–	161
Cash collateral pledged for swap contracts	–	–	–	–	–
Cash denominated in currencies other than U.S. dollars	–	2,256	453	47	386
Unrealized appreciation on open forward currency contracts	–	–	–	–	–
Receivables for:					
Sales of investments	–	435	21,940	4,847	1,899
Sales of fund's shares	6,219	9,093	20,056	26,783	3,599
Dividends and interest	11,251	6,065	14,335	5,490	4,079
Variation margin on futures contracts	–	–	–	–	62
Variation margin on centrally cleared swap contracts	–	–	–	–	–
Securities lending income	–[1]	4	1	1	1
Currency translations	480	138	12	424	2,022
Other	–	–[1]	–	–	–
	9,617,306	4,679,164	45,544,572	9,553,211	4,488,972
Liabilities:					
Collateral for securities on loan	4,283	76,415	48,094	80,676	10,080
Unrealized depreciation on open forward currency contracts	–	–	–	–	20
Unrealized depreciation on unfunded commitments	–	–	–	–	–
Payables for:					
Purchases of investments	788	474	8,887	1,883	7,895
Repurchases of fund's shares	7,561	2,413	60,134	2,009	5,595
Investment advisory services	3,959	2,659	11,615	3,858	1,847
Insurance administrative fees	456	218	2,027	294	568
Services provided by related parties	1,333	709	6,384	1,196	519
Trustees' deferred compensation	95	62	535	193	46
Variation margin on futures contracts	–	–	–	–	24
Variation margin on centrally cleared swap contracts	–	–	–	–	–
Non-U.S. taxes	7,895	19,049	934	33,209	14,603
Currency translations	–	–	–	–	–
Custody fees	336	244	216	540	300
Other	20	–	–	–	31
	26,726	102,243	138,826	123,858	41,528
Net assets at December 31, 2021	$9,590,580	$4,576,921	$45,405,746	$9,429,353	$4,447,444
Net assets consist of:					
Capital paid in on shares of beneficial interest	$3,931,297	$1,859,410	$16,269,659	$6,198,523	$2,653,089
Total distributable earnings (accumulated loss)	5,659,283	2,717,511	29,136,087	3,230,830	1,794,355
Net assets at December 31, 2021	$9,590,580	$4,576,921	$45,405,746	$9,429,353	$4,447,444
Investment securities on loan, at value	$ 4,822	$ 85,086	$ 47,077	$ 77,301	$ 13,375
Investment securities, at cost					
Unaffiliated issuers	4,397,099	2,754,697	19,737,875	6,250,809	2,748,317
Affiliated issuers	378,477	250,133	1,630,296	1,011,351	221,003
Cash denominated in currencies other than U.S. dollars, at cost	–	2,250	452	47	386

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued)

(dollars in thousands)

	Washington Mutual Investors Fund[2]	Capital World Growth and Income Fund[3]	Growth-Income Fund	International Growth and Income Fund	Capital Income Builder
Assets:					
Investment securities, at value:					
Unaffiliated issuers	$11,155,779	$2,365,564	$41,804,971	$353,438	$1,084,391
Affiliated issuers	331,143	13,282	1,259,909	21,699	75,150
Cash	1,733	806	667	92	745
Cash collateral received for securities on loan	2,196	69	9,273	–	463
Cash collateral pledged for futures contracts	–	–	–	–	–
Cash collateral pledged for swap contracts	–	–	–	–	–
Cash denominated in currencies other than U.S. dollars	30	1,062	1,069	1,205	278
Unrealized appreciation on open forward currency contracts	–	–	–	–	2
Receivables for:					
Sales of investments	653	2,189	20,176	238	4,317
Sales of fund's shares	5,336	386	3,926	289	882
Dividends and interest	9,726	5,414	43,351	2,249	3,897
Variation margin on futures contracts	–	–	–	–	106
Variation margin on centrally cleared swap contracts	–	–	–	–	3
Securities lending income	1	–[1]	1	–[1]	–[1]
Currency translations	6	379	155	67	26
Other	–	–	–	–	–
	11,506,603	2,389,151	43,143,498	379,277	1,170,260
Liabilities:					
Collateral for securities on loan	21,965	693	92,730	–	4,628
Unrealized depreciation on open forward currency contracts	–	–	–	–	–
Unrealized depreciation on unfunded commitments	–	–	–	–	–
Payables for:					
Purchases of investments	7,936	277	78	10	17,978
Repurchases of fund's shares	7,246	2,329	81,365	103	1,950
Investment advisory services	2,118	699	8,889	184	211
Insurance administrative fees	748	139	1,175	83	343
Services provided by related parties	1,217	385	4,658	81	144
Trustees' deferred compensation	112	28	593	16	8
Variation margin on futures contracts	–	–	–	–	8
Variation margin on centrally cleared swap contracts	–	–	–	–	22
Non-U.S. taxes	116	858	1,293	178	417
Currency translations	–	–	–	–	–
Custody fees	8	88	232	80	24
Other	–	–	–	–	–
	41,466	5,496	191,013	735	25,733
Net assets at December 31, 2021	$11,465,137	$2,383,655	$42,952,485	$378,542	$1,144,527
Net assets consist of:					
Capital paid in on shares of beneficial interest	$ 6,294,050	$1,357,033	$20,012,192	$189,526	$ 923,131
Total distributable earnings (accumulated loss)	5,171,087	1,026,622	22,940,293	189,016	221,396
Net assets at December 31, 2021	$11,465,137	$2,383,655	$42,952,485	$378,542	$1,144,527
Investment securities on loan, at value	$ 89,518	$ 2,444	$ 91,976	$ 53	$ 6,084
Investment securities, at cost					
Unaffiliated issuers	8,240,289	1,757,008	22,424,700	309,545	847,938
Affiliated issuers	331,102	13,281	1,259,712	21,694	75,628
Cash denominated in currencies other than U.S. dollars, at cost	30	1,061	1,069	1,205	277

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued)

(dollars in thousands)

	Asset Allocation Fund	Global Balanced Fund	The Bond Fund of America[4]	Capital World Bond Fund	American High-Income Trust[5]
Assets:					
Investment securities, at value:					
Unaffiliated issuers	$28,516,500	$466,533	$12,806,734	$1,963,695	$1,020,393
Affiliated issuers	3,050,173	1,127	1,311,257	144,080	17,238
Cash	1,108	142	2,390	88	1,089
Cash collateral received for securities on loan	2,011	–	–	–	–
Cash collateral pledged for futures contracts	–	–	–	–	277
Cash collateral pledged for swap contracts	–	–	–	–	481
Cash denominated in currencies other than U.S. dollars	147	23	1	59	–
Unrealized appreciation on open forward currency contracts	–	57	256	4,439	–
Receivables for:					
Sales of investments	700,865	1,570	2,017,338	39,152	1,868
Sales of fund's shares	11,185	27	6,482	1,997	273
Dividends and interest	88,237	1,510	61,345	15,656	14,032
Variation margin on futures contracts	690	15	5,691	458	–
Variation margin on centrally cleared swap contracts	–	7	1	109	–
Securities lending income	–	–	–	–	–
Currency translations	71	3	22	–	–
Other	–	–	–	–	2
	32,370,987	471,014	16,211,517	2,169,733	1,055,653
Liabilities:					
Collateral for securities on loan	20,115	–	–	–	–
Unrealized depreciation on open forward currency contracts	–	246	611	3,957	–
Unrealized depreciation on unfunded commitments	2	–	–	–[1]	1
Payables for:					
Purchases of investments	1,611,332	2,432	3,007,831	78,621	2,386
Repurchases of fund's shares	13,395	465	9,402	165	262
Investment advisory services	6,713	258	1,860	768	260
Insurance administrative fees	3,838	85	549	41	59
Services provided by related parties	3,207	82	1,315	287	189
Trustees' deferred compensation	345	4	143	29	36
Variation margin on futures contracts	1,183	8	1,522	181	15
Variation margin on centrally cleared swap contracts	20	14	1,678	239	9
Non-U.S. taxes	4,797	24	3	63	–
Currency translations	–	–	–	134	–
Custody fees	120	20	24	196	1
Other	–	–	–[1]	44	–[1]
	1,665,067	3,638	3,024,938	84,725	3,218
Net assets at December 31, 2021	$30,705,920	$467,376	$13,186,579	$2,085,008	$1,052,435
Net assets consist of:					
Capital paid in on shares of beneficial interest	$18,200,412	$347,665	$12,814,664	$2,057,721	$1,263,068
Total distributable earnings (accumulated loss)	12,505,508	119,711	371,915	27,287	(210,633)
Net assets at December 31, 2021	$30,705,920	$467,376	$13,186,579	$2,085,008	$1,052,435
Investment securities on loan, at value	$ 19,643	$ –	$ –	$ –	$ –
Investment securities, at cost					
Unaffiliated issuers	18,775,106	347,800	12,540,693	1,956,858	983,275
Affiliated issuers	3,085,509	1,127	1,311,134	144,069	17,234
Cash denominated in currencies other than U.S. dollars, at cost	147	22	1	59	–

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued)

(dollars in thousands)

	American Funds Mortgage Fund	Ultra-Short Bond Fund	U.S. Government Securities Fund[6]	Managed Risk Growth Fund	Managed Risk International Fund
Assets:					
Investment securities, at value:					
Unaffiliated issuers	$436,046	$325,641	$2,180,967	$ 28,877	$ 6,485
Affiliated issuers	–	–	–	564,150	153,058
Cash	9,041	9,056	55,451	–	–
Cash collateral received for securities on loan	–	–	–	–	–
Cash collateral pledged for futures contracts	–	–	–	3,930	1,845
Cash collateral pledged for swap contracts	–	–	–	–	–
Cash denominated in currencies other than U.S. dollars	–	–	–	–	–
Unrealized appreciation on open forward currency contracts	–	–	–	–	–
Receivables for:					
Sales of investments	136,409	–	124,289	423	–
Sales of fund's shares	93	397	1,480	554	107
Dividends and interest	427	1	4,587	1	–[1]
Variation margin on futures contracts	14	–	420	184	92
Variation margin on centrally cleared swap contracts	–	–	215	–	–
Securities lending income	–	–	–	–	–
Currency translations	–	–	–	–	–
Other	–	–	–	–	–
	582,030	335,095	2,367,409	598,119	161,587
Liabilities:					
Collateral for securities on loan	–	–	–	–	–
Unrealized depreciation on open forward currency contracts	–	–	–	–	–
Unrealized depreciation on unfunded commitments	–	–	–	–	–
Payables for:					
Purchases of investments	247,323	–	197,166	840	101
Repurchases of fund's shares	117	2,228	3,170	115	1
Investment advisory services	60	92	357	50	13
Insurance administrative fees	28	29	152	376	102
Services provided by related parties	30	72	404	120	32
Trustees' deferred compensation	3	13	49	4	1
Variation margin on futures contracts	13	–	180	21	2
Variation margin on centrally cleared swap contracts	58	–	630	–	–
Non-U.S. taxes	–	–	–	–	–
Currency translations	–	–	–	–	–
Custody fees	–[1]	–[1]	2	–	–
Other	–[1]	–	–	–	–
	247,632	2,434	202,110	1,526	252
Net assets at December 31, 2021	$334,398	$332,661	$2,165,299	$596,593	$161,335
Net assets consist of:					
Capital paid in on shares of beneficial interest	$331,373	$332,673	$2,145,433	$374,736	$154,889
Total distributable earnings (accumulated loss)	3,025	(12)	19,866	221,857	6,446
Net assets at December 31, 2021	$334,398	$332,661	$2,165,299	$596,593	$161,335
Investment securities on loan, at value	$ –	$ –	$ –	$ –	$ –
Investment securities, at cost					
Unaffiliated issuers	435,285	325,639	2,162,269	30,287	7,042
Affiliated issuers	–	–	–	426,299	128,560
Cash denominated in currencies other than U.S. dollars, at cost	–	–	–	–	–

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued) (dollars in thousands)

	Managed Risk Washington Mutual Investors Fund[7]	Managed Risk Growth-Income Fund	Managed Risk Asset Allocation Fund
Assets:			
Investment securities, at value:			
Unaffiliated issuers	$ 19,925	$ 139,472	$ 140,914
Affiliated issuers	353,013	2,523,981	2,678,055
Cash	–	–	–
Cash collateral received for securities on loan	–	–	–
Cash collateral pledged for futures contracts	473	7,873	2,748
Cash collateral pledged for swap contracts	–	–	–
Cash denominated in currencies other than U.S. dollars	–	–	–
Unrealized appreciation on open forward currency contracts	–	–	–
Receivables for:			
Sales of investments	311	28,156	1,707
Sales of fund's shares	122	16	186
Dividends and interest	–[1]	3	4
Variation margin on futures contracts	18	95	98
Variation margin on centrally cleared swap contracts	–	–	–
Securities lending income	–	–	–
Currency translations	–	–	–
Other	–	–	–
	373,862	2,699,596	2,823,712
Liabilities:			
Collateral for securities on loan	–	–	–
Unrealized depreciation on open forward currency contracts	–	–	–
Unrealized depreciation on unfunded commitments	–	–	–
Payables for:			
Purchases of investments	112	–	–
Repurchases of fund's shares	332	29,654	1,983
Investment advisory services	31	224	235
Insurance administrative fees	230	1,661	1,770
Services provided by related parties	76	70	583
Trustees' deferred compensation	3	16	32
Variation margin on futures contracts	41	399	89
Variation margin on centrally cleared swap contracts	–	–	–
Non-U.S. taxes	–	–	–
Currency translations	–	–	–
Custody fees	–	–	–
Other	–	–	–
	825	32,024	4,692
Net assets at December 31, 2021	$373,037	$2,667,572	$2,819,020
Net assets consist of:			
Capital paid in on shares of beneficial interest	$322,953	$1,989,799	$2,138,433
Total distributable earnings (accumulated loss)	50,084	677,773	680,587
Net assets at December 31, 2021	$373,037	$2,667,572	$2,819,020
Investment securities on loan, at value	$ –	$ –	$ –
Investment securities, at cost			
Unaffiliated issuers	20,956	158,160	142,814
Affiliated issuers	252,083	1,893,702	2,102,003
Cash denominated in currencies other than U.S. dollars, at cost	–	–	–

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued)

(dollars and shares in thousands, except per-share amounts)

		Global Growth Fund	Global Small Capitalization Fund	Growth Fund	International Fund	New World Fund
Shares of beneficial interest issued and outstanding (no stated par value) – unlimited shares authorized						
Class 1:	Net assets	$4,270,015	$1,706,646	$19,783,368	$4,746,661	$2,442,787
	Shares outstanding	93,924	49,945	155,063	209,093	76,738
	Net asset value per share	$45.46	$34.17	$127.58	$22.70	$31.83
Class 1A:	Net assets	$17,858	$5,190	$120,731	$11,745	$11,764
	Shares outstanding	395	153	953	520	371
	Net asset value per share	$45.28	$33.93	$126.70	$22.61	$31.70
Class 2:	Net assets	$4,558,481	$2,520,876	$21,985,548	$4,190,587	$1,086,675
	Shares outstanding	101,428	76,539	174,097	185,390	34,525
	Net asset value per share	$44.94	$32.94	$126.28	$22.60	$31.48
Class 3:	Net assets			$301,618	$21,072	
	Shares outstanding	Not applicable	Not applicable	2,344	926	Not applicable
	Net asset value per share			$128.68	$22.76	
Class 4:	Net assets	$744,226	$344,209	$3,214,481	$459,288	$906,218
	Shares outstanding	16,697	10,442	25,967	20,589	29,006
	Net asset value per share	$44.57	$32.96	$123.79	$22.31	$31.24

		Washington Mutual Investors Fund[2]	Capital World Growth and Income Fund[3]	Growth-Income Fund	International Growth and Income Fund	Capital Income Builder
Shares of beneficial interest issued and outstanding (no stated par value) – unlimited shares authorized						
Class 1:	Net assets	$6,765,816	$812,024	$25,507,634	$30,201	$563,175
	Shares outstanding	374,044	44,087	378,721	1,539	46,293
	Net asset value per share	$18.09	$18.42	$67.35	$19.62	$12.17
Class 1A:	Net assets	$168,690	$6,393	$32,207	$5,561	$9,496
	Shares outstanding	9,391	349	481	287	781
	Net asset value per share	$17.96	$18.34	$67.02	$19.39	$12.15
Class 2:	Net assets	$3,426,685	$1,340,086	$15,318,769	$210,888	$12,521
	Shares outstanding	192,152	72,923	230,562	10,882	1,030
	Net asset value per share	$17.83	$18.38	$66.44	$19.38	$12.16
Class 3:	Net assets			$166,175		
	Shares outstanding	Not applicable	Not applicable	2,462	Not applicable	Not applicable
	Net asset value per share			$67.48		
Class 4:	Net assets	$1,103,946	$225,152	$1,927,700	$131,892	$559,335
	Shares outstanding	62,348	12,483	29,401	6,859	46,076
	Net asset value per share	$17.71	$18.04	$65.57	$19.23	$12.14

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued)

(dollars and shares in thousands, except per-share amounts)

		Asset Allocation Fund	Global Balanced Fund	The Bond Fund of America[4]	Capital World Bond Fund	American High-Income Trust[5]
Shares of beneficial interest issued and outstanding (no stated par value) – unlimited shares authorized						
Class 1:	Net assets	$18,835,999	$120,569	$8,555,042	$988,131	$277,549
	Shares outstanding	647,633	8,185	762,915	83,789	27,242
	Net asset value per share	$29.08	$14.73	$11.21	$11.79	$10.19
Class 1A:	Net assets	$24,142	$3,738	$12,240	$1,541	$1,456
	Shares outstanding	833	254	1,097	131	143
	Net asset value per share	$28.97	$14.70	$11.16	$11.76	$10.16
Class 2:	Net assets	$5,472,510	$207,652	$3,728,530	$1,029,688	$673,228
	Shares outstanding	190,399	14,126	337,262	88,037	67,457
	Net asset value per share	$28.74	$14.70	$11.06	$11.70	$9.98
Class 3:	Net assets	$36,255				$10,352
	Shares outstanding	1,245	Not applicable	Not applicable	Not applicable	1,011
	Net asset value per share	$29.12				$10.24
Class 4:	Net assets	$6,337,014	$135,417	$890,767	$65,648	$89,850
	Shares outstanding	221,878	9,317	80,887	5,674	8,179
	Net asset value per share	$28.56	$14.53	$11.01	$11.57	$10.99

		American Funds Mortgage Fund	Ultra-Short Bond Fund	U.S. Government Securities Fund[6]	Managed Risk Growth Fund	Managed Risk International Fund
Shares of beneficial interest issued and outstanding (no stated par value) – unlimited shares authorized						
Class 1:	Net assets	$231,257	$37,003	$522,162		
	Shares outstanding	21,751	3,283	44,738	Not applicable	Not applicable
	Net asset value per share	$10.63	$11.27	$11.67		
Class 1A:	Net assets	$2,216	$10	$4,762		
	Shares outstanding	209	1	409	Not applicable	Not applicable
	Net asset value per share	$10.59	$11.28	$11.63		
Class 2:	Net assets	$58,069	$244,948	$1,390,807		
	Shares outstanding	5,473	22,408	120,637	Not applicable	Not applicable
	Net asset value per share	$10.61	$10.93	$11.53		
Class 3:	Net assets		$4,619	$9,693		
	Shares outstanding	Not applicable	417	829	Not applicable	Not applicable
	Net asset value per share		$11.07	$11.70		
Class 4:	Net assets	$42,856	$46,081	$237,875		
	Shares outstanding	4,085	4,190	20,654	Not applicable	Not applicable
	Net asset value per share	$10.49	$11.00	$11.52		
Class P1:	Net assets				$12,560	$1,812
	Shares outstanding	Not applicable	Not applicable	Not applicable	678	172
	Net asset value per share				$18.53	$10.55
Class P2:	Net assets				$584,033	$159,523
	Shares outstanding	Not applicable	Not applicable	Not applicable	31,712	15,224
	Net asset value per share				$18.42	$10.48

See end of statements of assets and liabilities for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of assets and liabilities at December 31, 2021 (continued)

(dollars and shares in thousands, except per-share amounts)

		Managed Risk Washington Mutual Investors Fund[7]	Managed Risk Growth-Income Fund	Managed Risk Asset Allocation Fund
Shares of beneficial interest issued and outstanding (no stated par value) – unlimited shares authorized				
Class P1:	Net assets	$2,464	$2,327,641	$7,248
	Shares outstanding	190	148,007	473
	Net asset value per share	$12.95	$15.73	$15.33
Class P2:	Net assets	$370,573	$339,931	$2,811,772
	Shares outstanding	28,765	21,733	188,391
	Net asset value per share	$12.88	$15.64	$14.93

[1] Amount less than one thousand.
[2] Formerly Blue Chip Income and Growth Fund.
[3] Formerly Global Growth and Income Fund.
[4] Formerly Bond Fund.
[5] Formerly High-Income Bond Fund.
[6] Formerly U.S. Government/AAA-Rated Securities Fund.
[7] Formerly Managed Risk Blue Chip Income and Growth Fund.

See notes to financial statements.

Financial statements (continued)

Statements of operations for the year ended December 31, 2021 (dollars in thousands)

	Global Growth Fund	Global Small Capitalization Fund	Growth Fund	International Fund	New World Fund
Investment income:					
Income (net of non-U.S. taxes[1]):					
Dividends:					
Unaffiliated issuers	$ 96,498	$ 34,696	$ 297,072	$ 209,153	$ 56,779
Affiliated issuers	229	149	877	357	180
	96,727	34,845	297,949	209,510	56,959
Interest from unaffiliated issuers	3,255	15	1,929	5,837	6,978
Securities lending income (net of fees)	828	1,076	730	742	305
	100,810	35,936	300,608	216,089	64,242
Fees and expenses[1]:					
Investment advisory services	45,364	36,199	129,405	49,637	30,185
Distribution services	13,010	7,481	61,137	12,154	5,000
Insurance administrative services	1,646	813	7,217	1,145	2,232
Transfer agent services	1	1	6	1	1
Administrative services	2,738	1,583	12,633	3,035	1,336
Accounting and administrative services	–	–	–	–	–
Reports to shareholders	208	133	902	252	102
Registration statement and prospectus	134	136	709	173	65
Trustees' compensation	37	23	171	44	19
Auditing and legal	73	87	87	82	99
Custodian	1,215	750	674	2,244	1,158
Other	4	66	18	5	53
Total fees and expenses before waivers/reimbursements	64,430	47,272	212,959	68,772	40,250
Less waivers/reimbursements of fees and expenses:					
Investment advisory services waivers	28	–	15	–	8,018
Miscellaneous fee reimbursements	–	–	–	–	–
Total waivers/reimbursements of fees and expenses	28	–	15	–	8,018
Total fees and expenses after waivers/reimbursements	64,402	47,272	212,944	68,772	32,232
Net investment income (loss)	36,408	(11,335)	87,664	147,317	32,010
Net realized gain (loss) and unrealized appreciation (depreciation):					
Net realized gain (loss)[1] on:					
Investments in:					
Unaffiliated issuers	848,663	1,100,321	5,060,779	1,275,846	318,182
Affiliated issuers	(19)	(315)	20	(41)	(17)
Futures contracts	–	–	–	–	95
Forward currency contracts	–	–	–	(86)	228
Swap contracts	–	–	–	–	–
Currency transactions	(1,709)	(1,170)	379	(2,236)	(470)
Capital gain distributions received from affiliated issuers	–	–	–	–	–
	846,935	1,098,836	5,061,178	1,273,483	318,018
Net unrealized appreciation (depreciation)[1] on:					
Investments in:					
Unaffiliated issuers	486,026	(703,894)	3,147,373	(1,501,578)	(136,353)
Affiliated issuers	28	(6,978)	90	42	8
Futures contracts	–	–	–	–	(26)
Forward currency contracts	–	–	–	86	34
Swap contracts	–	–	–	–	–
Currency translations	(102)	215	(118)	266	209
	485,952	(710,657)	3,147,345	(1,501,184)	(136,128)
Net realized gain (loss) and unrealized appreciation (depreciation)	1,332,887	388,179	8,208,523	(227,701)	181,890
Net increase (decrease) in net assets resulting from operations	$1,369,295	$ 376,844	$8,296,187	$ (80,384)	$ 213,900

See end of statements of operations for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of operations for the year ended December 31, 2021 (continued) (dollars in thousands)

	Washington Mutual Investors Fund[2]	Capital World Growth and Income Fund[3]	Growth-Income Fund	International Growth and Income Fund	Capital Income Builder
Investment income:					
Income (net of non-U.S. taxes[1]):					
Dividends:					
Unaffiliated issuers	$ 218,139	$ 56,211	$ 638,220	$ 43,310	$ 34,545
Affiliated issuers	158	50	857	48	422
	218,297	56,261	639,077	43,358	34,967
Interest from unaffiliated issuers	113	2,780	3,410	944	3,356
Securities lending income (net of fees)	111	580	731	243	57
	218,521	59,621	643,218	44,545	38,380
Fees and expenses[1]:					
Investment advisory services	39,958	13,427	102,401	8,064	5,244
Distribution services	10,579	3,883	41,617	851	1,315
Insurance administrative services	2,610	507	4,251	315	1,308
Transfer agent services	2	–[4]	6	–[4]	–[4]
Administrative services	3,114	691	12,323	397	332
Accounting and administrative services	–	–	–	–	–
Reports to shareholders	177	31	893	23	20
Registration statement and prospectus	112	33	597	24	59
Trustees' compensation	42	10	169	6	5
Auditing and legal	47	62	84	68	61
Custodian	170	332	735	334	110
Other	4	1	17	1	4
Total fees and expenses before waivers/reimbursements	56,815	18,977	163,093	10,083	8,458
Less waivers/reimbursements of fees and expenses:					
Investment advisory services waivers	11,310	3,624	–	48	2,808
Miscellaneous fee reimbursements	–	–	–	–	–
Total waivers/reimbursements of fees and expenses	11,310	3,624	–	48	2,808
Total fees and expenses after waivers/reimbursements	45,505	15,353	163,093	10,035	5,650
Net investment income (loss)	173,016	44,268	480,125	34,510	32,730
Net realized gain (loss) and unrealized appreciation (depreciation):					
Net realized gain (loss)[1] on:					
Investments in:					
Unaffiliated issuers	2,286,037	410,526	3,514,635	358,108	44,857
Affiliated issuers	5	5	(41)	82	(8)
Futures contracts	–	–	–	–	(702)
Forward currency contracts	–	–	–	–	(20)
Swap contracts	–	–	–	–	665
Currency transactions	(9)	(474)	(1,966)	(345)	(64)
Capital gain distributions received from affiliated issuers	–	–	–	–	270
	2,286,033	410,057	3,512,628	357,845	44,998
Net unrealized appreciation (depreciation)[1] on:					
Investments in:					
Unaffiliated issuers	81,421	(139,921)	4,889,187	(342,695)	80,801
Affiliated issuers	8	(7)	(8)	(2)	(480)
Futures contracts	–	–	–	–	282
Forward currency contracts	–	–	–	–	24
Swap contracts	–	–	–	–	716
Currency translations	2	(52)	(521)	(118)	(41)
	81,431	(139,980)	4,888,658	(342,815)	81,302
Net realized gain (loss) and unrealized appreciation (depreciation)	2,367,464	270,077	8,401,286	15,030	126,300
Net increase (decrease) in net assets resulting from operations	$2,540,480	$ 314,345	$8,881,411	$ 49,540	$159,030

See end of statements of operations for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of operations for the year ended December 31, 2021 (continued)

(dollars in thousands)

	Asset Allocation Fund	Global Balanced Fund	The Bond Fund of America[5]	Capital World Bond Fund	American High-Income Trust[6]
Investment income:					
Income (net of non-U.S. taxes[1]):					
Dividends:					
Unaffiliated issuers	$ 416,196	$ 6,575	$ –	$ 26	$ 1,243
Affiliated issuers	26,318	20	1,432	128	20
	442,514	6,595	1,432	154	1,263
Interest from unaffiliated issuers	188,565	2,435	260,679	56,348	51,919
Securities lending income (net of fees)	1,121	3	–	–	–
	632,200	9,033	262,111	56,502	53,182
Fees and expenses[1]:					
Investment advisory services	82,192	3,005	44,685	11,735	4,750
Distribution services	28,066	830	11,552	2,787	1,935
Insurance administrative services	14,480	315	2,054	157	221
Transfer agent services	4	–[4]	2	–[4]	–[4]
Administrative services	9,446	137	3,751	662	295
Accounting and administrative services	–	–	–	–	–
Reports to shareholders	587	6	221	51	21
Registration statement and prospectus	359	12	188	39	17
Trustees' compensation	130	2	50	10	4
Auditing and legal	67	52	53	48	46
Custodian	772	91	112	624	18
Other	20	1	5	10	12
Total fees and expenses before waivers/reimbursements	136,123	4,451	62,673	16,123	7,319
Less waivers/reimbursements of fees and expenses:					
Investment advisory services waivers	–	–	16,515	2,207	1,313
Miscellaneous fee reimbursements	–	–	–	–	–
Total waivers/reimbursements of fees and expenses	–	–	16,515	2,207	1,313
Total fees and expenses after waivers/reimbursements	136,123	4,451	46,158	13,916	6,006
Net investment income (loss)	496,078	4,583	215,953	42,586	47,176
Net realized gain (loss) and unrealized appreciation (depreciation):					
Net realized gain (loss)[1] on:					
Investments in:					
Unaffiliated issuers	2,861,608	24,495	110,756	41,471	8,994
Affiliated issuers	107,152	2	(158)	(10)	3
Futures contracts	(990)	166	29,652	(1,188)	818
Forward currency contracts	–	(627)	8,119	(23,989)	–
Swap contracts	(264)	69	(19,136)	(257)	(2,330)
Currency transactions	584	17	(1)	(15)	–
Capital gain distributions received from affiliated issuers	14,433	–	–	–	–
	2,982,523	24,122	129,232	16,012	7,485
Net unrealized appreciation (depreciation)[1] on:					
Investments in:					
Unaffiliated issuers	1,086,498	18,029	(362,751)	(164,796)	20,853
Affiliated issuers	(81,454)	(2)	104	11	(1)
Futures contracts	(13,464)	78	(6,784)	(329)	(192)
Forward currency contracts	–	(187)	2,252	126	–
Swap contracts	(844)	(260)	14,150	(3,207)	728
Currency translations	(279)	(56)	(122)	(597)	(2)
	990,457	17,602	(353,151)	(168,792)	21,386
Net realized gain (loss) and unrealized appreciation (depreciation)	3,972,980	41,724	(223,919)	(152,780)	28,871
Net increase (decrease) in net assets resulting from operations	$4,469,058	$46,307	$ (7,966)	$(110,194)	$76,047

See end of statements of operations for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of operations for the year ended December 31, 2021 (continued) (dollars in thousands)

	American Funds Mortgage Fund	Ultra-Short Bond Fund	U.S. Government Securities Fund[7]	Managed Risk Growth Fund	Managed Risk International Fund
Investment income:					
Income (net of non-U.S. taxes[1]):					
Dividends:					
Unaffiliated issuers	$ –	$ –	$ –	$ 8	$ 2
Affiliated issuers	–	–	–	3,224	4,029
	–	–	–	3,232	4,031
Interest from unaffiliated issuers	2,869	299	37,310	–	–
Securities lending income (net of fees)	–	–	–	–	–
	2,869	299	37,310	3,232	4,031
Fees and expenses[1]:					
Investment advisory services	1,392	1,128	7,451	886	250
Distribution services	248	781	4,208	1,448	413
Insurance administrative services	106	108	624	1,476	417
Transfer agent services	–[4]	–[4]	–[4]	–[4]	–[4]
Administrative services	99	106	629	–	–
Accounting and administrative services	–	–	–	74	63
Reports to shareholders	5	7	39	7	4
Registration statement and prospectus	66	8	31	8	4
Trustees' compensation	2	2	9	2	1
Auditing and legal	43	41	44	15	15
Custodian	17	1	28	6	6
Other	–[4]	–[4]	1	1	1
Total fees and expenses before waivers/reimbursements	1,978	2,182	13,064	3,923	1,174
Less waivers/reimbursements of fees and expenses:					
Investment advisory services waivers	664	–	2,236	299	84
Miscellaneous fee reimbursements	–	–	–	–	43
Total waivers/reimbursements of fees and expenses	664	–	2,236	299	127
Total fees and expenses after waivers/reimbursements	1,314	2,182	10,828	3,624	1,047
Net investment income (loss)	1,555	(1,883)	26,482	(392)	2,984
Net realized gain (loss) and unrealized appreciation (depreciation):					
Net realized gain (loss)[1] on:					
Investments in:					
Unaffiliated issuers	(970)	–[4]	(29,283)	(2,843)	(634)
Affiliated issuers	–	–	–	48,163	3,168
Futures contracts	638	–	(2,118)	(18,120)	(2,576)
Forward currency contracts	–	–	–	–	–
Swap contracts	242	–	26,182	–	–
Currency transactions	–	–	–	7	2
Capital gain distributions received from affiliated issuers	–	–	–	66,105	694
	(90)	–[4]	(5,219)	93,312	654
Net unrealized appreciation (depreciation)[1] on:					
Investments in:					
Unaffiliated issuers	(3,940)	(4)	(26,082)	(1,410)	(557)
Affiliated issuers	–	–	–	(18,673)	(9,326)
Futures contracts	(29)	–	649	(1,408)	(404)
Forward currency contracts	–	–	–	–	–
Swap contracts	1,161	–	(11,387)	–	–
Currency translations	–	–	–	–	–
	(2,808)	(4)	(36,820)	(21,491)	(10,287)
Net realized gain (loss) and unrealized appreciation (depreciation)	(2,898)	(4)	(42,039)	71,821	(9,633)
Net increase (decrease) in net assets resulting from operations	$(1,343)	$(1,887)	$(15,557)	$ 71,429	$ (6,649)

See end of statements of operations for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of operations for the year ended December 31, 2021 (continued) (dollars in thousands)

	Managed Risk Washington Mutual Investors Fund[8]	Managed Risk Growth-Income Fund	Managed Risk Asset Allocation Fund
Investment income:			
Income (net of non-U.S. taxes[1]):			
Dividends:			
Unaffiliated issuers	$ 4	$ 33	$ 38
Affiliated issuers	5,588	33,993	46,260
	5,592	34,026	46,298
Interest from unaffiliated issuers	–	–	–
Securities lending income (net of fees)	–	–	–
	5,592	34,026	46,298
Fees and expenses[1]:			
Investment advisory services	547	3,883	4,241
Distribution services	907	829	7,054
Insurance administrative services	911	6,471	7,069
Transfer agent services	–[4]	–[4]	–[4]
Administrative services	–	–	–
Accounting and administrative services	68	124	132
Reports to shareholders	5	23	40
Registration statement and prospectus	7	35	36
Trustees' compensation	2	10	12
Auditing and legal	15	17	18
Custodian	6	7	7
Other	1	2	2
Total fees and expenses before waivers/reimbursements	2,469	11,401	18,611
Less waivers/reimbursements of fees and expenses:			
Investment advisory services waivers	185	1,313	1,434
Miscellaneous fee reimbursements	12	–	–
Total waivers/reimbursements of fees and expenses	197	1,313	1,434
Total fees and expenses after waivers/reimbursements	2,272	10,088	17,177
Net investment income (loss)	3,320	23,938	29,121
Net realized gain (loss) and unrealized appreciation (depreciation):			
Net realized gain (loss)[1] on:			
Investments in:			
Unaffiliated issuers	(1,894)	(82,892)	(3,106)
Affiliated issuers	25,866	97,734	78,189
Futures contracts	(11,309)	(802)	(29,566)
Forward currency contracts	–	–	–
Swap contracts	–	–	–
Currency transactions	2	25	9
Capital gain distributions received from affiliated issuers	3,183	35,312	88,212
	15,848	49,377	133,738
Net unrealized appreciation (depreciation)[1] on:			
Investments in:			
Unaffiliated issuers	(1,031)	13,665	(1,900)
Affiliated issuers	39,583	282,195	172,147
Futures contracts	(141)	(3,666)	(599)
Forward currency contracts	–	–	–
Swap contracts	–	–	–
Currency translations	–	–	–
	38,411	292,194	169,648
Net realized gain (loss) and unrealized appreciation (depreciation)	54,259	341,571	303,386
Net increase (decrease) in net assets resulting from operations	$ 57,579	$365,509	$332,507

[1] Additional information related to non-U.S. taxes and class-specific fees and expenses is included in the notes to financial statements.
[2] Formerly Blue Chip Income and Growth Fund.
[3] Formerly Global Growth and Income Fund.
[4] Amount less than one thousand.
[5] Formerly Bond Fund.
[6] Formerly High-Income Bond Fund.
[7] Formerly U.S. Government/AAA-Rated Securities Fund.
[8] Formerly Managed Risk Blue Chip Income and Growth Fund.

See notes to financial statements.

Financial statements (continued)

Statements of changes in net assets

(dollars in thousands)

	Global Growth Fund		Global Small Capitalization Fund		Growth Fund	
	Year ended December 31, 2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ 36,408	$ 29,220	$ (11,335)	$ (9,129)	$ 87,664	$ 91,314
Net realized gain (loss)	846,935	459,151	1,098,836	113,700	5,061,178	5,289,028
Net unrealized appreciation (depreciation)	485,952	1,447,946	(710,657)	1,179,633	3,147,345	8,444,178
Net increase (decrease) in net assets resulting from operations	1,369,295	1,936,317	376,844	1,284,204	8,296,187	13,824,520
Distributions paid to shareholders	(486,343)	(224,589)	(123,155)	(284,490)	(5,437,958)	(865,145)
Net capital share transactions	466,658	(271,205)	(989,509)	(307,246)	3,623,473	(2,504,990)
Total increase (decrease) in net assets	1,349,610	1,440,523	(735,820)	692,468	6,481,702	10,454,385
Net assets:						
Beginning of year	8,240,970	6,800,447	5,312,741	4,620,273	38,924,044	28,469,659
End of year	$9,590,580	$8,240,970	$4,576,921	$5,312,741	$45,405,746	$38,924,044

	International Fund		New World Fund		Washington Mutual Investors Fund[1]	
	Year ended December 31, 2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ 147,317	$ 53,872	$ 32,010	$ 15,078	$ 173,016	$ 162,025
Net realized gain (loss)	1,273,483	40,022	318,018	132,645	2,286,033	(75,133)
Net unrealized appreciation (depreciation)	(1,501,184)	1,257,012	(136,128)	658,628	81,431	717,522
Net increase (decrease) in net assets resulting from operations	(80,384)	1,350,906	213,900	806,351	2,540,480	804,414
Distributions paid to shareholders	(249,096)	(71,715)	(185,700)	(43,949)	(166,149)	(265,213)
Net capital share transactions	(832,025)	(763,764)	176,091	(279,660)	(488,260)	(242,496)
Total increase (decrease) in net assets	(1,161,505)	515,427	204,291	482,742	1,886,071	296,705
Net assets:						
Beginning of year	10,590,858	10,075,431	4,243,153	3,760,411	9,579,066	9,282,361
End of year	$ 9,429,353	$10,590,858	$4,447,444	$4,243,153	$11,465,137	$9,579,066

See end of statements of changes in net assets for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of changes in net assets (continued)

(dollars in thousands)

	Capital World Growth and Income Fund[2]		Growth-Income Fund		International Growth and Income Fund	
	Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ 44,268	$ 25,233	$ 480,125	$ 485,987	$ 34,510	$ 21,504
Net realized gain (loss)	410,057	49,687	3,512,628	359,138	357,845	(43,217)
Net unrealized appreciation (depreciation)	(139,980)	113,216	4,888,658	3,849,348	(342,815)	123,625
Net increase (decrease) in net assets resulting from operations	314,345	188,136	8,881,411	4,694,473	49,540	101,912
Distributions paid to shareholders	(90,172)	(77,584)	(915,114)	(1,429,478)	(14,532)	(21,467)
Net capital share transactions	(14,968)	(74,585)	(3,505,347)	(799,726)	(1,112,349)	(124,648)
Total increase (decrease) in net assets	209,205	35,967	4,460,950	2,465,269	(1,077,341)	(44,203)
Net assets:						
Beginning of year	2,174,450	2,138,483	38,491,535	36,026,266	1,455,883	1,500,086
End of year	$2,383,655	$2,174,450	$42,952,485	$38,491,535	$ 378,542	$1,455,883

	Capital Income Builder		Asset Allocation Fund		Global Balanced Fund	
	Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ 32,730	$ 27,894	$ 496,078	$ 449,205	$ 4,583	$ 4,425
Net realized gain (loss)	44,998	(42,055)	2,982,523	808,394	24,122	18,255
Net unrealized appreciation (depreciation)	81,302	60,666	990,457	2,005,628	17,602	18,683
Net increase (decrease) in net assets resulting from operations	159,030	46,505	4,469,058	3,263,227	46,307	41,363
Distributions paid to shareholders	(29,764)	(28,997)	(1,541,316)	(606,436)	(29,247)	(21,373)
Net capital share transactions	(81,691)	80,728	(1,879,473)	(418,795)	(4,816)	(1,808)
Total increase (decrease) in net assets	47,575	98,236	1,048,269	2,237,996	12,244	18,182
Net assets:						
Beginning of year	1,096,952	998,716	29,657,651	27,419,655	455,132	436,950
End of year	$1,144,527	$1,096,952	$30,705,920	$29,657,651	$467,376	$455,132

See end of statements of changes in net assets for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of changes in net assets (continued)

(dollars in thousands)

	The Bond Fund of America[3]		Capital World Bond Fund		American High-Income Trust[4]	
	Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ 215,953	$ 202,752	$ 42,586	$ 41,768	$ 47,176	$ 56,258
Net realized gain (loss)	129,232	480,282	16,012	45,840	7,485	(51,887)
Net unrealized appreciation (depreciation)	(353,151)	299,487	(168,792)	116,992	21,386	19,323
Net increase (decrease) in net assets resulting from operations	(7,966)	982,521	(110,194)	204,600	76,047	23,694
Distributions paid to shareholders	(687,442)	(339,511)	(91,748)	(64,860)	(43,416)	(69,840)
Net capital share transactions	2,474,568	213,249	(51,795)	70,361	152,225	(352,568)
Total increase (decrease) in net assets	1,779,160	856,259	(253,737)	210,101	184,856	(398,714)
Net assets:						
Beginning of year	11,407,419	10,551,160	2,338,745	2,128,644	867,579	1,266,293
End of year	$13,186,579	$11,407,419	$2,085,008	$2,338,745	$1,052,435	$ 867,579

	American Funds Mortgage Fund		Ultra-Short Bond Fund		U.S. Government Securities Fund[6]	
	Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ 1,555	$ 2,446	$ (1,883)	$ (171)	$ 26,482	$ 20,216
Net realized gain (loss)	(90)	12,009	–[5]	–	(5,219)	187,696
Net unrealized appreciation (depreciation)	(2,808)	5,064	(4)	(1)	(36,820)	61,889
Net increase (decrease) in net assets resulting from operations	(1,343)	19,519	(1,887)	(172)	(15,557)	269,801
Distributions paid to shareholders	(13,157)	(4,820)	–	(737)	(209,728)	(77,781)
Net capital share transactions	29,279	10,410	(41,201)	92,028	236,927	(934,697)
Total increase (decrease) in net assets	14,779	25,109	(43,088)	91,119	11,642	(742,677)
Net assets:						
Beginning of year	319,619	294,510	375,749	284,630	2,153,657	2,896,334
End of year	$334,398	$319,619	$332,661	$375,749	$2,165,299	$2,153,657

See end of statements of changes in net assets for footnotes.

See notes to financial statements.

Financial statements (continued)

Statements of changes in net assets (continued)

(dollars in thousands)

	Managed Risk Growth Fund		Managed Risk International Fund		Managed Risk Washington Mutual Investors Fund[7]	
	Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020	2021	2020
Operations:						
Net investment income (loss)	$ (392)	$ 962	$ 2,984	$ 662	$ 3,320	$ 4,092
Net realized gain (loss)	93,312	27,752	654	(13,879)	15,848	(64,328)
Net unrealized appreciation (depreciation)	(21,491)	110,658	(10,287)	19,066	38,411	56,976
Net increase (decrease) in net assets resulting from operations	71,429	139,372	(6,649)	5,849	57,579	(3,260)
Distributions paid to shareholders	(27,384)	(25,274)	(931)	(3,247)	(6,019)	(16,900)
Net capital share transactions	(11,898)	10,698	(654)	1,198	(34,883)	11,085
Total increase (decrease) in net assets	32,147	124,796	(8,234)	3,800	16,677	(9,075)
Net assets:						
Beginning of year	564,446	439,650	169,569	165,769	356,360	365,435
End of year	$596,593	$564,446	$161,335	$169,569	$373,037	$356,360

	Managed Risk Growth-Income Fund		Managed Risk Asset Allocation Fund	
	Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
Operations:				
Net investment income (loss)	$ 23,938	$ 27,259	$ 29,121	$ 30,915
Net realized gain (loss)	49,377	38,669	133,738	(41,687)
Net unrealized appreciation (depreciation)	292,194	145,694	169,648	161,153
Net increase (decrease) in net assets resulting from operations	365,509	211,622	332,507	150,381
Distributions paid to shareholders	(68,168)	(160,767)	(38,227)	(146,678)
Net capital share transactions	(64,385)	114,037	(254,031)	(57,436)
Total increase (decrease) in net assets	232,956	164,892	40,249	(53,733)
Net assets:				
Beginning of year	2,434,616	2,269,724	2,778,771	2,832,504
End of year	$2,667,572	$2,434,616	$2,819,020	$2,778,771

[1] Formerly Blue Chip Income and Growth Fund.
[2] Formerly Global Growth and Income Fund.
[3] Formerly Bond Fund.
[4] Formerly High-Income Bond Fund.
[5] Amount less than one thousand.
[6] Formerly U.S. Government/AAA-Rated Securities Fund.
[7] Formerly Managed Risk Blue Chip Income and Growth Fund.

See notes to financial statements.

Notes to financial statements

1. Organization

American Funds Insurance Series (the "series") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end, diversified management investment company with 34 different funds ("the funds"), including 23 funds in the series covered in this report. The other 11 funds in the series are covered in separate reports. Six funds in the series are covered in the American Funds Insurance Series - Target Date Series report and five funds in the series are covered in the American Funds Insurance Series - Portfolio Series report. The assets of each fund are segregated, with each fund accounted for separately. Capital Research and Management Company ("CRMC") is the series' investment adviser. Milliman Financial Risk Management LLC ("Milliman FRM") is the subadviser for the risk management strategy for eight of the funds (the "managed risk funds"), five of which are covered in this report.

The managed risk funds covered in this report are Managed Risk Growth Fund, Managed Risk International Fund, Managed Risk Washington Mutual Investors Fund, Managed Risk Growth-Income Fund and Managed Risk Asset Allocation Fund. The managed risk funds invest in other funds within the series (the "underlying funds") and employ Milliman FRM to implement the risk management strategy, which consists of using hedging instruments – primarily exchange-traded options and futures contracts – to attempt to stabilize the volatility of the funds around target volatility levels and reduce the downside exposure of the funds during periods of significant market declines.

Shareholders approved a proposal to reorganize the series from a Massachusetts business trust to a Delaware statutory trust. The series reserved the right to delay implementing the reorganization and has elected to do so.

The investment objective(s) for each fund covered in this report are as follows:

Global Growth Fund – To provide long-term growth of capital.

Global Small Capitalization Fund – To provide long-term growth of capital.

Growth Fund – To provide growth of capital.

International Fund – To provide long-term growth of capital.

New World Fund – To provide long-term capital appreciation.

Washington Mutual Investors Fund (formerly Blue Chip Income and Growth Fund) – To produce income exceeding the average yield on U.S. stocks generally and to provide an opportunity for growth of principal consistent with sound common stock investing.

Capital World Growth and Income Fund (formerly Global Growth and Income Fund) – To provide long-term growth of capital while providing current income.

Growth-Income Fund – To achieve long-term growth of capital and income.

International Growth and Income Fund – To provide long-term growth of capital while providing current income.

Capital Income Builder – The two primary objectives are (1) to provide a level of current income that exceeds the average yield on U.S. stocks generally and (2) to provide a growing stream of income over the years. The secondary objective is to provide growth of capital.

Asset Allocation Fund – To provide high total return (including income and capital gains) consistent with preservation of capital over the long term.

Global Balanced Fund – Seeks the balanced accomplishment of three objectives: long-term growth of capital, conservation of principal and current income.

The Bond Fund of America (formerly Bond Fund) – To provide as high a level of current income as is consistent with the preservation of capital.

Capital World Bond Fund – To provide, over the long term, a high level of total return consistent with prudent investment management.

American High-Income Trust (formerly High-Income Bond Fund)— The primary objective is to provide a high level of current income. The secondary objective is capital appreciation.

American Funds Mortgage Fund — To provide current income and preservation of capital.

Ultra-Short Bond Fund — To provide current income, consistent with the maturity and quality standards applicable to the fund, and preservation of capital and liquidity.

U.S. Government Securities Fund (formerly U.S. Government/AAA-Rated Securities Fund) — To provide a high level of current income consistent with prudent investment risk and preservation of capital.

Managed Risk Growth Fund — To provide growth of capital while seeking to manage volatility and provide downside protection.

Managed Risk International Fund — To provide long-term growth of capital while seeking to manage volatility and provide downside protection.

Managed Risk Washington Mutual Investors Fund (formerly Managed Risk Blue Chip Income and Growth Fund) — To produce income exceeding the average yield on U.S. stocks generally and to provide an opportunity for growth of principal consistent with sound common stock investing, in each case while seeking to manage volatility and provide downside protection.

Managed Risk Growth-Income Fund — To achieve long-term growth of capital and income while seeking to manage volatility and provide downside protection.

Managed Risk Asset Allocation Fund — To provide high total return (including income and capital gains) consistent with preservation of capital over the long term while seeking to manage volatility and provide downside protection.

Each fund in the series, except the managed risk funds, offers either four or five share classes (Classes 1, 1A, 2, 3 or 4); the managed risk funds offer two share classes (Classes P1 and P2). Holders of all share classes of each fund have equal pro rata rights to assets, dividends and liquidation proceeds of each fund held. Each share class of each fund has identical voting rights, except for the exclusive right to vote on matters affecting only its class. Share classes have different fees and expenses ("class-specific fees and expenses"), primarily due to different arrangements for certain distribution expenses. Differences in class-specific fees and expenses will result in differences in net investment income and, therefore, the payment of different per-share dividends by each class of each fund.

2. Significant accounting policies

Each fund is an investment company that applies the accounting and reporting guidance issued in Topic 946 by the U.S. Financial Accounting Standards Board. Each fund's financial statements have been prepared to comply with U.S. generally accepted accounting principles ("U.S. GAAP"). These principles require the series' investment adviser to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates. Subsequent events, if any, have been evaluated through the date of issuance in the preparation of the financial statements. The funds follow the significant accounting policies described in this section, as well as the valuation policies described in the next section on valuation.

Cash — Cash may include amounts held in an interest bearing deposit facility.

Security transactions and related investment income — Security transactions are recorded by the funds as of the date the trades are executed with brokers. Realized gains and losses from security transactions are determined based on the specific identified cost of the securities. In the event a security is purchased with a delayed payment date, the funds will segregate liquid assets sufficient to meet their payment obligations. Dividend income is recognized on the ex-dividend date and interest income is recognized on an accrual basis. Market discounts, premiums and original issue discounts on fixed-income securities are amortized daily over the expected life of the security.

Fees and expenses — The fees and expenses of the underlying funds held by the managed risk funds are not included in the fees and expenses reported for each of the managed risk funds; however, they are indirectly reflected in the valuation of each of the underlying funds. These fees are included in the unaudited net effective expense ratios that are provided as additional information in the financial highlights tables.

Class allocations – Income, fees and expenses (other than class-specific fees and expenses), realized gains and losses and unrealized appreciation and depreciation are allocated daily among the various share classes of each fund based on their relative net assets. Class-specific fees and expenses, such as distribution expenses, are accrued daily and charged directly to the respective share class of each fund.

Distributions paid to shareholders – Income dividends and capital gain distributions are recorded on each fund's ex-dividend date.

Currency translation – Assets and liabilities, including investment securities, denominated in currencies other than U.S. dollars are translated into U.S. dollars at the exchange rates supplied by one or more pricing vendors on the valuation date. Purchases and sales of investment securities and income and expenses are translated into U.S. dollars at the exchange rates on the dates of such transactions. The effects of changes in exchange rates on investment securities are included with the net realized gain or loss and net unrealized appreciation or depreciation on investments in the funds' statements of operations. The realized gain or loss and unrealized appreciation or depreciation resulting from all other transactions denominated in currencies other than U.S. dollars are disclosed separately.

3. Valuation

CRMC, the series' investment adviser, values the funds' investments at fair value as defined by U.S. GAAP. The net asset value per share is calculated once daily as of the close of regular trading on the New York Stock Exchange, normally 4 p.m. New York time, each day the New York Stock Exchange is open.

Methods and inputs – The series' investment adviser uses the following methods and inputs to establish the fair value of each fund's assets and liabilities. Use of particular methods and inputs may vary over time based on availability and relevance as market and economic conditions evolve.

Equity securities are generally valued at the official closing price of, or the last reported sale price on, the exchange or market on which such securities are traded, as of the close of business on the day the securities are being valued or, lacking any sales, at the last available bid price. Prices for each security are taken from the principal exchange or market on which the security trades. The value of an underlying fund is based on its reported net asset value.

Fixed-income securities, including short-term securities, are generally valued at prices obtained from one or more pricing vendors. Vendors value such securities based on one or more of the inputs described in the following table. The table provides examples of inputs that are commonly relevant for valuing particular classes of fixed-income securities in which the funds are authorized to invest. However, these classifications are not exclusive and any of the inputs may be used to value any other class of fixed-income security.

Fixed-income class	Examples of standard inputs
All	Benchmark yields, transactions, bids, offers, quotations from dealers and trading systems, new issues, spreads and other relationships observed in the markets among comparable securities; and proprietary pricing models such as yield measures calculated using factors such as cash flows, financial or collateral performance and other reference data (collectively referred to as "standard inputs")
Corporate bonds, notes & loans; convertible securities	Standard inputs and underlying equity of the issuer
Bonds & notes of governments & government agencies	Standard inputs and interest rate volatilities
Mortgage-backed; asset-backed obligations	Standard inputs and cash flows, prepayment information, default rates, delinquency and loss assumptions, collateral characteristics, credit enhancements and specific deal information
Municipal securities	Standard inputs and, for certain distressed securities, cash flows or liquidation values using a net present value calculation based on inputs that include, but are not limited to, financial statements and debt contracts

When the series' investment adviser deems it appropriate to do so (such as when vendor prices are unavailable or not deemed to be representative), fixed-income securities will be valued in good faith at the mean quoted bid and ask prices that are reasonably and timely available (or bid prices, if ask prices are not available) or at prices for securities of comparable maturity, quality and type.

Securities with both fixed-income and equity characteristics, or equity securities traded principally among fixed-income dealers, are generally valued in the manner described for either equity or fixed-income securities, depending on which method is deemed most appropriate by the series' investment adviser. The Capital Group Central Corporate Bond Fund ("CCBF"), a fund within the Capital Group Central Fund Series II, and Capital Group Central Cash Fund ("CCF"), a fund within the Capital Group Central Fund Series (collectively the "Central Funds"), are each valued based upon a floating net asset value, which fluctuates with changes in the value of each fund's portfolio securities. The underlying securities are valued based on the policies and procedures in the Central Funds' statements of additional information. The State Street Institutional U.S. Government Money Market Fund held by the managed risk funds is managed to maintain a $1.00 net asset value per share. The net asset value of each share class of each managed risk fund is calculated based on the reported net asset values of the underlying funds in which each fund invests.

Exchange-traded options and futures are generally valued at the official closing price for options and official settlement price for futures of the exchange or market on which such instruments are traded, as of the close of business on the day such instruments are being valued. Forward currency contracts are valued based on the spot and forward exchange rates obtained from one or more pricing vendors. Interest rate swaps and credit default swaps are generally valued by pricing vendors based on market inputs that include the index and term of index, reset frequency, payer/receiver, currency and pay frequency.

Securities and other assets for which representative market quotations are not readily available or are considered unreliable by the series' investment adviser are fair valued as determined in good faith under fair value guidelines adopted by authority of the series' board of trustees as further described. The investment adviser follows fair valuation guidelines, consistent with U.S. Securities and Exchange Commission rules and guidance, to consider relevant principles and factors when making fair value determinations. The investment adviser considers relevant indications of value that are reasonably and timely available to it in determining the fair value to be assigned to a particular security, such as the type and cost of the security; contractual or legal restrictions on resale of the security; relevant financial or business developments of the issuer; actively traded similar or related securities; conversion or exchange rights on the security; related corporate actions; significant events occurring after the close of trading in the security; and changes in overall market conditions. In addition, the closing prices of equity securities and futures that trade in markets outside U.S. time zones may be adjusted to reflect significant events that occur after the close of local trading but before the net asset value of each share class of each fund is determined. Fair valuations and valuations of investments and futures that are not actively trading involve judgment and may differ materially from valuations that would have been used had greater market activity occurred.

Processes and structure — The series' board of trustees has delegated authority to the series' investment adviser to make fair value determinations, subject to board oversight. The investment adviser has established a Joint Fair Valuation Committee (the "Fair Valuation Committee") to administer, implement and oversee the fair valuation process, and to make fair value decisions. The Fair Valuation Committee regularly reviews its own fair value decisions, as well as decisions made under its standing instructions to the investment adviser's valuation teams. The Fair Valuation Committee reviews changes in fair value measurements from period to period and may, as deemed appropriate, update the fair valuation guidelines to better reflect the results of back testing and address new or evolving issues. The Fair Valuation Committee reports any changes to the fair valuation guidelines to the board of trustees. The series' board and audit committee also regularly review reports that describe fair value determinations and methods.

The series' investment adviser has also established a Fixed-Income Pricing Review Group to administer and oversee the fixed-income valuation process, including the use of fixed-income pricing vendors. This group regularly reviews pricing vendor information and market data. Pricing decisions, processes and controls over security valuation are also subject to additional internal reviews facilitated by the investment adviser's global risk management group.

Classifications — The series' investment adviser classifies the funds' assets and liabilities into three levels based on the inputs used to value the assets or liabilities. Level 1 values are based on quoted prices in active markets for identical securities. Level 2 values are based on significant observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Certain securities trading outside the U.S. may transfer between Level 1 and Level 2 due to valuation adjustments resulting from significant market movements following the close of local trading. Level 3 values are based on significant unobservable inputs that reflect the investment adviser's determination of assumptions that market participants might reasonably use in valuing the securities.

The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investment. For example, U.S. government securities are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market. The following tables present the funds' valuation levels as of December 31, 2021 (dollars in thousands):

Global Growth Fund

At December 31, 2021, all of the fund's investment securities were classified as Level 1.

Global Small Capitalization Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$1,060,561	$ 53,874	$ 1,493	$1,115,928
Consumer discretionary	724,029	–	–	724,029
Industrials	715,007	–	–	715,007
Health care	617,996	–	–	617,996
Financials	385,682	58,213	–	443,895
Consumer staples	119,178	–	–	119,178
Materials	102,192	–	–	102,192
Communication services	75,947	–	–	75,947
Real estate	65,682	–	–	65,682
Utilities	54,159	–	–	54,159
Energy	19,146	–	14,064	33,210
Preferred securities	11,043	–	29,406	40,449
Rights & warrants	–	18,841	–	18,841
Short-term securities	271,861	254,980	–	526,841
Total	$4,222,483	$385,908	$44,963	$4,653,354

Growth Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$10,813,380	$–	$ 6,798	$10,820,178
Consumer discretionary	9,054,755	–	–	9,054,755
Communication services	8,927,566	–	–	8,927,566
Health care	5,015,771	–	44,928	5,060,699
Industrials	3,266,333	–	–	3,266,333
Financials	3,027,578	–	–	3,027,578
Consumer staples	1,217,065	–	–	1,217,065
Materials	989,725	–	–	989,725
Energy	932,095	–	–	932,095
Utilities	342,585	–	–	342,585
Real estate	80,335	–	–	80,335
Preferred securities	31,804	–	43,313	75,117
Convertible bonds & notes	–	–	32,231	32,231
Short-term securities	1,653,472	–	–	1,653,472
Total	$45,352,464	$–	$127,270	$45,479,734

International Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Financials	$1,611,083	$ –	$ –	$1,611,083
Industrials	1,181,120	–	–	1,181,120
Information technology	1,167,092	–	8,212	1,175,304
Health care	991,663	–	–	991,663
Consumer discretionary	964,114	18,207	–	982,321
Energy	715,272	–	–	715,272
Materials	634,285	–	–	634,285
Communication services	495,628	–	–	495,628
Consumer staples	335,577	–	–	335,577
Utilities	226,773	–	–	226,773
Real estate	43,473	–	–	43,473
Preferred securities	44,145	–	751	44,896
Rights & warrants	–	20,005	–	20,005
Short-term securities	1,050,006	–	–	1,050,006
Total	$9,460,231	$38,212	$8,963	$9,507,406

New World Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$ 896,592	$ –	$ 656	$ 897,248
Health care	549,516	–	–	549,516
Consumer discretionary	540,989	5,905	–	546,894
Financials	531,824	8,109	–	539,933
Communication services	361,561	–	–	361,561
Industrials	346,875	–	–	346,875
Materials	339,873	–	–	339,873
Consumer staples	237,236	–	–	237,236
Energy	142,678	–	–	142,678
Utilities	68,710	–	–	68,710
Real estate	62,178	–	–	62,178
Preferred securities	29,309	–	11,948	41,257
Rights & warrants	116	832	–	948
Bonds, notes & other debt instruments	–	114,239	–	114,239
Short-term securities	225,836	–	–	225,836
Total	$4,333,293	$129,085	$12,604	$4,474,982

	Other investments*			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$ 139	$ –	$–	$ 139
Liabilities:				
Unrealized depreciation on futures contracts	(175)	–	–	(175)
Unrealized depreciation on open forward currency contracts	–	(20)	–	(20)
Total	$ (36)	$(20)	$–	$ (56)

*Futures contracts and forward currency contracts are not included in the fund's investment portfolio.

Washington Mutual Investors Fund

At December 31, 2021, all of the fund's investment securities were classified as Level 1.

Capital World Growth and Income Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$ 479,308	$ –	$–	$ 479,308
Financials	349,790	–	–	349,790
Health care	286,795	–	–	286,795
Consumer discretionary	262,978	1,044	–	264,022
Industrials	214,884	–	–	214,884
Communication services	196,875	–	–	196,875
Consumer staples	168,697	–	–	168,697
Materials	117,290	–	–	117,290
Energy	79,671	–	–	79,671
Utilities	67,102	–	–	67,102
Real estate	48,568	–	–	48,568
Preferred securities	17,782	–	–	17,782
Convertible stocks	3,250	941	–	4,191
Convertible bonds & notes	–	3,844	–	3,844
Bonds, notes & other debt instruments	–	5,618	–	5,618
Short-term securities	13,613	60,796	–	74,409
Total	$2,306,603	$72,243	$–	$2,378,846

Growth-Income Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$10,284,052	$ –	$–	$10,284,052
Communication services	6,345,494	–	–	6,345,494
Health care	4,971,737	–	–	4,971,737
Consumer discretionary	4,445,395	18,805	–	4,464,200
Industrials	4,418,646	–	–	4,418,646
Financials	4,021,335	–	–	4,021,335
Materials	1,903,881	–	–	1,903,881
Consumer staples	1,370,917	–	–	1,370,917
Energy	1,349,607	–	–	1,349,607
Utilities	1,058,152	–	–	1,058,152
Real estate	988,294	–	–	988,294
Convertible stocks	577,437	–	–	577,437
Bonds, notes & other debt instruments	–	6,910	–	6,910
Short-term securities	1,304,218	–	–	1,304,218
Total	$43,039,165	$25,715	$–	$43,064,880

International Growth and Income Fund

At December 31, 2021, all of the fund's investment securities were classified as Level 1.

Capital Income Builder

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Financials	$184,960	$ –	$–	$ 184,960
Information technology	123,815	–	–	123,815
Consumer staples	107,093	–	–	107,093
Health care	89,480	–	–	89,480
Real estate	85,366	–	–	85,366
Utilities	74,549	–	–	74,549
Energy	55,574	–	–	55,574
Industrials	52,004	–	–	52,004
Materials	43,636	–	–	43,636
Communication services	43,081	–	–	43,081
Consumer discretionary	34,767	–	–	34,767
Preferred securities	1,944	–	–	1,944
Rights & warrants	8	–	–	8
Convertible stocks	13,585	–	–	13,585
Investment funds	30,304	–	–	30,304
Convertible bonds & notes	–	501	–	501
Bonds, notes & other debt instruments:				
U.S. Treasury bonds & notes	–	106,443	–	106,443
Mortgage-backed obligations	–	35,805	–	35,805
Corporate bonds, notes & loans	–	22,051	–	22,051
Asset-backed obligations	–	6,380	–	6,380
Bonds & notes of governments & government agencies outside the U.S.	–	863	–	863
Municipals	–	275	–	275
Short-term securities	47,057	–	–	47,057
Total	$987,223	$172,318	$–	$1,159,541

	Other investments*			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$324	$ –	$–	$ 324
Unrealized appreciation on open forward currency contracts	–	2	–	2
Unrealized appreciation on centrally cleared interest rate swaps	–	1,451	–	1,451
Liabilities:				
Unrealized depreciation on futures contracts	(92)	–	–	(92)
Unrealized depreciation on credit default swaps	–	(14)	–	(14)
Total	$232	$1,439	$–	$1,671

*Futures contracts, forward currency contracts, interest rate swaps and credit default swaps are not included in the fund's investment portfolio.

Asset Allocation Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$ 5,274,022	$ –	$ –	$ 5,274,022
Financials	3,603,788	–	1,375	3,605,163
Health care	2,788,763	–	19,887	2,808,650
Consumer discretionary	2,632,781	–	–	2,632,781
Communication services	2,075,431	–	–	2,075,431
Consumer staples	1,766,139	–	–	1,766,139
Industrials	1,332,133	–	12,007	1,344,140
Materials	1,063,067	–	–	1,063,067
Real estate	689,076	–	–	689,076
Energy	548,971	1,388	–	550,359
Utilities	260,904	–	–	260,904
Preferred securities	–	–	317	317
Rights & warrants	48	–	–*	48
Convertible stocks	–	–	50,000	50,000
Investment funds	1,617,261	–	–	1,617,261
Bonds, notes & other debt instruments:				
U.S. Treasury bonds & notes	–	2,467,556	–	2,467,556
Corporate bonds, notes & loans	–	1,979,208	9,723	1,988,931
Mortgage-backed obligations	–	1,433,795	–	1,433,795
Asset-backed obligations	–	396,057	–	396,057
Municipals	–	36,665	–	36,665
Federal agency bonds & notes	–	35,972	–	35,972
Bonds & notes of governments & government agencies outside the U.S.	–	34,901	–	34,901
Short-term securities	1,435,438	–	–	1,435,438
Total	$25,087,822	$6,385,542	$93,309	$31,566,673

	Other investments†			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$ 970	$ –	$–	$ 970
Liabilities:				
Unrealized depreciation on futures contracts	(15,206)	–	–	(15,206)
Unrealized depreciation on credit default swaps	–	(48)	–	(48)
Total	$(14,236)	$(48)	$–	$(14,284)

*Amount less than one thousand.
†Futures contracts and credit default swaps are not included in the fund's investment portfolio.

Global Balanced Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stocks:				
Information technology	$ 70,606	$ –	$–	$ 70,606
Health care	46,185	–	–	46,185
Consumer discretionary	37,860	–	–	37,860
Financials	33,972	–	–	33,972
Consumer staples	32,932	–	–	32,932
Industrials	24,166	–	–	24,166
Materials	12,528	–	–	12,528
Communication services	10,646	–	–	10,646
Energy	10,300	–	–	10,300
Real estate	10,269	–	–	10,269
Utilities	4,931	–	–	4,931
Preferred securities	1,446	–	–	1,446
Convertible stocks	1,373	–	–	1,373
Bonds, notes & other debt instruments:				
Bonds & notes of governments & government agencies outside the U.S.	–	59,692	–	59,692
U.S. Treasury bonds & notes	–	50,826	–	50,826
Corporate bonds, notes & loans	–	20,534	–	20,534
Mortgage-backed obligations	–	4,344	–	4,344
Municipals	–	183	–	183
Asset-backed obligations	–	76	–	76
Short-term securities	1,127	33,664	–	34,791
Total	$298,341	$169,319	$–	$467,660

	Other investments*			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$129	$ –	$–	$ 129
Unrealized appreciation on open forward currency contracts	–	57	–	57
Unrealized appreciation on centrally cleared interest rate swaps	–	61	–	61
Liabilities:				
Unrealized depreciation on futures contracts	(48)	–	–	(48)
Unrealized depreciation on open forward currency contracts	–	(246)	–	(246)
Unrealized depreciation on centrally cleared interest rate swaps	–	(298)	–	(298)
Unrealized depreciation on credit default swaps	–	(2)	–	(2)
Total	$ 81	$(428)	$–	$(347)

*Futures contracts, forward currency contracts, interest rate swaps and credit default swaps are not included in the fund's investment portfolio.

The Bond Fund of America

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Bonds, notes & other debt instruments:				
U.S. Treasury bonds & notes	$ –	$ 5,814,588	$–	$ 5,814,588
Corporate bonds, notes & loans	–	4,332,302	–	4,332,302
Mortgage-backed obligations	–	1,738,723	–	1,738,723
Asset-backed obligations	–	549,393	–	549,393
Municipals	–	214,640	–	214,640
Bonds & notes of governments & government agencies outside the U.S.	–	144,725	–	144,725
Federal agency bonds & notes	–	12,363	–	12,363
Short-term securities	1,311,257	–	–	1,311,257
Total	$1,311,257	$12,806,734	$–	$14,117,991

	Other investments*			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$ 13,747	$ –	$–	$ 13,747
Unrealized appreciation on open forward currency contracts	–	256	–	256
Unrealized appreciation on centrally cleared interest rate swaps	–	317	–	317
Unrealized appreciation on credit default swaps	–	74	–	74
Liabilities:				
Unrealized depreciation on futures contracts	(13,724)	–	–	(13,724)
Unrealized depreciation on open forward currency contracts	–	(611)	–	(611)
Unrealized depreciation on centrally cleared interest rate swaps	–	(11,302)	–	(11,302)
Total	$ 23	$(11,266)	$–	$(11,243)

*Futures contracts, forward currency contracts, interest rate swaps and credit default swaps are not included in the fund's investment portfolio.

Capital World Bond Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Bonds, notes & other debt instruments:				
Euros	$ –	$ 337,509	$ –	$ 337,509
Chinese yuan renminbi	–	182,032	–	182,032
Japanese yen	–	178,537	–	178,537
British pounds	–	80,171	–	80,171
Danish kroner	–	63,501	–	63,501
Canadian dollars	–	51,818	–	51,818
Mexican pesos	–	38,174	–	38,174
Russian rubles	–	35,006	–	35,006
Malaysian ringgits	–	31,731	–	31,731
Australian dollars	–	21,812	–	21,812
Indonesian rupiah	–	15,357	–	15,357
Colombian pesos	–	14,717	–	14,717
Brazilian reais	–	9,535	–	9,535
South Korean won	–	8,710	–	8,710
Czech korunas	–	8,035	–	8,035
Polish zloty	–	6,326	–	6,326
Peruvian nuevos soles	–	5,458	–	5,458
Norwegian kroner	–	5,200	–	5,200
Indian rupees	–	5,066	–	5,066
Ukrainian hryvnia	–	5,031	–	5,031
Chilean pesos	–	3,775	–	3,775
South African rand	–	2,070	–	2,070
Romanian leu	–	1,156	–	1,156
U.S. dollars	–	826,311	551	826,862
Preferred securities	–	–	34	34
Common stocks	426	204	1,322	1,952
Rights & warrants	6	–	–*	6
Short-term securities	144,080	24,114	–	168,194
Total	$144,512	$1,961,356	$1,907	$2,107,775

See end of tables for footnotes.

	Other investments[†]			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$ 1,817	$ –	$–	$ 1,817
Unrealized appreciation on open forward currency contracts	–	4,439	–	4,439
Unrealized appreciation on centrally cleared interest rate swaps	–	1,021	–	1,021
Unrealized appreciation on credit default swaps	–	10	–	10
Liabilities:				
Unrealized depreciation on futures contracts	(1,993)	–	–	(1,993)
Unrealized depreciation on open forward currency contracts	–	(3,957)	–	(3,957)
Unrealized depreciation on centrally cleared interest rate swaps	–	(4,877)	–	(4,877)
Unrealized depreciation on credit default swaps	–	(92)	–	(92)
Total	$ (176)	$(3,456)	$–	$(3,632)

*Amount less than one thousand.
[†]Futures contracts, forward currency contracts, interest rate swaps and credit default swaps are not included in the fund's investment portfolio.

American High-Income Trust

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Bonds, notes & other debt instruments:				
Corporate bonds, notes & loans	$ –	$949,480	$ 8,399	$ 957,879
Asset-backed obligations	–	292	–	292
Convertible bonds & notes	–	602	76	678
Convertible stocks	387	430	–	817
Common stocks	19,400	5,476	31,217	56,093
Preferred securities	–	2,264	719	2,983
Rights & warrants	850	801	–	1,651
Short-term securities	17,238	–	–	17,238
Total	$37,875	$959,345	$40,411	$1,037,631

	Other investments[1]			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on credit default swaps	$ –	$10	$–	$ 10
Liabilities:				
Unrealized depreciation on futures contracts	(211)	–	–	(211)
Unrealized depreciation on credit default swaps	–	(4)	–	(4)
Total	$(211)	$ 6	$–	$(205)

[1]Futures contracts and credit default swaps are not included in the investment portfolio.

The following table reconciles the valuation of the fund's Level 3 investment securities and related transactions for the year ended December 31, 2021 (dollars in thousands):

	Beginning value at 1/1/2021	Transfers into Level 3[2]	Purchases	Sales	Net realized loss[3]	Unrealized appreciation[3]	Transfers out of Level 3[2]	Ending value at 12/31/2021
Investment securities	$28,783	$1,848	$11,864	$(9,677)	$(6,949)	$15,170	$(628)	$40,411

Net unrealized depreciation during the period on Level 3 investment securities held at December 31, 2021 $ (261)

[2]Transfers into or out of Level 3 are based on the beginning market value of the quarter in which they occurred. These transfers are the result of changes in the availability of pricing sources and/or in the observability of significant inputs used in valuing the securities.
[3]Net realized loss and unrealized appreciation are included in the related amounts on investments in the fund's statement of operations.

Unobservable inputs – Valuation of the fund's Level 3 securities is based on significant unobservable inputs that reflect the investment adviser's determination of assumptions that market participants might reasonably use in valuing the securities. The following table provides additional information used by the fund's investment adviser to fair value the fund's Level 3 securities (dollars in thousands):

	Value at 12/31/2021	Valuation techniques	Unobservable inputs	Range (if applicable)	Weighted average*	Impact to valuation from an increase in input†
Bonds, notes & other debt instruments	$ 8,399	Estimated recovery value	Expected proceeds	N/A	N/A	N/A
			Vendor price	N/A	N/A	N/A
			Par value	N/A	N/A	N/A
			Call price	N/A	N/A	N/A
		Yield analysis	YTM risk premium	104 - 200 bps	169 bps	Decrease
Convertible bonds & notes	76	Transaction price	N/A	N/A	N/A	N/A
Common stocks	31,217	Estimated recovery value	Exchange terms	N/A	N/A	N/A
			Risk discount	90%	90%	Decrease
			Par value	N/A	N/A	N/A
			Adjustment based on market decline	20%	20%	Decrease
			Expected proceeds	N/A	N/A	N/A
		Market comparable companies	EV/EBITDA multiple	4.1x	4.1x	Increase
			Discount to EV/EBITDA multiple	50%	50%	Decrease
			EV/EBITDA less CapEx multiple	12.5x	12.5x	Increase
			Discount to EV/EBITDA less CapEx multiple	18%	18%	Decrease
			Discount for uncertainty	5%	5%	Decrease
			DLOM	20% - 21%	20.25%	Decrease
Preferred securities	719	Market comparable companies	EV/EBITDA multiple	4.9x	4.9x	Increase
			Discount to EV/EBITDA multiple	29%	29%	Decrease
			DLOM	30%	30%	Decrease
Total	$40,411					

*Weighted average is by relative fair value.

†This column represents the directional change in fair value of the Level 3 securities that would result in an increase from the corresponding input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

Key to abbreviations

CapEx = Capital expenditures
DLOM = Discount for lack of marketability
EBITDA = Earnings before income taxes, depreciation and amortization
EV = Enterprise value
YTM = Yield to maturity

American Funds Mortgage Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Bonds, notes & other debt instruments:				
Mortgage-backed obligations	$–	$177,959	$–	$177,959
U.S. Treasury bonds & notes	–	68,384	–	68,384
Asset-backed obligations	–	12,449	–	12,449
Bonds & notes of governments & government agencies outside the U.S.	–	746	–	746
Federal agency bonds & notes	–	283	–	283
Corporate bonds, notes & loans	–	249	–	249
Short-term securities	–	175,976	–	175,976
Total	$–	$436,046	$–	$436,046

	Other investments*			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$ 113	$ –	$–	$ 113
Unrealized appreciation on centrally cleared interest rate swaps	–	2,375	–	2,375
Liabilities:				
Unrealized depreciation on futures contracts	(109)	–	–	(109)
Total	$ 4	$2,375	$–	$2,379

*Futures contracts and interest rate swaps are not included in the fund's investment portfolio.

Ultra-Short Bond Fund

At December 31, 2021, all of the fund's investment securities were classified as Level 2.

U.S. Government Securities Fund

	Investment securities			
	Level 1	Level 2	Level 3	Total
Assets:				
Bonds, notes & other debt instruments:				
U.S. Treasury bonds & notes	$–	$1,087,940	$–	$1,087,940
Federal agency bonds & notes	–	275,982	–	275,982
Mortgage-backed obligations	–	241,199	–	241,199
Short-term securities	–	575,846	–	575,846
Total	$–	$2,180,967	$–	$2,180,967

	Other investments*			
	Level 1	Level 2	Level 3	Total
Assets:				
Unrealized appreciation on futures contracts	$ 4,310	$ –	$–	$ 4,310
Unrealized appreciation on centrally cleared interest rate swaps	–	23,753	–	23,753
Liabilities:				
Unrealized depreciation on futures contracts	(3,701)	–	–	(3,701)
Unrealized depreciation on centrally cleared interest rate swaps	–	(7,660)	–	(7,660)
Total	$ 609	$16,093	$–	$16,702

*Futures contracts and interest rate swaps are not included in the fund's investment portfolio.

Managed Risk Growth Fund

At December 31, 2021, all of the fund's investments were classified as Level 1.

Managed Risk International Fund

At December 31, 2021, all of the fund's investments were classified as Level 1.

Managed Risk Washington Mutual Investors Fund
At December 31, 2021, all of the fund's investments were classified as Level 1.

Managed Risk Growth-Income Fund
At December 31, 2021, all of the fund's investments were classified as Level 1.

Managed Risk Asset Allocation Fund
At December 31, 2021, all of the fund's investments were classified as Level 1.

4. Risk factors

Investing in the funds may involve certain risks including, but not limited to, those described below.

Market conditions – The prices of, and the income generated by, the common stocks, bonds and other securities held by a fund may decline – sometimes rapidly or unpredictably – due to various factors, including events or conditions affecting the general economy or particular industries; overall market changes; local, regional or global political, social or economic instability; governmental, governmental agency or central bank responses to economic conditions; and currency exchange rate, interest rate and commodity price fluctuations.

Economies and financial markets throughout the world are highly interconnected. Economic, financial or political events, trading and tariff arrangements, wars, terrorism, cybersecurity events, natural disasters, public health emergencies (such as the spread of infectious disease) and other circumstances in one country or region, including actions taken by governmental or quasi-governmental authorities in response to any of the foregoing, could have impacts on global economies or markets. As a result, whether or not a fund invests in securities of issuers located in or with significant exposure to the countries affected, the value and liquidity of a fund's investments may be negatively affected by developments in other countries and regions.

Issuer risks – The prices of, and the income generated by, securities held by a fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer's goods or services, poor management performance, major litigation, investigations or other controversies related to the issuer, changes in government regulations affecting the issuer or its competitive environment and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives.

Investing in income-oriented stocks – The value of a fund's securities and income provided by a fund may be reduced by changes in the dividend policies of, and the capital resources available for dividend payments at, the companies in which the fund invests.

Investing in growth-oriented stocks – Growth-oriented common stocks and other equity-type securities (such as preferred stocks, convertible preferred stocks and convertible bonds) may involve larger price swings and greater potential for loss than other types of investments. These risks may be even greater in the case of smaller capitalization stocks.

Investing in small companies – Investing in smaller companies may pose additional risks. For example, it is often more difficult to value or dispose of small company stocks and more difficult to obtain information about smaller companies than about larger companies. Furthermore, smaller companies often have limited product lines, operating histories, markets and/or financial resources, may be dependent on one or a few key persons for management, and can be more susceptible to losses. Moreover, the prices of their stocks may be more volatile than stocks of larger, more established companies, particularly during times of market turmoil.

Investing outside the U.S. – Securities of issuers domiciled outside the U.S., or with significant operations or revenues outside the U.S., may lose value because of adverse political, social, economic or market developments (including social instability, regional conflicts, terrorism and war) in the countries or regions in which the issuers operate or generate revenue. These securities may also lose value due to changes in foreign currency exchange rates against the U.S. dollar and/or currencies of other countries. Issuers of these securities may be more susceptible to actions of foreign governments, such as nationalization, currency blockage or the imposition of price controls or punitive taxes, each of which could adversely impact the value of these securities. Securities markets in certain countries may be more volatile and/or less liquid than those in the U.S. Investments outside the U.S. may also be subject to different accounting and auditing practices and standards and different regulatory, legal and reporting requirements, and may be more difficult to value, than those in the U.S. In addition, the value of investments outside the U.S. may be reduced by foreign taxes, including foreign withholding taxes on interest and dividends. Further, there may be increased risks of delayed settlement of securities purchased or sold by the fund. The risks of investing outside the U.S. may be heightened in connection with investments in emerging markets.

Investing in developing countries – Investing in countries with developing economies and/or markets may involve risks in addition to and greater than those generally associated with investing in developed countries. For instance, developing countries tend to have less developed political, economic and legal systems and accounting and auditing practices and standards than those in developed countries. Accordingly, the governments of these countries may be less stable and more likely to intervene in the market economy, for example, by imposing capital controls, nationalizing a company or industry, placing restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or imposing punitive taxes that could adversely affect the prices of securities. Information regarding issuers in developing countries may be limited, incomplete or inaccurate, and there may be fewer rights and remedies available to the fund and its shareholders. In addition, the economies of these countries may be dependent on relatively few industries, may have limited access to capital and may be more susceptible to changes in local and global trade conditions and downturns in the world economy. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Less certainty with respect to security valuations may lead to additional challenges and risks in calculating a fund's net asset value. Additionally, developing countries are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories that are less established than those in developed countries.

Investing in emerging markets – Investing in emerging markets may involve risks in addition to and greater than those generally associated with investing in the securities markets of developed countries. For instance, emerging market countries tend to have less developed political, economic and legal systems and accounting and auditing practices and standards than those in developed countries. Accordingly, the governments of these countries may be less stable and more likely to intervene in the market economy, for example, by imposing capital controls, nationalizing a company or industry, placing restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or imposing punitive taxes that could adversely affect the prices of securities. Information regarding issuers in emerging markets may be limited, incomplete or inaccurate, and there may be fewer rights and remedies available to a fund and its shareholders. In addition, the economies of these countries may be dependent on relatively few industries, may have limited access to capital and may be more susceptible to changes in local and global trade conditions and downturns in the world economy. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Less certainty with respect to security valuations may lead to additional challenges and risks in calculating a fund's net asset value. Additionally, emerging markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories that are less established than those in developed countries.

Investing in debt instruments – The prices of, and the income generated by, bonds and other debt securities held by a fund may be affected by factors such as the interest rates, maturities and credit ratings of these securities.

Rising interest rates will generally cause the prices of bonds and other debt securities to fall. A general rise in interest rates may cause investors to sell debt securities on a large scale, which could also adversely affect the price and liquidity of debt securities and could also result in increased redemptions from a fund. Falling interest rates may cause an issuer to redeem, call or refinance a debt security before its stated maturity, which may result in a fund failing to recoup the full amount of its initial investment and having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities generally have greater sensitivity to changes in interest rates and may be subject to greater price fluctuations than shorter maturity debt securities.

Bonds and other debt securities are also subject to credit risk, which is the possibility that the credit strength of an issuer or guarantor will weaken or be perceived to be weaker, and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default. A downgrade or default affecting any of a fund's securities could cause the value of a fund's shares to decrease. Lower quality debt securities generally have higher rates of interest and may be subject to greater price fluctuations than higher quality debt securities. Credit risk is gauged, in part, by the credit ratings of the debt securities in which a fund invests. However, ratings are only the opinions of the rating agencies issuing them and are not guarantees as to credit quality or an evaluation of market risk. The fund's investment adviser relies on its own credit analysts to research issuers and issues in seeking to assess credit and default risks.

Investing in lower rated debt instruments – Lower rated bonds and other lower rated debt securities generally have higher rates of interest and involve greater risk of default or price declines due to changes in the issuer's creditworthiness than those of higher quality debt securities. The market prices of these securities may fluctuate more than the prices of higher quality debt securities and may decline significantly in periods of general economic difficulty. These risks may be increased with respect to investments in junk bonds.

Investing in derivatives – The use of derivatives involves a variety of risks, which may be different from, or greater than, the risks associated with investing in traditional securities, such as stocks and bonds. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and a derivative instrument may expose a fund to losses in excess of its initial investment. Derivatives may be difficult to value, difficult for a fund to buy or sell at an opportune time or price and difficult, or even impossible, to terminate or otherwise offset. A fund's use of derivatives may result in losses to the fund, and investing in derivatives may reduce a fund's returns and increase a fund's price volatility. A fund's counterparty to a derivative transaction (including, if applicable, the fund's clearing broker, the derivatives exchange or the clearinghouse) may be unable or unwilling to honor its financial obligations in respect of the transaction. In certain cases, the fund may be hindered or delayed in exercising remedies against or closing out derivative instruments with a counterparty, which may result in additional losses.

Currency – The prices of, and the income generated by, many debt securities held by a fund may also be affected by changes in relative currency values. If the U.S. dollar appreciates against foreign currencies, the value in U.S. dollars of a fund's securities denominated in such currencies would generally fall and vice versa. U.S. dollar-denominated securities of foreign issuers may also be affected by changes in relative currency values.

Currency transactions – In addition to the risks generally associated with investing in derivative instruments, the use of forward currency contracts involves the risk that currency movements will not be accurately predicted by the investment adviser, which could result in losses to a fund. While entering into forward currency contracts could minimize the risk of loss due to a decline in the value of the hedged currency, it could also limit any potential gain that may result from an increase in the value of the currency. Additionally, the adviser may use forward currency contracts to increase exposure to a certain currency or to shift exposure to currency fluctuations from one country to another. Forward currency contracts may expose a fund to potential gains and losses in excess of the initial amount invested.

Investing in mortgage-related and other asset-backed securities – Mortgage-related securities, such as mortgage-backed securities, and other asset-backed securities, include debt obligations that represent interests in pools of mortgages or other income-bearing assets, such as consumer loans or receivables. While such securities are subject to the risks associated with investments in debt instruments generally (for example, credit, extension and interest rate risks), they are also subject to other and different risks. Mortgage-backed and other asset-backed securities are subject to changes in the payment patterns of borrowers of the underlying debt, potentially increasing the volatility of the securities and a fund's net asset value. When interest rates fall, borrowers are more likely to refinance or prepay their debt before its stated maturity. This may result in a fund having to reinvest the proceeds in lower yielding securities, effectively reducing a fund's income. Conversely, if interest rates rise and borrowers repay their debt more slowly than expected, the time in which the mortgage-backed and other asset-backed securities are paid off could be extended, reducing a fund's cash available for reinvestment in higher yielding securities. Mortgage-backed securities are also subject to the risk that underlying borrowers will be unable to meet their obligations and the value of property that secures the mortgages may decline in value and be insufficient, upon foreclosure, to repay the associated loans. Investments in asset-backed securities are subject to similar risks.

Investing in future delivery contracts – A fund may enter into contracts, such as to-be-announced contracts and mortgage dollar rolls, that involve a fund selling mortgage-related securities and simultaneously contracting to repurchase similar securities for delivery at a future date at a predetermined price. This can increase a fund's market exposure, and the market price of the securities that the fund contracts to repurchase could drop below their purchase price. While a fund can preserve and generate capital through the use of such contracts by, for example, realizing the difference between the sale price and the future purchase price, the income generated by the fund may be reduced by engaging in such transactions. In addition, these transactions increase the turnover rate of a fund.

Investing in inflation-linked bonds – The values of inflation-linked bonds generally fluctuate in response to changes in real interest rates – i.e., rates of interest after factoring in inflation. A rise in real interest rates may cause the prices of inflation-linked securities to fall, while a decline in real interest rates may cause the prices to increase. Inflation-linked bonds may experience greater losses than other debt securities with similar durations when real interest rates rise faster than nominal interest rates. There can be no assurance that the value of an inflation-linked security will be directly correlated to changes in interest rates; for example, if interest rates rise for reasons other than inflation, the increase may not be reflected in the security's inflation measure.

Investing in inflation-linked bonds may also reduce a fund's distributable income during periods of deflation. If prices for goods and services decline throughout the economy, the principal and income on inflation-linked securities may decline and result in losses to a fund.

Investing in securities backed by the U.S. government – Securities backed by the U.S. Treasury or the full faith and credit of the U.S. government are guaranteed only as to the timely payment of interest and principal when held to maturity. Accordingly, the current market values for these securities will fluctuate with changes in interest rates and the credit rating of the U.S. government. Securities issued by U.S. government-sponsored entities and federal agencies and instrumentalities that are not backed by the full faith and credit of the U.S. government are neither issued nor guaranteed by the U.S. government.

Investing in repurchase agreements – Upon entering into a repurchase agreement, a fund purchases a security from a bank or broker-dealer, which simultaneously commits to repurchase the security within a specified time at the fund's cost with interest. The security purchased by the fund constitutes collateral for the seller's repurchase obligation. If the party agreeing to repurchase should default, the fund may seek to sell the security it holds as collateral. The fund may incur a loss if the value of the collateral securing the repurchase obligation falls below the repurchase price. The fund may also incur disposition costs and encounter procedural delays in connection with liquidating the collateral.

Interest rate risk – The values and liquidity of the securities held by a fund may be affected by changing interest rates. For example, the values of these securities may decline when interest rates rise and increase when interest rates fall. Longer maturity debt securities generally have greater sensitivity to changes in interest rates and may be subject to greater price fluctuations than shorter maturity debt securities. A fund may invest in variable and floating rate securities. When a fund holds variable or floating rate securities, a decrease in market interest rates will adversely affect the income received from such securities and the net asset value of a fund's shares. Although the values of such securities are generally less sensitive to interest rate changes than those of other debt securities, the value of variable and floating rate securities may decline if their interest rates do not rise as quickly, or as much, as market interest rates. Conversely, floating rate securities will not generally increase in value if interest rates decline. During periods of extremely low short-term interest rates, a fund may not be able to maintain a positive yield and, given the current low interest rate environment, risks associated with rising rates are currently heightened.

Credit and liquidity support – Changes in the credit quality of banks and financial institutions providing credit and liquidity support features with respect to securities held by a fund could cause the values of these securities to decline.

Asset allocation – A fund's percentage allocation to equity securities, debt securities and money market instruments could cause the fund to underperform relative to relevant benchmarks and other funds with similar investment objectives.

Nondiversification risk– As nondiversified funds, certain funds have the ability to invest a larger percentage of their assets in the securities of a smaller number of issuers than diversified funds. Although the funds do not intend to limit their investments to the securities of a small number of issuers, if they were to do so, poor performance by a single large holding could adversely impact the funds' investment results more than if the funds were invested in a larger number of issuers.

Liquidity risk – Certain fund holdings may be or may become difficult or impossible to sell, particularly during times of market turmoil. Liquidity may be impacted by the lack of an active market for a holding, legal or contractual restrictions on resale, or the reduced number and capacity of market participants to make a market in such holding. Market prices for less liquid or illiquid holdings may be volatile, and reduced liquidity may have an adverse impact on the market price of such holdings. Additionally, the sale of less liquid or illiquid holdings may involve substantial delays (including delays in settlement) and additional costs and the fund may be unable to sell such holdings when necessary to meet its liquidity needs or may be forced to sell at a loss.

Management – The investment adviser to the funds actively manages the funds' investments. Consequently, the funds are subject to the risk that the methods and analyses, including models, tools and data, employed by the investment adviser in this process may be flawed or incorrect and may not produce the desired results. This could cause the funds to lose value or their investment results to lag relevant benchmarks or other funds with similar objectives.

Investing in the managed risk funds may involve additional risks including, but not limited to, those described below.

Fund structure – The managed risk funds invest in underlying funds and incur expenses related to those underlying funds. In addition, investors in the managed risk funds will incur fees to pay for certain expenses related to the operations of the managed risk funds. An investor holding the underlying fund directly would incur lower overall expenses but would not receive the benefit of the managed risk strategy. Additionally, in accordance with an exemption under the Investment Company Act of 1940, as amended, the investment adviser considers only proprietary funds when selecting underlying investment options and allocations. This means that the fund's investment adviser did not, nor does it expect to, consider any unaffiliated funds as underlying investment options for the fund. This strategy could raise certain conflicts of interest when choosing underlying investments for the fund, including the selection of funds that result in greater compensation to the adviser or funds with relatively lower historical investment results. The investment adviser has policies and procedures designed to mitigate material conflicts of interest that may arise in connection with its management of the fund.

Management – The managed risk funds are subject to the risk that the managed risk strategy or the methods employed by the subadviser in implementing the managed risk strategy may not produce the desired results. This could cause the managed risk funds to lose value or their investment results to lag relevant benchmarks or other funds with similar objectives.

Underlying fund risks – Because the managed risk funds' investments consist of investments in underlying funds, the managed risk funds' risks are directly related to the risks of the respective underlying fund in which each managed risk fund invests. For this reason, it is important to understand the risks associated with investing both in the managed risk fund and in each of the underlying funds.

Investing in options and futures contracts – In addition to the risks generally associated with investing in derivative instruments, options and futures contracts are subject to the creditworthiness of the clearing organizations, exchanges and, in the case of futures, futures commission merchants with which a fund transacts. Additionally, although futures require only a small initial investment in the form of a deposit of initial margin, the amount of a potential loss on a futures contract could greatly exceed the initial amount invested. While both options and futures contracts are generally liquid instruments, under certain market conditions, options and futures may be deemed to be illiquid. For example, a fund may be temporarily prohibited from closing out its position in an options or futures contract if intraday price change limits or limits on trading volume imposed by the applicable exchange are triggered. If a fund is unable to close out a position on an options or futures contract, the fund would remain subject to the risk of adverse price movements until the fund is able to close out the position in question. The ability of a fund to successfully utilize options and futures contracts may depend in part upon the ability of the fund's investment adviser or subadviser to accurately forecast interest rates and other economic factors and to assess and predict the impact of such economic factors on the options and futures in which the fund invests. If the investment adviser or subadviser incorrectly forecasts economic developments or incorrectly predicts the impact of such developments on the options and futures in which it invests, a fund could be exposed to the risk of loss. Whereas the risk of loss on a put option purchased by the fund is limited to the initial cost of the option, the amount of a potential loss on a futures contract could greatly exceed the relatively small initial amount invested in entering the futures position.

Hedging – There may be imperfect or even negative correlation between the prices of the options and futures contracts in which a fund invests and the prices of the underlying securities or indexes which the fund seeks to hedge. For example, options and futures contracts may not provide an effective hedge because changes in options and futures contract prices may not track those of the underlying securities or indexes they are intended to hedge. In addition, there are significant differences between the securities market, on the one hand, and the options and futures markets, on the other, that could result in an imperfect correlation between the markets, causing a given hedge not to achieve its objectives. The degree of imperfection of correlation depends on circumstances such as variations in speculative market demand for options and futures, including technical influences in options and futures trading, and differences between the financial instruments being hedged and the instruments underlying the standard contracts available for trading. A decision as to whether, when and how to hedge involves the exercise of skill and judgment, and even a well-conceived hedge may be unsuccessful to some degree because of market behavior or unexpected interest rate trends. In addition, the fund's investment in exchange-traded options and futures and their resulting costs could limit the fund's gains in rising markets relative to those of the underlying funds, or to those of unhedged funds in general.

Short positions – The fund may suffer losses from short positions in futures contracts. Losses from short positions in futures contracts occur when the underlying index increases in value. As the underlying index increases in value, the holder of the short position in the corresponding futures contract is required to pay the difference in value of the futures contract resulting from the increase in the index on a daily basis. Losses from a short position in an index futures contract could potentially be very large if the value of the underlying index rises dramatically in a short period of time.

5. Certain investment techniques

Securities lending – Some of the funds have entered into securities lending transactions in which the funds earn income by lending investment securities to brokers, dealers or other institutions. Each transaction involves three parties: the fund, acting as the lender of the securities, a borrower, and a lending agent that acts as an intermediary.

Securities lending transactions are entered into by the fund under the securities lending agreement with the lending agent. The lending agent facilitates the exchange of securities between the lender and the borrower, generally provides protection from borrower default, marks to market the value of collateral daily, secures additional collateral from the borrower if it falls below preset terms, and may reinvest the collateral on behalf of the fund according to agreed parameters. The lending agent has indemnified the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a potential loss of income or value if the borrower fails to return the securities, collateral investments decline in value or the lending agent fails to perform.

The borrower is required to post highly liquid assets, such as cash or U.S. government securities, as collateral for the loan in an amount at least equal to the value of the securities loaned. Investments made with cash collateral are recognized as assets in the fund's investment portfolio. The same amount is recorded as a liability in the fund's statement of assets and liabilities. While securities are on loan, the fund will continue to receive the equivalent of the interest, dividends or other distributions paid by the issuer, as well as a portion of the interest on the investment of the collateral. Additionally, although the fund does not have the right to vote on securities while they are on loan, the fund has a right to consent on corporate actions and a right to recall loaned securities to vote on proposals affecting them. The borrower is obligated to return the loaned security at the conclusion of the loan or, during the pendency of the loan, on demand from the fund.

The following table presents the value of the securities on loan, the type and value of collateral received and the value of the investment securities purchased, if any, from the cash collateral received by each fund (dollars in thousands):

		Collateral received		
Funds	Value of securities on loan	Cash	U.S. government securities	Value of investment securities purchased
Global Growth Fund	$ 4,822	$ 4,283	$ 1,028	$ 3,855
Global Small Capitalization Fund	85,086	76,415	13,589	68,774
Growth Fund	47,077	48,094	–	43,285
International Fund	77,301	80,676	–	72,608
New World Fund	13,375	10,080	3,844	9,072
Washington Mutual Investors Fund	89,518	21,965	69,824	19,769
Capital World Growth and Income Fund	2,444	693	1,903	624
Growth-Income Fund	91,976	92,730	1,091	83,457
International Growth and Income Fund	53	–	83	–
Capital Income Builder	6,084	4,628	1,639	4,165
Asset Allocation Fund	19,643	20,115	–	18,104

Investment securities purchased from cash collateral are disclosed in the investment portfolio as short-term securities. Securities received as collateral, if any, are not recognized as fund assets. The contractual maturity of collateral received under the securities lending agreement is classified as overnight and continuous.

Index-linked bonds – Some of the funds have invested in index-linked bonds, which are fixed-income securities whose principal value is periodically adjusted to a government price index. Over the life of an index-linked bond, interest is paid on the adjusted principal value. Increases or decreases in the principal value of index-linked bonds are recorded as interest income in the fund's statement of operations.

Mortgage dollar rolls – Some of the funds have entered into mortgage dollar roll transactions in which the fund sells a mortgage-backed security to a counterparty and simultaneously enters into an agreement with the same counterparty to buy back a similar security on a specific future date at a predetermined price. Mortgage dollar rolls are accounted for as purchase and sale transactions, which may increase the funds' portfolio turnover rates.

Loan transactions – Some of the funds have entered into loan transactions in which the fund acquires a loan either through an agent, by assignment from another holder, or as a participation interest in another holder's portion of a loan. The loan is often administered by a financial institution that acts as agent for the holders of the loan, and the fund may be required to receive approval from the agent and/or borrower prior to the sale of the investment. The loan's interest rate and maturity date may change based on the terms of the loan, including potential early payments of principal.

Short-term securities – The managed risk funds hold shares of State Street Institutional U.S. Government Money Market Fund, a cash management vehicle offered and managed by State Street Bank and Trust Company.

Unfunded commitments – Asset Allocation Fund, Capital World Bond Fund and American High-Income Trust have participated in transactions that involve unfunded commitments, which may obligate each fund to purchase new or additional bonds and/or purchase additional shares of the applicable issuer if certain contingencies are met. As of December 31, 2021, the maximum exposure from these unfunded commitments for Asset Allocation Fund, Capital World Bond Fund and American High-Income Trust was $3,349,000, $28,000 and $263,000, respectively, which would represent 0.01%, less than 0.01% and less than 0.01%, respectively, of the net assets of each fund should such commitments become due. Unrealized depreciation on these unfunded commitments for Asset Allocation Fund, Capital World Bond Fund and American High-Income Trust was $2,000, less than $1,000 and $1,000, respectively, which is disclosed as unrealized depreciation on unfunded commitments in each fund's statement of assets and liabilities and is included in net unrealized depreciation on investments in unaffiliated issuers in each fund's statement of operations.

Options contracts – The managed risk funds have entered into options contracts, which give the holder of the option, in return for a premium payment, the right to buy from (in the case of a call) or sell to (in the case of a put) the writer of the option, the security underlying the option (or the cash value of the index underlying the option) at a specified price. As part of their managed risk strategy, the funds will at times purchase put options on equity indexes in standardized contracts traded on foreign or domestic securities exchanges, boards of trade, or similar entities. By purchasing a put option on an equity index, the funds obtain the right (but not the obligation) to sell the cash value of the index underlying the option at a specified exercise price, and in return for this right, the funds pay the current market price, or the option premium, for the option.

The funds may terminate their position in a put option by allowing the option to expire or by exercising the option. If the option is allowed to expire, the funds will lose the entire premium. If the option is exercised, the funds complete the sale of the underlying instrument (or delivers the cash value of the index underlying the option) at the exercise price. The funds may also terminate a put option position by entering into opposing close-out transactions in advance of the option expiration date.

Premiums paid on options purchased, as well as the daily fluctuation in market value, are included in investment securities from unaffiliated issuers in each fund's statement of assets and liabilities. Realized gains or losses are recorded at the time the option contract is closed or expires. Net realized gains or losses and net unrealized appreciation or depreciation from options contracts are recorded in investments in unaffiliated issuers in each fund's statement of operations.

Futures contracts – Some of the funds have entered into futures contracts, which provide for the future sale by one party and purchase by another party of a specified amount of a specific financial instrument for a specified price, date, time and place designated at the time the contract is made. Futures contracts are used to strategically manage the fund's interest rate sensitivity by increasing or decreasing the duration of the fund or a portion of the fund's portfolio. For the managed risk funds, futures contracts are used to strategically manage portfolio volatility and downside equity risk.

Upon entering into futures contracts, and to maintain the fund's open positions in futures contracts, the fund is required to deposit with a futures broker, known as a futures commission merchant ("FCM"), in a segregated account in the name of the FCM an amount of cash, U.S. government securities or other liquid securities, known as initial margin. The margin required for a particular futures contract is set by the exchange on which the contract is traded to serve as collateral, and may be significantly modified from time to time by the exchange during the term of the contract.

On a daily basis, each fund pays or receives variation margin based on the increase or decrease in the value of the futures contracts and records variation margin on futures contracts in each fund's statement of assets and liabilities. In addition, each fund segregates liquid assets equivalent to the fund's outstanding obligations under the contract in excess of the initial margin and variation margin, if any. Futures contracts may involve a risk of loss in excess of the variation margin shown on each fund's statement of assets and liabilities. Each fund records realized gains or losses at the time the futures contract is closed or expires. Net realized gains or losses and net unrealized appreciation or depreciation from futures contracts are recorded in each fund's statement of operations.

Forward currency contracts — Some of the funds have entered into forward currency contracts, which represent agreements to exchange currencies on specific future dates at predetermined rates. The series' investment adviser uses forward currency contracts to manage the fund's exposure to changes in exchange rates. Upon entering into these contracts, risks may arise from the potential inability of counterparties to meet the terms of their contracts and from possible movements in exchange rates.

On a daily basis, the series' investment adviser values forward currency contracts based on the applicable exchange rates and records unrealized appreciation or depreciation for open forward currency contracts in each fund's statement of assets and liabilities. Realized gains or losses are recorded at the time the forward contract is closed or offset by another contract with the same broker for the same settlement date and currency. Closed forward currency contracts that have not reached their settlement date are included in the respective receivables or payables for closed forward currency contracts in each fund's statement of assets and liabilities. Net realized gains or losses from closed forward currency contracts and net unrealized appreciation or depreciation from open forward currency contracts are recorded in each fund's statement of operations.

Swap Contracts — Some of the funds have entered into swap agreements, which are two-party contracts entered into primarily by institutional investors for a specified time period. In a typical swap transaction, two parties agree to exchange the returns earned or realized from one or more underlying assets or rates of return. Swap agreements can be traded on a swap execution facility (SEF) and cleared through a central clearinghouse (cleared), traded over-the-counter (OTC) and cleared, or traded bilaterally and not cleared. Because clearing interposes a central clearinghouse as the ultimate counterparty to each participant's swap, and margin is required to be exchanged under the rules of the clearinghouse, central clearing is intended to decrease (but not eliminate) counterparty risk relative to uncleared bilateral swaps. To the extent the funds enter into bilaterally negotiated swap transactions, the funds will enter into swap agreements only with counterparties that meet certain credit standards and subject to agreed collateralized procedures. The term of a swap can be days, months or years and certain swaps may be less liquid than others.

Upon entering into a centrally cleared swap contract, the funds are required to deposit cash, U.S. government securities or other liquid securities, which is known as initial margin. Generally, the initial margin required for a particular swap is set and held as collateral by the clearinghouse on which the contract is cleared. The amount of initial margin required may be significantly modified from time to time by the clearinghouse during the term of the contract.

On a daily basis, interest accruals related to the exchange of future payments are recorded as a receivable and payable in the funds' statement of assets and liabilities for centrally cleared swaps and as unrealized appreciation or depreciation in the funds' statement of assets and liabilities for bilateral swaps. For centrally cleared swaps, the fund also pays or receives a variation margin based on the increase or decrease in the value of the swaps, including accrued interest as applicable, and records variation margin in the statement of assets and liabilities. The funds record realized gains and losses on both the net accrued interest and any gain or loss recognized at the time the swap is closed or expires. Net realized gains or losses, as well as any net unrealized appreciation or depreciation, from swaps are recorded in the funds' statement of operations.

Swap agreements can take different forms. Some of the funds have entered into the following types of swap agreements:

Interest rate swaps — Some of the funds have entered into interest rate swaps, which seek to manage the interest rate sensitivity of the fund by increasing or decreasing the duration of the funds or a portion of the funds' portfolio. An interest rate swap is an agreement between two parties to exchange or swap payments based on changes in an interest rate or rates. Typically, one interest rate is fixed and the other is variable based on a designated short-term interest rate such as the Secured Overnight Financing Rate (SOFR), prime rate or other benchmark. In other types of interest rate swaps, known as basis swaps, the parties agree to swap variable interest rates based on different designated short-term interest rates. Interest rate swaps generally do not involve the delivery of securities or other principal amounts. Rather, cash payments are exchanged by the parties based on the application of the designated interest rates to a notional amount, which is the predetermined dollar principal of the trade upon which payment obligations are computed. Accordingly, the funds' current obligation or right under the swap agreement is generally equal to the net amount to be paid or received under the swap agreement based on the relative value of the position held by each party.

Credit default swap indices – Some of the funds have entered into centrally cleared credit default swap indices, including CDX and iTraxx indices (collectively referred to as "CDSIs"), in order to assume exposure to a diversified portfolio of credits or to hedge against existing credit risks. A CDSI is based on a portfolio of credit default swaps with similar characteristics, such as credit default swaps on high-yield bonds. In a typical CDSI transaction, one party (the protection buyer) is obligated to pay the other party (the protection seller) a stream of periodic payments over the term of the contract. If a credit event, such as a default or restructuring, occurs with respect to any of the underlying reference obligations, the protection seller must pay the protection buyer the loss on those credits.

The funds may enter into a CDSI transaction as either protection buyer or protection seller. If the funds are protection buyers, they would pay the counterparty a periodic stream of payments over the term of the contract and would not recover any of those payments if no credit events were to occur with respect to any of the underlying reference obligations. However, if a credit event did occur, the funds, as protection buyers, would have the right to deliver the referenced debt obligations or a specified amount of cash, depending on the terms of the applicable agreement, and to receive the par value of such debt obligations from the counterparty protection seller. As protection sellers, the funds would receive fixed payments throughout the term of the contract if no credit events were to occur with respect to any of the underlying reference obligations. If a credit event were to occur, however, the value of any deliverable obligation received by the funds, coupled with the periodic payments previously received by the funds, may be less than the full notional value that the funds, as a protection seller, pays to the counterparty protection buyer, effectively resulting in a loss of value to the funds. Furthermore, as protection sellers, the funds would effectively add leverage to their portfolio because it would have investment exposure to the notional amount of the swap transaction.

The following table presents the average month-end notional amounts of options contracts purchased, futures contracts, forward currency contracts, interest rate swaps and credit default swaps while held for each fund (dollars in thousands):

	Options contracts purchased	Futures contracts	Forward currency contracts	Interest rate swaps	Credit default swaps
New World Fund	Not applicable	$ 16,516	$ 3,352	Not applicable	Not applicable
Capital Income Builder	Not applicable	49,368	121	$ 33,408	$ 3,143
Asset Allocation Fund	Not applicable	2,337,536	Not applicable	53,834*	164,515
Global Balanced Fund	Not applicable	41,862	25,526	18,289	2,659
The Bond Fund of America	Not applicable	4,598,971	190,802	442,745	90,199
Capital World Bond Fund	Not applicable	742,006	570,630	245,088	61,989
American High-Income Trust	Not applicable	71,113	Not applicable	Not applicable	34,157
American Funds Mortgage Fund	Not applicable	33,443	Not applicable	50,217	Not applicable
U.S. Government Securities Fund	Not applicable	2,025,976	Not applicable	1,348,044	Not applicable
Managed Risk Growth Fund	590,826	54,345	Not applicable	Not applicable	Not applicable
Managed Risk International Fund	140,070	43,618	Not applicable	Not applicable	Not applicable
Managed Risk Washington Mutual Investors Fund	410,827	25,404	Not applicable	Not applicable	Not applicable
Managed Risk Growth-Income Fund	5,489,892	143,240	Not applicable	Not applicable	Not applicable
Managed Risk Asset Allocation Fund	706,058	152,266	Not applicable	Not applicable	Not applicable

*No contracts were held at the end of the reporting period; amount represents the average month-end notional amount of contracts while they were held.

The following tables identify the location and fair value amounts on each fund's statement of assets and liabilities and/or the effect on each fund's statement of operations resulting from each fund's use of options, futures contracts, forward currency contracts, interest rate swaps and/or credit default swaps as of, or for the year ended, December 31, 2021 (dollars in thousands):

International Fund

		Net realized loss		Net unrealized appreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Forward currency	Currency	Net realized loss on forward currency contracts	$(86)	Net unrealized appreciation on forward currency contracts	$86

New World Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$139	Unrealized depreciation[1]	$175
Forward currency	Currency	Unrealized appreciation on open forward currency contracts	–	Unrealized depreciation on open forward currency contracts	20
			$139		$195

		Net realized gain		Net unrealized (depreciation) appreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized gain on futures contracts	$ 95	Net unrealized depreciation on futures contracts	$(26)
Forward currency	Currency	Net realized gain on forward currency contracts	228	Net unrealized appreciation on forward currency contracts	34
			$323		$ 8

Capital Income Builder

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$ 324	Unrealized depreciation[1]	$ 92
Forward currency	Currency	Unrealized appreciation on open forward currency contracts	2	Unrealized depreciation on open forward currency contracts	–
Swap (centrally cleared)	Interest	Unrealized appreciation[1]	1,451	Unrealized depreciation[1]	–
Swap (centrally cleared)	Credit	Unrealized appreciation[1]	–	Unrealized depreciation[1]	14
			$1,777		$106

See end of tables for footnotes.

		Net realized (loss) gain		Net unrealized appreciation (depreciation)	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized loss on futures contracts	$(702)	Net unrealized appreciation on futures contracts	$ 282
Forward currency	Currency	Net realized loss on forward currency contracts	(20)	Net unrealized appreciation on forward currency contracts	24
Swap	Interest	Net realized gain on swap contracts	331	Net unrealized appreciation on swap contracts	882
Swap	Credit	Net realized gain on swap contracts	334	Net unrealized depreciation on swap contracts	(166)
			$ (57)		$1,022

Asset Allocation Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$970	Unrealized depreciation[1]	$15,206
Swap (centrally cleared)	Credit	Unrealized appreciation[1]	–	Unrealized depreciation[1]	48
			$970		$15,254

		Net realized (loss) gain		Net unrealized depreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized loss on futures contracts	$ (990)	Net unrealized depreciation on futures contracts	$(13,464)
Swap	Interest	Net realized gain on swap contracts	1,750	Net unrealized depreciation on swap contracts	(796)
Swap	Credit	Net realized loss on swap contracts	(2,014)	Net unrealized depreciation on swap contracts	(48)
			$(1,254)		$(14,308)

Global Balanced Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$129	Unrealized depreciation[1]	$ 48
Forward currency	Currency	Unrealized appreciation on open forward currency contracts	57	Unrealized depreciation on open forward currency contracts	246
Swap (centrally cleared)	Interest	Unrealized appreciation[1]	61	Unrealized depreciation[1]	298
Swap (centrally cleared)	Credit	Unrealized appreciation[1]	–	Unrealized depreciation[1]	2
			$247		$594

See end of tables for footnotes.

		Net realized gain (loss)		Net unrealized appreciation (depreciation)	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized gain on futures contracts	$ 166	Net unrealized appreciation on futures contracts	$ 78
Forward currency	Currency	Net realized loss on forward currency contracts	(627)	Net unrealized depreciation on forward currency contracts	(187)
Swap	Interest	Net realized gain on swap contracts	98	Net unrealized depreciation on swap contracts	(258)
Swap	Credit	Net realized loss on swap contracts	(29)	Net unrealized depreciation on swap contracts	(2)
			$(392)		$(369)

The Bond Fund of America

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$13,747	Unrealized depreciation[1]	$13,724
Forward currency	Currency	Unrealized appreciation on open forward currency contracts	256	Unrealized depreciation on open forward currency contracts	611
Swap (centrally cleared)	Interest	Unrealized appreciation[1]	317	Unrealized depreciation[1]	11,302
Swap (centrally cleared)	Credit	Unrealized appreciation[1]	74	Unrealized depreciation[1]	–
			$14,394		$25,637

		Net realized gain (loss)		Net unrealized (depreciation) appreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized gain on futures contracts	$ 29,652	Net unrealized depreciation on futures contracts	$ (6,784)
Forward currency	Currency	Net realized gain on forward currency contracts	8,119	Net unrealized appreciation on forward currency contracts	2,252
Swap	Interest	Net realized loss on swap contracts	(18,971)	Net unrealized appreciation on swap contracts	14,076
Swap	Credit	Net realized loss on swap contracts	(165)	Net unrealized appreciation on swap contracts	74
			$ 18,635		$ 9,618

See end of tables for footnotes.

Capital World Bond Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$1,817	Unrealized depreciation[1]	$ 1,993
Forward currency	Currency	Unrealized appreciation on open forward currency contracts	4,439	Unrealized depreciation on open forward currency contracts	3,957
Swap (centrally cleared)	Interest	Unrealized appreciation[1]	1,021	Unrealized depreciation[1]	4,877
Swap (centrally cleared)	Credit	Unrealized appreciation[1]	10	Unrealized depreciation[1]	92
			$7,287		$10,919

		Net realized (loss) gain		Net unrealized (depreciation) appreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized loss on futures contracts	$ (1,188)	Net unrealized depreciation on futures contracts	$ (329)
Forward currency	Currency	Net realized loss on forward currency contracts	(23,989)	Net unrealized appreciation on forward currency contracts	126
Swap	Interest	Net realized gain on swap contracts	1,239	Net unrealized depreciation on swap contracts	(3,792)
Swap	Credit	Net realized loss on swap contracts	(1,496)	Net unrealized appreciation on swap contracts	585
			$(25,434)		$(3,410)

American High-Income Trust

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$ –	Unrealized depreciation[1]	$211
Swap (centrally cleared)	Credit	Unrealized appreciation[1]	10	Unrealized depreciation[1]	4
			$10		$215

		Net realized gain (loss)		Net unrealized (depreciation) appreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized gain on futures contracts	$ 818	Net unrealized depreciation on futures contracts	$(192)
Swap	Credit	Net realized loss on swap contracts	(2,330)	Net unrealized appreciation on swap contracts	728
			$(1,512)		$ 536

See end of tables for footnotes.

American Funds Mortgage Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$ 113	Unrealized depreciation[1]	$109
Swap (centrally cleared)	Interest	Unrealized appreciation[1]	2,375	Unrealized depreciation[1]	–
			$2,488		$109

		Net realized gain		Net unrealized (depreciation) appreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized gain on futures contracts	$638	Net unrealized depreciation on futures contracts	$ (29)
Swap	Interest	Net realized gain on swap contracts	242	Net unrealized appreciation on swap contracts	1,161
			$880		$1,132

U.S. Government Securities Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Futures	Interest	Unrealized appreciation[1]	$ 4,310	Unrealized depreciation[1]	$ 3,701
Swap (centrally cleared)	Interest	Unrealized appreciation[1]	23,753	Unrealized depreciation[1]	7,660
			$28,063		$11,361

		Net realized (loss) gain		Net unrealized appreciation (depreciation)	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Futures	Interest	Net realized loss on futures contracts	$ (2,118)	Net unrealized appreciation on futures contracts	$ 649
Swap	Interest	Net realized gain on swap contracts	26,182	Net unrealized depreciation on swap contracts	(11,387)
			$24,064		$(10,738)

Managed Risk Growth Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Options purchased	Equity	Investment securities from unaffiliated issuers[3]	$2,602	Investment securities from unaffiliated issuers[3]	$ –
Futures	Currency	Unrealized appreciation[1]	4	Unrealized depreciation[1]	28
Futures	Equity	Unrealized appreciation[1]	–	Unrealized depreciation[1]	1,216
Futures	Interest	Unrealized appreciation[1]	–	Unrealized depreciation[1]	99
			$2,606		$1,343

See end of tables for footnotes.

		Net realized (loss) gain		Net unrealized depreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Options purchased	Equity	Net realized loss on investments in unaffiliated issuers	$ (2,843)	Net unrealized depreciation on investments in unaffiliated issuers	$(1,410)
Futures	Currency	Net realized gain on futures contracts	33	Net unrealized depreciation on futures contracts	(24)
Futures	Equity	Net realized loss on futures contracts	(16,517)	Net unrealized depreciation on futures contracts	(1,216)
Futures	Interest	Net realized loss on futures contracts	(1,636)	Net unrealized depreciation on futures contracts	(168)
			$(20,963)		$(2,818)

Managed Risk International Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Options purchased	Equity	Investment securities from unaffiliated issuers[3]	$590	Investment securities from unaffiliated issuers[3]	$ –
Futures	Equity	Unrealized appreciation[1]	68	Unrealized depreciation[1]	381
Futures	Interest	Unrealized appreciation[1]	–	Unrealized depreciation[1]	70
			$658		$451

		Net realized (loss) gain		Net unrealized depreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Options purchased	Equity	Net realized loss on investments in unaffiliated issuers	$ (634)	Net unrealized depreciation on investments in unaffiliated issuers	$(557)
Futures	Currency	Net realized gain on futures contracts	130	Net unrealized depreciation on futures contracts	–
Futures	Equity	Net realized loss on futures contracts	(2,276)	Net unrealized depreciation on futures contracts	(313)
Futures	Interest	Net realized loss on futures contracts	(430)	Net unrealized depreciation on futures contracts	(91)
			$(3,210)		$(961)

Managed Risk Washington Mutual Investors Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Options purchased	Equity	Investment securities from unaffiliated issuers[3]	$1,778	Investment securities from unaffiliated issuers[3]	$ –
Futures	Currency	Unrealized appreciation[1]	–	Unrealized depreciation[1]	5
Futures	Equity	Unrealized appreciation[1]	–	Unrealized depreciation[1]	70
Futures	Interest	Unrealized appreciation[1]	–	Unrealized depreciation[1]	28
			$1,778		$103

See end of tables for footnotes.

		Net realized loss		Net unrealized depreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Options purchased	Equity	Net realized loss on investments in unaffiliated issuers	$ (1,894)	Net unrealized depreciation on investments in unaffiliated issuers	$(1,031)
Futures	Currency	Net realized loss on futures contracts	(28)	Net unrealized depreciation on futures contracts	(5)
Futures	Equity	Net realized loss on futures contracts	(10,071)	Net unrealized depreciation on futures contracts	(70)
Futures	Interest	Net realized loss on futures contracts	(1,210)	Net unrealized depreciation on futures contracts	(66)
			$(13,203)		$(1,172)

Managed Risk Growth-Income Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Options purchased	Equity	Investment securities from unaffiliated issuers[3]	$14,711	Investment securities from unaffiliated issuers[3]	$ –
Futures	Currency	Unrealized appreciation[1]	–	Unrealized depreciation[1]	9
Futures	Equity	Unrealized appreciation[1]	–	Unrealized depreciation[1]	618
Futures	Interest	Unrealized appreciation[1]	–	Unrealized depreciation[1]	61
			$14,711		$688

		Net realized (loss) gain		Net unrealized appreciation (depreciation)	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Options purchased	Equity	Net realized loss on investments in unaffiliated issuers	$(82,892)	Net unrealized appreciation on investments in unaffiliated issuers	$13,665
Futures	Currency	Net realized gain on futures contracts	46	Net unrealized depreciation on futures contracts	(9)
Futures	Equity	Net realized gain on futures contracts	4,310	Net unrealized depreciation on futures contracts	(3,255)
Futures	Interest	Net realized loss on futures contracts	(5,158)	Net unrealized depreciation on futures contracts	(402)
			$(83,694)		$ 9,999

Managed Risk Asset Allocation Fund

		Assets		Liabilities	
Contracts	Risk type	Location on statement of assets and liabilities	Value	Location on statement of assets and liabilities	Value
Options purchased	Equity	Investment securities from unaffiliated issuers[3]	$3,532	Investment securities from unaffiliated issuers[3]	$ –
Futures	Currency	Unrealized appreciation[1]	1	Unrealized depreciation[1]	10
Futures	Equity	Unrealized appreciation[1]	–	Unrealized depreciation[1]	125
Futures	Interest	Unrealized appreciation[1]	–	Unrealized depreciation[1]	107
			$3,533		$242

See end of tables for footnotes.

		Net realized (loss) gain		Net unrealized depreciation	
Contracts	Risk type	Location on statement of operations	Value	Location on statement of operations	Value
Options purchased	Equity	Net realized loss on investments in unaffiliated issuers	$ (3,106)	Net unrealized depreciation on investments in unaffiliated issuers	$(1,900)
Futures	Currency	Net realized gain on futures contracts	159	Net unrealized depreciation on futures contracts	(9)
Futures	Equity	Net realized loss on futures contracts	(25,320)	Net unrealized depreciation on futures contracts	(125)
Futures	Interest	Net realized loss on futures contracts	(4,405)	Net unrealized depreciation on futures contracts	(465)
			$(36,672)		$(2,499)

[1]Includes cumulative appreciation/depreciation on futures contracts, centrally cleared interest rate swaps and/or credit default swaps as reported in the applicable table following each fund's investment portfolio. Only current day's variation margin is reported within each fund's statement of assets and liabilities.
[2]Amount less than one thousand.
[3]Includes options purchased as reported in the fund's investment portfolio.

Collateral – Some funds participate in a collateral program that calls for the funds to either receive or pledge highly liquid assets, such as cash or U.S. government securities, as collateral due to securities lending and/or their use of futures contracts, forward currency contracts, interest rate swaps, credit default swaps and/or future delivery contracts. For securities lending, each participating fund receives collateral in exchange for lending investment securities. The lending agent may reinvest collateral from securities lending transactions according to agreed parameters. For futures contracts, centrally cleared interest rate swaps and credit default swaps, the program calls for each participating fund to pledge collateral for initial and variation margin by contract. For forward currency contracts, the program calls for each participating fund to either receive or pledge collateral based on the net gain or loss on unsettled contracts by counterparty. For future delivery contracts, the program calls for each participating fund to either receive or pledge collateral based on the net gain or loss on unsettled contracts by certain counterparties. The purpose of the collateral is to cover potential losses that could occur in the event that either party cannot meet its contractual obligation. Non-cash collateral pledged by each participating fund, if any, is disclosed in each fund's investment portfolio, and cash collateral pledged by each participating fund, if any, is held in a segregated account with the fund's custodian, which is reflected as pledged cash collateral in each fund's statement of assets and liabilities.

Rights of offset – Funds that hold forward currency contracts have enforceable master netting agreements with certain counterparties, where amounts payable by each party to the other in the same currency (with the same settlement date and with the same counterparty) are settled net of each party's payment obligation. If an early termination date occurs under these agreements following an event of default or termination event, all obligations of each party to its counterparty are settled net through a single payment in a single currency ("close-out netting"). For financial reporting purposes, the funds do not offset financial assets and financial liabilities that are subject to these master netting arrangements in the statements of assets and liabilities.

The following tables present each fund's forward currency contracts by counterparty that are subject to master netting agreements but that are not offset in the funds' statements of assets and liabilities. The net amount column shows the impact of offsetting on the funds' statement of assets and liabilities as of December 31, 2021, if close-out netting was exercised (dollars in thousands):

New World Fund

Counterparty	Gross amounts recognized in the statement of assets and liabilities	Gross amounts not offset in the statement of assets and liabilities and subject to a master netting agreement			Net amount
		Available to offset	Non-cash collateral*	Cash collateral*	
Liabilities:					
Morgan Stanley	$20	$–	$–	$–	$20

Capital Income Builder

Counterparty	Gross amounts recognized in the statement of assets and liabilities	Gross amounts not offset in the statement of assets and liabilities and subject to a master netting agreement			Net amount
		Available to offset	Non-cash collateral*	Cash collateral*	
Assets:					
JPMorgan Chase	$2	$–	$–	$–	$2

Global Balanced Fund

Counterparty	Gross amounts recognized in the statement of assets and liabilities	Gross amounts not offset in the statement of assets and liabilities and subject to a master netting agreement			Net amount
		Available to offset	Non-cash collateral*	Cash collateral*	
Assets:					
Barclays Bank PLC	$ 1	$ –	$–	$–	$ 1
Citibank	12	(12)	–	–	–
Goldman Sachs	21	(21)	–	–	–
HSBC Bank	3	(3)	–	–	–
Morgan Stanley	12	(12)	–	–	–
Standard Chartered Bank	8	(8)	–	–	–
Total	$ 57	$(56)	$–	$–	$ 1
Liabilities:					
Bank of America	$ 4	$ –	$–	$–	$ 4
Bank of New York Mellon	34	–	–	–	34
Citibank	59	(12)	–	–	47
Goldman Sachs	61	(21)	–	–	40
HSBC Bank	33	(3)	–	–	30
JPMorgan Chase	14	–	–	–	14
Morgan Stanley	18	(12)	–	–	6
Standard Chartered Bank	13	(8)	–	–	5
UBS AG	10	–	–	–	10
Total	$246	$(56)	$–	$–	$190

See end of tables for footnote.

The Bond Fund of America

Counterparty	Gross amounts recognized in the statement of assets and liabilities	Gross amounts not offset in the statement of assets and liabilities and subject to a master netting agreement			Net amount
		Available to offset	Non-cash collateral*	Cash collateral*	
Assets:					
Bank of New York Mellon	$ 86	$ –	$ –	$–	$ 86
Citibank	162	(88)	–	–	74
Morgan Stanley	8	(8)	–	–	–
Total	$256	$(96)	$ –	$–	$160
Liabilities:					
Citibank	$ 88	$(88)	$ –	$–	$ –
JPMorgan Chase	284	–	–	–	284
Morgan Stanley	163	(8)	–	–	155
UBS AG	76	–	(25)	–	51
Total	$611	$(96)	$(25)	$–	$490

Capital World Bond Fund

Counterparty	Gross amounts recognized in the statement of assets and liabilities	Gross amounts not offset in the statement of assets and liabilities and subject to a master netting agreement			Net amount
		Available to offset	Non-cash collateral*	Cash collateral*	
Assets:					
Bank of America	$ 94	$ (40)	$ –	$ –	$ 54
Barclays Bank PLC	20	–	–	–	20
BNP Paribas	5	(5)	–	–	–
Citibank	3,068	(1,275)	–	(1,781)	12
Goldman Sachs	479	(347)	–	–	132
HSBC Bank	38	(5)	–	–	33
JPMorgan Chase	666	(545)	–	(50)	71
Morgan Stanley	66	(66)	–	–	–
UBS AG	3	(3)	–	–	–
Total	$4,439	$(2,286)	$ –	$(1,831)	$322
Liabilities:					
Bank of America	$ 40	$ (40)	$ –	$ –	$ –
Bank of New York Mellon	190	–	–	–	190
BNP Paribas	40	(5)	–	–	35
Citibank	1,275	(1,275)	–	–	–
Goldman Sachs	347	(347)	–	–	–
HSBC Bank	5	(5)	–	–	–
JPMorgan Chase	545	(545)	–	–	–
Morgan Stanley	1,052	(66)	(952)	–	34
Standard Chartered Bank	322	–	–	–	322
UBS AG	141	(3)	–	–	138
Total	$3,957	$(2,286)	$(952)	$ –	$719

*Collateral is shown on a settlement basis.

6. Taxation and distributions

Federal income taxation – Each fund complies with the requirements under Subchapter M of the Internal Revenue Code applicable to regulated investment companies and intends to distribute substantially all of its net taxable income and net capital gains each year. The funds are not subject to income taxes to the extent such distributions are made. Therefore, no federal income tax provision is required.

As of and during the year ended December 31, 2021, none of the funds had a liability for any unrecognized tax benefits. Each fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in their respective statements of operations. During the year, none of the funds incurred any significant interest or penalties.

Each fund's tax returns are generally not subject to examination by federal, state and, if applicable, non-U.S. tax authorities after the expiration of each jurisdiction's statute of limitations, which is typically three years after the date of filing but can be extended in certain jurisdictions.

Non-U.S. taxation – Dividend and interest income, if any, are recorded net of non-U.S. taxes paid. The funds may file withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. As a result of rulings from European courts, the funds filed for additional reclaims related to prior years. These reclaims are recorded when the amount is known and there are no significant uncertainties on collectability. During the year ended December 31, 2021, some of the funds recognized reclaims (net of fees and the effect of realized gain or loss from currency translations) and interest related to European court rulings as follows (dollars in thousands):

Fund	Reclaims	Interest
Global Growth Fund	$11,398	$3,241
Global Small Capitalization Fund	145	–
Growth Fund	394	76
International Fund	22,708	5,821
New World Fund	1,778	454
Capital World Growth and Income Fund	5,436	1,535
Growth-Income Fund	9,219	1,714
International Growth and Income Fund	2,557	332
Asset Allocation Fund	1,935	285

The reclaims and interest are included in dividend income and interest income, respectively, in each fund's statements of operations. Gains realized by the funds on the sale of securities in certain countries, if any, may be subject to non-U.S. taxes. If applicable, the funds record an estimated deferred tax liability based on unrealized gains to provide for potential non-U.S. taxes payable upon the sale of these securities.

Distributions – Distributions determined on a tax basis may differ from net investment income and net realized gains for financial reporting purposes. These differences are due primarily to different treatment for items such as currency gains and losses; short-term capital gains and losses; capital losses related to sales of certain securities within 30 days of purchase; unrealized appreciation of certain investments in securities outside the U.S.; cost of investments sold; paydowns on fixed-income securities; net capital losses; net operating losses; non-U.S. taxes on capital gains; amortization of premiums and discounts and income on certain investments. The fiscal year in which amounts are distributed may differ from the year in which the net investment income and net realized gains are recorded by the funds for financial reporting purposes. The funds may also designate a portion of the amount paid to redeeming shareholders as a distribution for tax purposes.

Additional tax basis disclosures for each fund as of December 31, 2021, were as follows (dollars in thousands):

	Global Growth Fund	Global Small Capitalization Fund	Growth Fund	International Fund	New World Fund	Washington Mutual Investors Fund
Undistributed ordinary income	$ 35,090	$ 155,910	$ 575,141	$ 91,536	$ 79,588	$ 436,702
Undistributed long-term capital gains	815,909	935,195	4,457,096	955,085	247,561	1,827,154
Capital loss carryforward utilized	–	–	–	136,440	–	63,496
Gross unrealized appreciation on investments	5,085,913	1,808,660	24,730,869	2,617,683	1,605,994	3,055,222
Gross unrealized depreciation on investments	(270,913)	(162,301)	(626,372)	(400,787)	(126,281)	(147,888)
Net unrealized appreciation on investments	4,815,000	1,646,359	24,104,497	2,216,896	1,479,713	2,907,334
Cost of investments	4,783,148	3,006,995	21,375,237	7,290,510	2,995,213	8,579,588
Reclassification from (to) total distributable earnings/accumulated loss to (from) capital paid in on shares of beneficial interest	–	(1)	–	–	–	(3)

	Capital World Growth and Income Fund	Growth-Income Fund	International Growth and Income Fund	Capital Income Builder	Asset Allocation Fund	Global Balanced Fund
Undistributed ordinary income	$ 66,586	$ 578,031	$ 753	$ 7,363	$ 333,342	$ 282
Late year ordinary loss deferral*	–	–	–	–	–	(110)
Undistributed long-term capital gains	354,484	2,984,322	145,163	–	2,509,013	1,947
Capital loss carryforward†	–	–	–	(20,560)	–	–
Capital loss carryforward utilized	–	–	76,870	42,385	–	–
Gross unrealized appreciation on investments	673,004	19,796,736	48,613	245,885	10,046,493	124,598
Gross unrealized depreciation on investments	(67,109)	(418,359)	(5,435)	(10,783)	(345,123)	(6,843)
Net unrealized appreciation on investments	605,895	19,378,377	43,178	235,102	9,701,370	117,755
Cost of investments	1,772,951	23,686,503	331,959	925,824	21,852,966	349,627
Reclassification from (to) total distributable earnings/accumulated loss to (from) capital paid in on shares of beneficial interest	(113)	2	156,806	(1)	(2)	(1)

See end of tables for footnote.

	The Bond Fund of America	Capital World Bond Fund	American High-Income Trust	American Funds Mortgage Fund	Ultra-Short Bond Fund	U.S. Government Securities Fund
Undistributed ordinary income	$ 95,270	$ 4,353	$ 9,517	$ 499	$ –	$ 7,641
Undistributed long-term capital gains	97,219	26,459	–	–	–	–
Capital loss carryforward†	–	–	(247,812)	(496)	(1)	(14,302)
Gross unrealized appreciation on investments	363,416	62,753	60,485	4,831	6	57,102
Gross unrealized depreciation on investments	(111,177)	(62,330)	(31,726)	(1,732)	(4)	(23,294)
Net unrealized appreciation on investments	252,239	423	28,759	3,099	2	33,808
Cost of investments	13,856,209	2,105,009	1,009,428	435,288	325,639	2,163,861
Reclassification from (to) total distributable earnings/accumulated loss to (from) capital paid in on shares of beneficial interest	(1)	–	(1)	–	(1,885)	–

	Managed Risk Growth Fund	Managed Risk International Fund	Managed Risk Washington Mutual Investors Fund	Managed Risk Growth-Income Fund	Managed Risk Asset Allocation Fund
Undistributed ordinary income	$ 1,846	$ 3,367	$ 3,923	$ 23,113	$ 34,460
Undistributed long-term capital gains	83,454	–	–	50,937	87,163
Capital loss carryforward†	–	(12,234)	(23,718)	–	–
Capital loss carryforward utilized	–	–	–	–	31,551
Gross unrealized appreciation on investments	142,849	26,107	105,174	664,064	578,194
Gross unrealized depreciation on investments	(6,293)	(10,794)	(35,295)	(60,340)	(19,230)
Net unrealized appreciation on investments	136,556	15,313	69,879	603,724	558,964
Cost of investments	455,132	143,847	302,956	2,059,041	2,259,764

*This deferral is considered incurred in the subsequent year.
†Each fund's capital loss carryforward will be used to offset any capital gains realized by the fund in future years. Funds with a capital loss carryforward will not make distributions from capital gains while a capital loss carryforward remains.

Distributions paid by each fund were characterized for tax purposes as follows (dollars in thousands):

Global Growth Fund

	Year ended December 31, 2021			Year ended December 31, 2020		
Share class	Ordinary income	Long-term capital gains	Total distributions paid	Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$23,870	$193,074	$216,944	$16,383	$ 73,033	$ 89,416
Class 1A	55	645	700	29	205	234
Class 2	15,210	221,402	236,612	13,463	109,286	122,749
Class 4	1,339	30,748	32,087	653	11,537	12,190
Total	$40,474	$445,869	$486,343	$30,528	$194,061	$224,589

Global Small Capitalization Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$–	$ 55,655	$ 55,655	$ 5,414	$120,074	$125,488
Class 1A	–	39	39	2	42	44
Class 2	–	60,246	60,246	5,373	140,495	145,868
Class 4	–	7,215	7,215	408	12,682	13,090
Total	$–	$123,155	$123,155	$11,197	$273,293	$284,490

Growth Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$181,380	$2,073,422	$2,254,802	$ 68,600	$285,315	$353,915
Class 1A	701	9,031	9,732	141	547	688
Class 2	167,439	2,610,409	2,777,848	53,722	404,657	458,379
Class 3	2,435	35,107	37,542	860	5,433	6,293
Class 4	17,483	340,551	358,034	3,629	42,241	45,870
Total	$369,438	$5,068,520	$5,437,958	$126,952	$738,193	$865,145

International Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$131,730	$–	$131,730	$44,223	$–	$44,223
Class 1A	281	–	281	56	–	56
Class 2	105,815	–	105,815	25,688	–	25,688
Class 3	545	–	545	157	–	157
Class 4	10,725	–	10,725	1,591	–	1,591
Total	$249,096	$–	$249,096	$71,715	$–	$71,715

New World Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$26,785	$ 78,257	$105,042	$16,847	$ 8,752	$25,599
Class 1A	77	273	350	48	26	74
Class 2	9,450	36,498	45,948	6,570	4,233	10,803
Class 4	5,794	28,566	34,360	4,454	3,019	7,473
Total	$42,106	$143,594	$185,700	$27,919	$16,030	$43,949

Washington Mutual Investors Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$104,666	$–	$104,666	$100,756	$ 61,517	$162,273
Class 1A	2,211	–	2,211	350	134	484
Class 2	46,652	–	46,652	48,936	34,662	83,598
Class 4	12,620	–	12,620	10,866	7,992	18,858
Total	$166,149	$–	$166,149	$160,908	$104,305	$265,213

Capital World Growth and Income Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$14,543	$16,997	$31,540	$ 8,987	$15,679	$24,666
Class 1A	99	67	166	28	53	81
Class 2	20,948	29,988	50,936	15,537	32,112	47,649
Class 4	3,094	4,436	7,530	1,576	3,612	5,188
Total	$38,684	$51,488	$90,172	$26,128	$51,456	$77,584

Growth-Income Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$328,564	$239,575	$568,139	$381,174	$482,142	$ 863,316
Class 1A	308	185	493	211	265	476
Class 2	164,258	145,765	310,023	207,651	305,445	513,096
Class 3	1,864	1,578	3,442	2,378	3,413	5,791
Class 4	16,599	16,418	33,017	17,727	29,072	46,799
Total	$511,593	$403,521	$915,114	$609,141	$820,337	$1,429,478

International Growth and Income Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$ 4,585	$–	$ 4,585	$17,264	$–	$17,264
Class 1A	140	–	140	38	–	38
Class 2	6,218	–	6,218	2,910	–	2,910
Class 4	3,589	–	3,589	1,255	–	1,255
Total	$14,532	$–	$14,532	$21,467	$–	$21,467

Capital Income Builder

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$16,222	$–	$16,222	$17,286	$–	$17,286
Class 1A	218	–	218	161	–	161
Class 2	315	–	315	181	–	181
Class 4	13,009	–	13,009	11,369	–	11,369
Total	$29,764	$–	$29,764	$28,997	$–	$28,997

Asset Allocation Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$424,814	$579,353	$1,004,167	$333,238	$ 79,610	$412,848
Class 1A	423	457	880	213	51	264
Class 2	108,045	154,751	262,796	80,906	22,747	103,653
Class 3	717	976	1,693	520	141	661
Class 4	107,752	164,028	271,780	67,789	21,221	89,010
Total	$641,751	$899,565	$1,541,316	$482,666	$123,770	$606,436

Global Balanced Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$1,680	$ 6,058	$ 7,738	$1,746	$ 5,085	$ 6,831
Class 1A	45	189	234	29	99	128
Class 2	2,431	10,638	13,069	2,128	7,631	9,759
Class 4	1,305	6,901	8,206	844	3,811	4,655
Total	$5,461	$23,786	$29,247	$4,747	$16,626	$21,373

The Bond Fund of America

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$301,454	$133,858	$435,312	$185,412	$25,238	$210,650
Class 1A	408	193	601	224	31	255
Class 2	138,464	69,578	208,042	96,166	14,478	110,644
Class 4	28,710	14,777	43,487	15,659	2,303	17,962
Total	$469,036	$218,406	$687,442	$297,461	$42,050	$339,511

Capital World Bond Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$34,401	$10,279	$44,680	$30,575	$4,335	$34,910
Class 1A	34	7	41	16	3	19
Class 2	33,715	10,855	44,570	24,602	3,871	28,473
Class 4	1,845	612	2,457	1,252	206	1,458
Total	$69,995	$21,753	$91,748	$56,445	$8,415	$64,860

American High-Income Trust

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$11,054	$–	$11,054	$10,071	$–	$10,071
Class 1A	59	–	59	78	–	78
Class 2	28,636	–	28,636	54,086	–	54,086
Class 3	429	–	429	799	–	799
Class 4	3,238	–	3,238	4,806	–	4,806
Total	$43,416	$–	$43,416	$69,840	$–	$69,840

American Funds Mortgage Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$6,294	$3,087	$ 9,381	$3,288	$263	$3,551
Class 1A	39	18	57	13	1	14
Class 2	1,448	784	2,232	722	75	797
Class 4	936	551	1,487	406	52	458
Total	$8,717	$4,440	$13,157	$4,429	$391	$4,820

Ultra-Short Bond Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$–	$–	$–	$104	$–	$104
Class 1A	–	–	–	–*	–	–*
Class 2	–	–	–	558	–	558
Class 3	–	–	–	8	–	8
Class 4	–	–	–	67	–	67
Total	$–	$–	$–	$737	$–	$737

U.S. Government Securities Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class 1	$ 30,987	$ 9,355	$ 40,342	$12,901	$ 3,231	$16,132
Class 1A	389	129	518	107	29	136
Class 2	108,143	36,124	144,267	40,852	11,067	51,919
Class 3	714	234	948	318	89	407
Class 4	17,596	6,057	23,653	7,195	1,992	9,187
Total	$157,829	$51,899	$209,728	$61,373	$16,408	$77,781

See end of tables for footnote.

Managed Risk Growth Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class P1	$ 106	$ 409	$ 515	$ 64	$ 374	$ 438
Class P2	3,159	23,710	26,869	3,441	21,395	24,836
Total	$3,265	$24,119	$27,384	$3,505	$21,769	$25,274

Managed Risk International Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class P1	$ 14	$–	$ 14	$ 21	$ 10	$ 31
Class P2	917	–	917	1,913	1,303	3,216
Total	$931	$–	$931	$1,934	$1,313	$3,247

Managed Risk Washington Mutual Investors Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class P1	$ 40	$–	$ 40	$ 29	$ 37	$ 66
Class P2	5,979	–	5,979	6,006	10,828	16,834
Total	$6,019	$–	$6,019	$6,035	$10,865	$16,900

Managed Risk Growth-Income Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class P1	$30,716	$29,380	$60,096	$37,519	$103,175	$140,694
Class P2	3,713	4,359	8,072	4,874	15,199	20,073
Total	$34,429	$33,739	$68,168	$42,393	$118,374	$160,767

Managed Risk Asset Allocation Fund

Share class	Year ended December 31, 2021 Ordinary income	Long-term capital gains	Total distributions paid	Year ended December 31, 2020 Ordinary income	Long-term capital gains	Total distributions paid
Class P1	$ 114	$–	$ 114	$ 58	$ 146	$ 204
Class P2	38,113	–	38,113	40,641	105,833	146,474
Total	$38,227	$–	$38,227	$40,699	$105,979	$146,678

*Amount less than one thousand.

7. Fees and transactions

CRMC, the series' investment adviser, is the parent company of American Funds Distributors®, Inc. ("AFD"), the distributor of the series' shares, and American Funds Service Company® ("AFS"), the series' transfer agent. CRMC, AFD and AFS are considered related parties to the series.

Investment advisory services – The series has an investment advisory and service agreement with CRMC that provides for monthly fees accrued daily. These fees are based on annual rates that generally decrease as net asset levels increase. CRMC receives investment advisory fees from the underlying funds held by the managed risk funds. These fees are included in the unaudited net effective expense ratios that are provided as additional information in the financial highlights tables. Subadvisory fees for the managed risk funds are paid by CRMC to Milliman FRM. The managed risk funds are not responsible for paying any subadvisory fees.

Investment advisory services waivers – CRMC is waiving a portion of its investment advisory services fees for some of the funds. During the year ended December 31, 2021, CRMC waived $28,000 in fees for Global Growth Fund in advance of the investment advisory and service agreement effective May 1, 2021. In addition, CRMC waived $15,000 in fees for Growth Fund in advance of the next investment advisory and service agreement that will become effective on May 1, 2022.

At the beginning of the year, CRMC waived a portion of its investment advisory services fees at the rates of 0.18%, 0.26%, 0.10% and 0.18% of the daily net assets of New World Fund, Capital Income Builder, Capital World Bond Fund and American Funds Mortgage Fund, respectively. Effective May 1, 2021, CRMC revised the waiver rates to 0.25% and 0.21% of the daily net assets of Capital Income Builder and American Funds Mortgage Fund, respectively. The waiver rates for New World Fund and Capital World Bond Fund were not changed.

Effective May 1, 2021, CRMC began to waive a portion of its investment advisory services fees at the rates of 0.16%, 0.23%, 0.19%, 0.19% and 0.16% of the daily net assets of Washington Mutual Investors Fund, Capital World Growth and Income Fund, The Bond Fund of America, American High-Income Trust and U.S. Government Securities Fund, respectively. Effective December 1, 2021, CRMC began to waive a portion of its investment advisory services fees at the rate of 0.14% of the daily net assets of International Growth and Income Fund. During the year ended December 31, 2021, CRMC also waived a portion of its investment advisory services fees at the rate of 0.05% of the daily net assets of each of the managed risk funds.

The waiver rates for each fund, except Global Growth Fund and Growth Fund, will be in effect through at least May 1, 2022, and may only be modified or terminated with the approval of the series' board. For the year ended December 31, 2021, total investment advisory services fees waived by CRMC were $52,101,000. CRMC does not intend to recoup these waivers. Investment advisory services fees in each fund's statement of operations are presented gross of the waivers from CRMC.

The range of rates, net asset levels and the current annualized rates of average daily net assets for each fund before and after any investment advisory services waivers (if applicable), are as follows:

	Rates		Net asset level (in billions)		For the year ended December 31, 2021, before waiver	For the year ended December 31, 2021, after waiver
Fund	Beginning with	Ending with	Up to	In excess of		
Global Growth Fund	.690%	.445%	$ .6	$ 8.0	.497%	.497%
Global Small Capitalization Fund	.800	.635	.6	5.0	.686	.686
Growth Fund	.500	.280	.6	34.0	.307	.307
International Fund	.690	.430	.5	21.0	.491	.491
New World Fund	.850	.580	.5	4.0	.678	.498
Washington Mutual Investors Fund	.500	.350	.6	10.5	.385	.276
Capital World Growth and Income Fund	.690	.480	.6	3.0	.583	.426
Growth-Income Fund	.500	.219	.6	34.0	.249	.249
International Growth and Income Fund	.690	.500	.5	1.5	.610	.606
Capital Income Builder	.500	.410	.6	1.0	.473	.220
Asset Allocation Fund	.500	.240	.6	21.0	.261	.261
Global Balanced Fund	.660	.510	.5	1.0	.660	.660
The Bond Fund of America	.480	.320	.6	13.0	.357	.225
Capital World Bond Fund	.570	.450	1.0	3.0	.532	.432
American High-Income Trust	.500	.420	.6	2.0	.484	.350
American Funds Mortgage Fund	.420	.290	.6	3.0	.420	.220
Ultra-Short Bond Fund	.320	.270	1.0	2.0	.320	.320
U.S. Government Securities Fund	.420	.290	.6	3.0	.355	.249
Managed Risk Growth Fund	.150		all		.150	.099
Managed Risk International Fund	.150		all		.150	.099
Managed Risk Washington Mutual Investors Fund	.150		all		.150	.099
Managed Risk Growth-Income Fund	.150		all		.150	.099
Managed Risk Asset Allocation Fund	.150		all		.150	.099

Class-specific fees and expenses –Expenses that are specific to individual share classes are accrued directly to the respective share class. The principal class-specific fees and expenses are further described below:

Distribution services – The series has plans of distribution for all share classes except Class 1. Under the plans, the board of trustees approves certain categories of expenses that are used to finance activities primarily intended to sell fund shares. The plans provide for payments to pay service fees to firms that have entered into agreements with the series. These payments, based on an annualized percentage of average daily net assets, range from 0.18% to 0.50% as noted in the table below. In some cases, the board of trustees has limited the amounts that may be paid to less than the maximum allowed by the plans.

Share class	Currently approved limits	Plan limits
Class 1A	0.00%	0.25%
Class 2	0.25	0.25
Class 3	0.18	0.18
Class 4	0.25	0.25
Class P1	0.00	0.25
Class P2	0.25	0.50

Insurance administrative services – The series has an insurance administrative services plan for Class 1A, 4, P1 and P2 shares. Under the plan, these share classes pay 0.25% of each insurance company's respective average daily net assets in each share class to compensate the insurance companies for services provided to their separate accounts and contractholders for which the shares of the fund are beneficially owned as underlying investments of such contractholders' annuities. These services include, but are not limited to, maintenance, shareholder communications and transactional services. The insurance companies are not related parties to the series.

Transfer agent services – The series has a shareholder services agreement with AFS under which the funds compensate AFS for providing transfer agent services to all of the funds' share classes. These services include recordkeeping, shareholder communications and transaction processing. In addition, the managed risk funds reimburse AFS for amounts paid to third parties for performing transfer agent services on behalf of fund shareholders.

Administrative services – The series has an administrative services agreement with CRMC under which each fund compensates CRMC for providing administrative services to all of the funds' share classes except Class P1 and P2 shares. Administrative services are provided by CRMC and its affiliates to help assist third parties providing non-distribution services to fund shareholders. These services include providing in-depth information on each fund and market developments that impact fund investments. Administrative services also include, but are not limited to, coordinating, monitoring and overseeing third parties that provide services to fund shareholders. The agreement provides each fund, other than the managed risk funds, the ability to charge an administrative services fee at the annual rate of 0.05% of average daily net assets attributable to each share class. Currently each fund, other than the managed-risk funds, pays CRMC an administrative services fee at the annual rate of 0.03% of average daily net assets of each share class for CRMC's provision of administrative services. For the managed risk funds, CRMC receives administrative services fees at an annual rate of 0.03% of average daily net assets from Class 1 shares of the underlying funds for administrative services provided to the series.

Accounting and administrative services – The managed risk funds have a subadministration agreement with Bank of New York Mellon ("BNY Mellon") under which the fund compensates BNY Mellon for providing accounting and administrative services to each of the managed risk funds' share classes. These services include, but are not limited to, fund accounting (including calculation of net asset value), financial reporting and tax services. BNY Mellon is not a related party to the managed risk funds.

Class-specific expenses under the agreements described above were as follows (dollars in thousands):

Global Growth Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$1,173
Class 1A	$ –	$ 36	4
Class 2	11,400	Not applicable	1,368
Class 4	1,610	1,610	193
Total class-specific expenses	$13,010	$1,646	$2,738

Global Small Capitalization Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 684
Class 1A	$ –	$ 7	1
Class 2	6,675	Not applicable	801
Class 4	806	806	97
Total class-specific expenses	$7,481	$813	$1,583

Growth Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 5,245
Class 1A	$ –	$ 221	27
Class 2	53,611	Not applicable	6,433
Class 3	530	Not applicable	88
Class 4	6,996	6,996	840
Total class-specific expenses	$61,137	$7,217	$12,633

International Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$1,572
Class 1A	$ –	$ 26	3
Class 2	10,993	Not applicable	1,319
Class 3	42	Not applicable	7
Class 4	1,119	1,119	134
Total class-specific expenses	$12,154	$1,145	$3,035

New World Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 732
Class 1A	$ –	$ 37	4
Class 2	2,805	Not applicable	337
Class 4	2,195	2,195	263
Total class-specific expenses	$5,000	$2,232	$1,336

Washington Mutual Investors Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$1,816
Class 1A	$ –	$ 241	29
Class 2	8,210	Not applicable	985
Class 4	2,369	2,369	284
Total class-specific expenses	$10,579	$2,610	$3,114

Capital World Growth and Income Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$223
Class 1A	$ –	$ 11	1
Class 2	3,387	Not applicable	407
Class 4	496	496	60
Total class-specific expenses	$3,883	$507	$691

Growth-Income Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 7,308
Class 1A	$ –	$ 57	7
Class 2	37,130	Not applicable	4,456
Class 3	293	Not applicable	49
Class 4	4,194	4,194	503
Total class-specific expenses	$41,617	$4,251	$12,323

International Growth and Income Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$293
Class 1A	$ –	$ 10	1
Class 2	546	Not applicable	66
Class 4	305	305	37
Total class-specific expenses	$851	$315	$397

Asset Allocation Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$6,070
Class 1A	$ –	$ 45	5
Class 2	13,568	Not applicable	1,628
Class 3	63	Not applicable	11
Class 4	14,435	14,435	1,732
Total class-specific expenses	$28,066	$14,480	$9,446

The Bond Fund of America

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$2,361
Class 1A	$ –	$ 27	4
Class 2	9,525	Not applicable	1,143
Class 4	2,027	2,027	243
Total class-specific expenses	$11,552	$2,054	$3,751

American High-Income Trust

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 61
Class 1A	$ –	$ 3	1
Class 2	1,698	Not applicable	204
Class 3	19	Not applicable	3
Class 4	218	218	26
Total class-specific expenses	$1,935	$221	$295

Capital Income Builder

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$172
Class 1A	$ –	$ 19	2
Class 2	26	Not applicable	3
Class 4	1,289	1,289	155
Total class-specific expenses	$1,315	$1,308	$332

Global Balanced Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 36
Class 1A	$ –	$ 9	1
Class 2	524	Not applicable	63
Class 4	306	306	37
Total class-specific expenses	$830	$315	$137

Capital World Bond Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$327
Class 1A	$ –	$ 2	–*
Class 2	2,632	Not applicable	316
Class 4	155	155	19
Total class-specific expenses	$2,787	$157	$662

American Funds Mortgage Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$69
Class 1A	$ –	$ 4	–*
Class 2	146	Not applicable	18
Class 4	102	102	12
Total class-specific expenses	$248	$106	$99

See end of tables for footnote.

Ultra-Short Bond Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$ 12
Class 1A	$ –	$ –	–*
Class 2	665	Not applicable	80
Class 3	8	Not applicable	1
Class 4	108	108	13
Total class-specific expenses	$781	$108	$106

U.S. Government Securities Fund

Share class	Distribution services	Insurance administrative services	Administrative services
Class 1	Not applicable	Not applicable	$122
Class 1A	$ –	$ 11	1
Class 2	3,577	Not applicable	429
Class 3	18	Not applicable	3
Class 4	613	613	74
Total class-specific expenses	$4,208	$624	$629

Managed Risk Growth Fund

Share class	Distribution services	Insurance administrative services
Class P1	Not applicable	$ 28
Class P2	$1,448	1,448
Total class-specific expenses	$1,448	$1,476

Managed Risk International Fund

Share class	Distribution services	Insurance administrative services
Class P1	Not applicable	$ 4
Class P2	$413	413
Total class-specific expenses	$413	$417

Managed Risk Washington Mutual Investors Fund

Share class	Distribution services	Insurance administrative services
Class P1	Not applicable	$ 4
Class P2	$907	907
Total class-specific expenses	$907	$911

Managed Risk Growth-Income Fund

Share class	Distribution services	Insurance administrative services
Class P1	Not applicable	$5,642
Class P2	$829	829
Total class-specific expenses	$829	$6,471

Managed Risk Asset Allocation Fund

Share class	Distribution services	Insurance administrative services
Class P1	Not applicable	$ 15
Class P2	$7,054	7,054
Total class-specific expenses	$7,054	$7,069

*Amount less than one thousand.

Miscellaneous fee reimbursements – CRMC reimbursed a portion of miscellaneous fees and expenses for Managed Risk International Fund and Managed Risk Washington Mutual Investors Fund. These reimbursements may be adjusted or discontinued by CRMC, subject to any restrictions in the series' prospectus. For the year ended December 31, 2021, total fees and expenses reimbursed by CRMC were $55,000. CRMC does not intend to recoup these reimbursements. Fees and expenses in each fund's statement of operations are presented gross of any reimbursements from CRMC.

Trustees' deferred compensation – Trustees who are unaffiliated with CRMC may elect to defer the cash payment of part or all of their compensation. These deferred amounts, which remain as liabilities of the funds, are treated as if invested in one or more of the American Funds. These amounts represent general, unsecured liabilities of the funds and vary according to the total returns of the selected funds. Trustees' compensation, shown on the accompanying financial statements, reflects current fees (either paid in cash or deferred) and a net increase in the value of the deferred amounts as follows (dollars in thousands):

Fund	Current fees	Increase in value of deferred amounts	Total trustees' compensation
Global Growth Fund	$21	$16	$ 37
Global Small Capitalization Fund	13	10	23
Growth Fund	99	72	171
International Fund	25	19	44
New World Fund	11	8	19
Washington Mutual Investors Fund	24	18	42
Capital World Growth and Income Fund	6	4	10
Growth-Income Fund	97	72	169
International Growth and Income Fund	3	3	6
Capital Income Builder	3	2	5
Asset Allocation Fund	75	55	130
Global Balanced Fund	1	1	2
The Bond Fund of America	29	21	50
Capital World Bond Fund	6	4	10
American High-Income Trust	2	2	4
American Funds Mortgage Fund	1	1	2
Ultra-Short Bond Fund	1	1	2
U.S. Government Securities Fund	5	4	9
Managed Risk Growth Fund	1	1	2
Managed Risk International Fund	1	–*	1
Managed Risk Washington Mutual Investors Fund	1	1	2
Managed Risk Growth-Income Fund	5	5	10
Managed Risk Asset Allocation Fund	7	5	12

*Amount less than one thousand.

Affiliated officers and trustees – Officers and certain trustees of the series are or may be considered to be affiliated with CRMC, AFD and AFS. No affiliated officers or trustees received any compensation directly from any fund in the series.

Investments in CCBF and CCF – Some of the funds hold shares of CCBF, a corporate bond fund, and/or CCF, an institutional prime money market fund ,which are both managed by CRMC. CCBF seeks to provide maximum total return consistent with capital preservation and prudent risk management by investing primarily in corporate debt instruments. CCBF is used as an investment vehicle for some of the funds' corporate bond investments. CCF invests in high-quality, short-term money market instruments. CCF is used as the primary investment vehicle for some of the funds' short-term investments. Both CCBF and CCF shares are only available for purchase by CRMC, its affiliates, and other funds managed by CRMC or its affiliates, and are not available to the public. CRMC does not receive an investment advisory services fee from either CCBF or CCF.

Security transactions with related funds – The funds may purchase from, or sell securities to, other CRMC-managed funds (or funds managed by certain affiliates of CRMC) under procedures adopted by the fund's board of trustees. The funds involved in such transactions are considered related by virtue of having a common investment adviser (or affiliated investment advisers), common trustees and/or common officers. When such transactions occur, each transaction is executed at the current market price of the security and no brokerage commissions or fees are paid in accordance with Rule 17a-7 of the 1940 Act.

The following table presents purchase and sale transactions between each fund and related funds, and net realized gain or loss from such sales, if any, as of December 31, 2021 (dollars in thousands):

Fund	Purchases	Sales	Net realized gain (loss)
Global Growth Fund	$ 67,688	$ 88,387	$ 28,015
Global Small Capitalization Fund	18,836	337,580	129,186
Growth Fund	298,201	240,867	42,811
International Fund	521,624	197,872	34,444
New World Fund	31,819	38,822	3,304
Washington Mutual Investors Fund	944,889	941,271	178,528
Capital World Growth and Income Fund	332,329	191,108	37,528
Growth-Income Fund	314,184	826,544	176,648
International Growth and Income Fund	17,486	304,447	104,029
Capital Income Builder	16,216	49,627	3,282
Asset Allocation Fund	492,325	2,107,286	174,824
Global Balanced Fund	266	377	273
The Bond Fund of America	66,389	52,591	2,838
Capital World Bond Fund	291	13,247	2,044
American High-Income Trust	14,013	10,560	(924)

8. Indemnifications

The series' organizational documents provide board members and officers with indemnification against certain liabilities or expenses in connection with the performance of their duties to the series. In the normal course of business, the series may also enter into contracts that provide general indemnifications. Each fund's maximum exposure under these arrangements is unknown since it is dependent on future claims that may be made against the series. The risk of material loss from such claims is considered remote. Insurance policies are also available to the series' board members and officers.

9. Committed line of credit

Global Small Capitalization Fund, New World Fund and American High-Income Trust participate with other funds managed by CRMC in a $1.5 billion credit facility (the "line of credit") to be utilized for temporary purposes to fund shareholder redemptions. Each fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which are reflected in other expenses in each fund's statement of operations. None of the funds borrowed on this line of credit at any time during the year ended December 31, 2021.

10. Capital share transactions

Capital share transactions in the funds were as follows (dollars and shares in thousands):

Global Growth Fund

	Sales*		Reinvestments of distributions		Repurchases*		Net increase (decrease)	
Share class	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares
Year ended December 31, 2021								
Class 1	$683,154	15,421	$216,944	5,062	$ (307,264)	(6,960)	$ 592,834	13,523
Class 1A	6,731	151	700	17	(2,591)	(58)	4,840	110
Class 2	69,770	1,607	236,612	5,601	(588,817)	(13,514)	(282,435)	(6,306)
Class 4	167,855	3,876	32,087	766	(48,523)	(1,127)	151,419	3,515
Total net increase (decrease)	$927,510	21,055	$486,343	11,446	$ (947,195)	(21,659)	$ 466,658	10,842
Year ended December 31, 2020								
Class 1	$402,110	11,550	$ 89,416	2,661	$ (365,952)	(11,056)	$ 125,574	3,155
Class 1A	4,330	121	234	7	(2,564)	(87)	2,000	41
Class 2	46,502	1,410	122,749	3,738	(613,644)	(18,242)	(444,393)	(13,094)
Class 4	96,748	2,812	12,190	377	(63,324)	(1,924)	45,614	1,265
Total net increase (decrease)	$549,690	15,893	$224,589	6,783	$(1,045,484)	(31,309)	$(271,205)	(8,633)

Global Small Capitalization Fund

	Sales*		Reinvestments of distributions		Repurchases*		Net (decrease) increase	
Share class	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares
Year ended December 31, 2021								
Class 1	$216,763	6,235	$ 55,510	1,581	$(1,077,292)	(31,128)	$(805,019)	(23,312)
Class 1A	4,095	118	39	1	(153)	(4)	3,981	115
Class 2	59,596	1,785	60,246	1,778	(374,611)	(11,071)	(254,769)	(7,508)
Class 4	89,704	2,662	7,215	212	(30,621)	(901)	66,298	1,973
Total net increase (decrease)	$370,158	10,800	$123,010	3,572	$(1,482,677)	(43,104)	$(989,509)	(28,732)
Year ended December 31, 2020								
Class 1	$223,000	10,191	$125,091	5,146	$ (466,963)	(18,580)	$(118,872)	(3,243)
Class 1A	627	24	43	2	(268)	(10)	402	16
Class 2	60,922	2,877	145,869	6,194	(409,129)	(15,839)	(202,338)	(6,768)
Class 4	35,430	1,424	13,089	554	(34,957)	(1,396)	13,562	582
Total net increase (decrease)	$319,979	14,516	$284,092	11,896	$ (911,317)	(35,825)	$(307,246)	(9,413)

See end of tables for footnotes.

Growth Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$2,916,865	22,963	$2,251,516	19,653	$(2,207,142)	(17,684)	$ 2,961,239	24,932
Class 1A	68,640	560	9,733	86	(25,312)	(198)	53,061	448
Class 2	432,245	3,495	2,777,848	24,558	(3,289,822)	(26,755)	(79,729)	1,298
Class 3	1,972	15	37,541	326	(37,449)	(298)	2,064	43
Class 4	553,762	4,582	358,034	3,232	(224,958)	(1,864)	686,838	5,950
Total net increase (decrease)	$3,973,484	31,615	$5,434,672	47,855	$(5,784,683)	(46,799)	$ 3,623,473	32,671
Year ended December 31, 2020								
Class 1	$2,322,779	26,334	$ 353,232	3,917	$(2,999,100)	(33,591)	$ (323,089)	(3,340)
Class 1A	33,301	338	688	8	(5,835)	(64)	28,154	282
Class 2	437,349	4,937	458,379	5,218	(3,162,923)	(34,505)	(2,267,195)	(24,350)
Class 3	1,333	17	6,293	70	(37,446)	(395)	(29,820)	(308)
Class 4	325,002	3,612	45,870	534	(283,912)	(3,180)	86,960	966
Total net increase (decrease)	$3,119,764	35,238	$ 864,462	9,747	$(6,489,216)	(71,735)	$(2,504,990)	(26,750)

International Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$366,681	15,339	$131,729	5,782	$(1,253,303)	(51,135)	$(754,893)	(30,014)
Class 1A	4,570	192	281	13	(2,479)	(103)	2,372	102
Class 2	264,867	11,161	105,815	4,673	(502,502)	(20,818)	(131,820)	(4,984)
Class 3	125	5	546	24	(3,534)	(146)	(2,863)	(117)
Class 4	95,888	4,069	10,725	480	(51,434)	(2,169)	55,179	2,380
Total net increase (decrease)	$732,131	30,766	$249,096	10,972	$(1,813,252)	(74,371)	$(832,025)	(32,633)
Year ended December 31, 2020								
Class 1	$535,603	30,721	$ 44,223	2,049	$ (963,355)	(50,229)	$(383,529)	(17,459)
Class 1A	2,754	147	56	2	(1,389)	(70)	1,421	79
Class 2	271,356	15,425	25,688	1,204	(667,572)	(33,696)	(370,528)	(17,067)
Class 3	226	12	157	7	(3,148)	(157)	(2,765)	(138)
Class 4	52,233	2,881	1,591	76	(62,187)	(3,226)	(8,363)	(269)
Total net increase (decrease)	$862,172	49,186	$ 71,715	3,338	$(1,697,651)	(87,378)	$(763,764)	(34,854)

See end of tables for footnotes.

New World Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$180,001	5,517	$104,795	3,183	$(165,865)	(5,053)	$ 118,931	3,647
Class 1A	14,137	436	350	11	(21,114)	(642)	(6,627)	(195)
Class 2	82,347	2,547	45,947	1,410	(159,868)	(4,915)	(31,574)	(958)
Class 4	135,084	4,224	34,360	1,061	(74,083)	(2,295)	95,361	2,990
Total net increase (decrease)	$411,569	12,724	$185,452	5,665	$(420,930)	(12,905)	$ 176,091	5,484
Year ended December 31, 2020								
Class 1	$ 80,299	3,402	$ 25,570	1,027	$(337,036)	(13,731)	$(231,167)	(9,302)
Class 1A	12,129	461	73	3	(1,703)	(71)	10,499	393
Class 2	102,697	3,915	10,803	447	(184,643)	(7,218)	(71,143)	(2,856)
Class 4	89,140	3,662	7,473	310	(84,462)	(3,316)	12,151	656
Total net increase (decrease)	$284,265	11,440	$ 43,919	1,787	$(607,844)	(24,336)	$(279,660)	(11,109)

Washington Mutual Investors Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$ 740,227	42,419	$104,068	6,017	$(1,150,862)	(70,448)	$(306,567)	(22,012)
Class 1A	128,020	7,779	2,211	129	(4,020)	(244)	126,211	7,664
Class 2	51,950	3,263	46,652	2,739	(508,810)	(31,581)	(410,208)	(25,579)
Class 4	156,222	9,709	12,620	746	(66,538)	(4,145)	102,304	6,310
Total net increase (decrease)	$1,076,419	63,170	$165,551	9,631	$(1,730,230)	(106,418)	$(488,260)	(33,617)
Year ended December 31, 2020								
Class 1	$ 474,186	41,847	$161,061	11,902	$ (825,919)	(67,505)	$(190,672)	(13,756)
Class 1A	15,517	1,215	484	35	(2,556)	(194)	13,445	1,056
Class 2	75,893	6,771	83,599	6,287	(337,510)	(26,379)	(178,018)	(13,321)
Class 4	148,645	12,358	18,858	1,428	(54,754)	(4,444)	112,749	9,342
Total net increase (decrease)	$ 714,241	62,191	$264,002	19,652	$(1,220,739)	(98,522)	$(242,496)	(16,679)

Capital World Growth and Income Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$171,552	9,531	$30,555	1,698	$(117,328)	(6,578)	$ 84,779	4,651
Class 1A	4,092	231	166	9	(605)	(34)	3,653	206
Class 2	21,440	1,205	50,935	2,838	(216,241)	(12,206)	(143,866)	(8,163)
Class 4	49,326	2,833	7,530	427	(16,390)	(939)	40,466	2,321
Total net increase (decrease)	$246,410	13,800	$89,186	4,972	$(350,564)	(19,757)	$ (14,968)	(985)
Year ended December 31, 2020								
Class 1	$274,643	21,210	$23,674	1,607	$(306,092)	(22,650)	$ (7,775)	167
Class 1A	474	35	81	6	(266)	(18)	289	23
Class 2	48,178	3,670	47,647	3,258	(175,562)	(11,876)	(79,737)	(4,948)
Class 4	26,989	1,950	5,189	362	(19,540)	(1,418)	12,638	894
Total net increase (decrease)	$350,284	26,865	$76,591	5,233	$(501,460)	(35,962)	$ (74,585)	(3,864)

See end of tables for footnotes.

Growth-Income Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$ 778,306	12,603	$ 567,351	8,928	$(3,472,494)	(56,343)	$(2,126,837)	(34,812)
Class 1A	14,065	224	493	8	(2,433)	(39)	12,125	193
Class 2	143,239	2,361	310,023	4,964	(2,027,406)	(33,135)	(1,574,144)	(25,810)
Class 3	1,007	16	3,442	54	(23,575)	(379)	(19,126)	(309)
Class 4	302,016	4,995	33,018	536	(132,399)	(2,191)	202,635	3,340
Total net increase (decrease)	$1,238,633	20,199	$ 914,327	14,490	$(5,658,307)	(92,087)	$(3,505,347)	(57,398)
Year ended December 31, 2020								
Class 1	$1,892,111	42,172	$ 862,018	17,198	$(2,883,447)	(61,087)	$ (129,318)	(1,717)
Class 1A	4,637	94	476	9	(1,475)	(30)	3,638	73
Class 2	252,743	5,452	513,097	10,416	(1,497,209)	(30,770)	(731,369)	(14,902)
Class 3	2,002	41	5,790	116	(23,231)	(465)	(15,439)	(308)
Class 4	174,576	3,682	46,799	965	(148,613)	(3,153)	72,762	1,494
Total net increase (decrease)	$2,326,069	51,441	$1,428,180	28,704	$(4,553,975)	(95,505)	$ (799,726)	(15,360)

International Growth and Income Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$ 48,015	2,368	$ 4,294	210	$(1,169,382)	(59,936)	$(1,117,073)	(57,358)
Class 1A	2,986	152	141	7	(561)	(28)	2,566	131
Class 2	8,004	401	6,218	322	(29,755)	(1,507)	(15,533)	(784)
Class 4	27,229	1,381	3,589	188	(13,127)	(671)	17,691	898
Total net increase (decrease)	$ 86,234	4,302	$14,242	727	$(1,212,825)	(62,142)	$(1,112,349)	(57,113)
Year ended December 31, 2020								
Class 1	$ 78,373	5,478	$17,128	948	$ (179,914)	(10,267)	$ (84,413)	(3,841)
Class 1A	977	66	38	2	(791)	(49)	224	19
Class 2	13,943	970	2,909	161	(63,267)	(3,635)	(46,415)	(2,504)
Class 4	17,701	1,130	1,255	70	(13,000)	(825)	5,956	375
Total net increase (decrease)	$110,994	7,644	$21,330	1,181	$ (256,972)	(14,776)	$ (124,648)	(5,951)

See end of tables for footnotes.

Capital Income Builder

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$107,711	9,192	$16,222	1,379	$(252,397)	(21,377)	$(128,464)	(10,806)
Class 1A	2,434	206	218	19	(451)	(39)	2,201	186
Class 2	5,007	428	315	27	(1,572)	(134)	3,750	321
Class 4	70,040	6,029	13,009	1,105	(42,227)	(3,629)	40,822	3,505
Total net increase (decrease)	$185,192	15,855	$29,764	2,530	$(296,647)	(25,179)	$ (81,691)	(6,794)
Year ended December 31, 2020								
Class 1	$237,195	24,206	$17,285	1,757	$(178,753)	(18,572)	$ 75,727	7,391
Class 1A	809	80	161	16	(340)	(34)	630	62
Class 2	2,017	200	181	18	(286)	(28)	1,912	190
Class 4	49,099	4,860	11,369	1,158	(58,009)	(5,855)	2,459	163
Total net increase (decrease)	$289,120	29,346	$28,996	2,949	$(237,388)	(24,489)	$ 80,728	7,806

Asset Allocation Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$1,077,099	38,077	$1,004,165	35,557	$(4,395,063)	(151,941)	$(2,313,799)	(78,307)
Class 1A	8,925	315	880	31	(1,749)	(63)	8,056	283
Class 2	117,974	4,243	262,797	9,420	(649,009)	(23,286)	(268,238)	(9,623)
Class 3	1,030	36	1,693	60	(2,340)	(83)	383	13
Class 4	687,105	24,820	271,781	9,809	(264,761)	(9,619)	694,125	25,010
Total net increase (decrease)	$1,892,133	67,491	$1,541,316	54,877	$(5,312,922)	(184,992)	$(1,879,473)	(62,624)
Year ended December 31, 2020								
Class 1	$1,817,230	79,909	$ 412,849	16,378	$(2,437,918)	(107,604)	$ (207,839)	(11,317)
Class 1A	4,177	174	264	10	(1,862)	(81)	2,579	103
Class 2	109,553	4,668	103,653	4,169	(595,244)	(25,445)	(382,038)	(16,608)
Class 3	914	38	661	26	(4,390)	(184)	(2,815)	(120)
Class 4	410,135	17,490	89,009	3,606	(327,826)	(14,043)	171,318	7,053
Total net increase (decrease)	$2,342,009	102,279	$ 606,436	24,189	$(3,367,240)	(147,357)	$ (418,795)	(20,889)

See end of tables for footnotes.

Global Balanced Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$ 9,259	623	$ 7,739	533	$(40,506)	(2,798)	$(23,508)	(1,642)
Class 1A	925	63	233	16	(252)	(17)	906	62
Class 2	5,621	383	13,069	902	(27,137)	(1,828)	(8,447)	(543)
Class 4	28,503	1,957	8,206	572	(10,476)	(713)	26,233	1,816
Total net increase (decrease)	$44,308	3,026	$29,247	2,023	$(78,371)	(5,356)	$ (4,816)	(307)
Year ended December 31, 2020								
Class 1	$29,379	2,319	$ 6,831	491	$(35,963)	(2,860)	$ 247	(50)
Class 1A	379	27	127	9	(183)	(13)	323	23
Class 2	10,289	792	9,760	704	(28,821)	(2,185)	(8,772)	(689)
Class 4	11,783	881	4,655	339	(10,044)	(767)	6,394	453
Total net increase (decrease)	$51,830	4,019	$21,373	1,543	$(75,011)	(5,825)	$ (1,808)	(263)

The Bond Fund of America

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$2,441,954	212,866	$432,376	38,456	$ (737,146)	(64,100)	$2,137,184	187,222
Class 1A	5,329	464	601	54	(2,565)	(223)	3,365	295
Class 2	204,371	17,879	208,042	18,765	(302,247)	(26,735)	110,166	9,909
Class 4	240,539	21,228	43,487	3,939	(60,173)	(5,327)	223,853	19,840
Total net increase (decrease)	$2,892,193	252,437	$684,506	61,214	$(1,102,131)	(96,385)	$2,474,568	217,266
Year ended December 31, 2020								
Class 1	$1,499,439	128,201	$208,932	17,767	$(1,735,112)	(150,736)	$ (26,741)	(4,768)
Class 1A	3,563	306	255	22	(1,431)	(124)	2,387	204
Class 2	397,055	34,256	110,645	9,541	(449,029)	(39,506)	58,671	4,291
Class 4	242,089	20,999	17,962	1,553	(81,119)	(7,132)	178,932	15,420
Total net increase (decrease)	$2,142,146	183,762	$337,794	28,883	$(2,266,691)	(197,498)	$ 213,249	15,147

Capital World Bond Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$129,119	10,361	$44,414	3,661	$(305,638)	(24,399)	$(132,105)	(10,377)
Class 1A	1,155	95	40	3	(261)	(21)	934	77
Class 2	83,201	6,733	44,570	3,700	(58,585)	(4,813)	69,186	5,620
Class 4	19,357	1,604	2,457	206	(11,624)	(951)	10,190	859
Total net increase (decrease)	$232,832	18,793	$91,481	7,570	$(376,108)	(30,184)	$ (51,795)	(3,821)
Year ended December 31, 2020								
Class 1	$279,297	22,900	$34,711	2,801	$(244,497)	(20,428)	$ 69,511	5,273
Class 1A	323	26	18	1	(135)	(11)	206	16
Class 2	104,127	8,595	28,474	2,321	(140,860)	(11,802)	(8,259)	(886)
Class 4	21,389	1,754	1,457	120	(13,943)	(1,171)	8,903	703
Total net increase (decrease)	$405,136	33,275	$64,660	5,243	$(399,435)	(33,412)	$ 70,361	5,106

See end of tables for footnotes.

American High-Income Trust

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$160,559	15,547	$10,757	1,060	$ (19,514)	(1,906)	$ 151,802	14,701
Class 1A	915	89	59	5	(548)	(53)	426	41
Class 2	20,019	2,003	28,636	2,874	(66,675)	(6,630)	(18,020)	(1,753)
Class 3	908	88	429	42	(1,328)	(129)	9	1
Class 4	143,656	13,002	3,238	295	(128,886)	(11,648)	18,008	1,649
Total net increase (decrease)	$326,057	30,729	$43,119	4,276	$(216,951)	(20,366)	$ 152,225	14,639
Year ended December 31, 2020								
Class 1	$ 18,985	2,117	$ 9,529	992	$(390,999)	(43,725)	$(362,485)	(40,616)
Class 1A	408	43	78	8	(220)	(23)	266	28
Class 2	18,520	1,972	54,086	5,739	(68,277)	(7,320)	4,329	391
Class 3	733	76	799	83	(1,434)	(151)	98	8
Class 4	103,183	9,989	4,806	465	(102,765)	(9,921)	5,224	533
Total net increase (decrease)	$141,829	14,197	$69,298	7,287	$(563,695)	(61,140)	$(352,568)	(39,656)

Mortgage Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$ 35,679	3,267	$ 9,382	880	$(27,270)	(2,517)	$17,791	1,630
Class 1A	1,498	139	57	5	(436)	(40)	1,119	104
Class 2	6,415	588	2,232	210	(5,928)	(547)	2,719	251
Class 4	11,056	1,029	1,486	142	(4,892)	(457)	7,650	714
Total net increase (decrease)	$ 54,648	5,023	$13,157	1,237	$(38,526)	(3,561)	$29,279	2,699
Year ended December 31, 2020								
Class 1	$ 68,523	6,189	$ 3,551	321	$(68,907)	(6,295)	$ 3,167	215
Class 1A	899	81	14	1	(274)	(24)	639	58
Class 2	7,728	703	797	72	(9,799)	(891)	(1,274)	(116)
Class 4	24,189	2,227	458	42	(16,769)	(1,535)	7,878	734
Total net increase (decrease)	$101,339	9,200	$ 4,820	436	$(95,749)	(8,745)	$10,410	891

See end of tables for footnotes.

Ultra-Short Bond Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net (decrease) increase Amount	Net (decrease) increase Shares
Year ended December 31, 2021								
Class 1	$ 16,242	1,439	$ –	–	$ (22,707)	(2,011)	$ (6,465)	(572)
Class 1A	–	–	–	–	–	–	–	–
Class 2	86,233	7,864	–	–	(127,622)	(11,640)	(41,389)	(3,776)
Class 3	1,253	113	–	–	(915)	(83)	338	30
Class 4	35,704	3,232	–	–	(29,389)	(2,660)	6,315	572
Total net increase (decrease)	$139,432	12,648	$ –	–	$(180,633)	(16,394)	$(41,201)	(3,746)
Year ended December 31, 2020								
Class 1	$ 32,173	2,840	$104	9	$ (17,960)	(1,586)	$ 14,317	1,263
Class 1A	–	–	–†	–†	–	–	–†	–†
Class 2	162,780	14,772	558	50	(104,954)	(9,527)	58,384	5,295
Class 3	2,553	229	8	1	(1,439)	(129)	1,122	101
Class 4	51,028	4,586	67	6	(32,890)	(2,958)	18,205	1,634
Total net increase (decrease)	$248,534	22,427	$737	66	$(157,243)	(14,200)	$ 92,028	8,293

U.S. Government Securities Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class 1	$213,039	17,786	$ 38,963	3,337	$ (115,497)	(9,263)	$ 136,505	11,860
Class 1A	4,388	354	518	44	(3,192)	(265)	1,714	133
Class 2	91,122	7,303	144,267	12,514	(129,818)	(10,810)	105,571	9,007
Class 3	1,023	86	948	81	(1,549)	(126)	422	41
Class 4	87,885	7,227	23,653	2,055	(118,823)	(9,719)	(7,285)	(437)
Total net increase (decrease)	$397,457	32,756	$208,349	18,031	$ (368,879)	(30,183)	$ 236,927	20,604
Year ended December 31, 2020								
Class 1	$194,142	14,793	$ 15,787	1,214	$(1,305,241)	(98,066)	$(1,095,312)	(82,059)
Class 1A	3,400	259	136	11	(2,557)	(195)	979	75
Class 2	211,715	16,419	51,919	4,038	(245,761)	(18,789)	17,873	1,668
Class 3	2,382	183	407	31	(1,812)	(139)	977	75
Class 4	301,535	23,299	9,187	715	(169,936)	(13,051)	140,786	10,963
Total net increase (decrease)	$713,174	54,953	$ 77,436	6,009	$(1,725,307)	(130,240)	$ (934,697)	(69,278)

Managed Risk Growth Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class P1	$ 3,593	199	$ 515	30	$ (3,079)	(172)	$ 1,029	57
Class P2	39,055	2,202	26,869	1,558	(78,851)	(4,405)	(12,927)	(645)
Total net increase (decrease)	$42,648	2,401	$27,384	1,588	$(81,930)	(4,577)	$(11,898)	(588)
Year ended December 31, 2020								
Class P1	$ 3,987	282	$ 438	32	$ (1,595)	(110)	$ 2,830	204
Class P2	54,142	3,714	24,836	1,828	(71,110)	(4,841)	7,868	701
Total net increase (decrease)	$58,129	3,996	$25,274	1,860	$(72,705)	(4,951)	$ 10,698	905

See end of tables for footnotes.

Managed Risk International Fund

	Sales*		Reinvestments of distributions		Repurchases*		Net increase (decrease)	
Share class	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares
Year ended December 31, 2021								
Class P1	$ 887	80	$ 14	1	$ (531)	(48)	$ 370	33
Class P2	12,803	1,181	917	80	(14,744)	(1,323)	(1,024)	(62)
Total net increase (decrease)	$13,690	1,261	$ 931	81	$(15,275)	(1,371)	$ (654)	(29)
Year ended December 31, 2020								
Class P1	$ 1,063	104	$ 31	3	$ (311)	(30)	$ 783	77
Class P2	14,905	1,575	3,216	348	(17,706)	(1,759)	415	164
Total net increase (decrease)	$15,968	1,679	$3,247	351	$(18,017)	(1,789)	$ 1,198	241

Managed Risk Washington Mutual Investors Fund

	Sales*		Reinvestments of distributions		Repurchases*		Net increase (decrease)	
Share class	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares
Year ended December 31, 2021								
Class P1	$ 971	80	$ 40	3	$ (343)	(29)	$ 668	54
Class P2	9,743	800	5,979	487	(51,273)	(4,254)	(35,551)	(2,967)
Total net increase (decrease)	$10,714	880	$ 6,019	490	$(51,616)	(4,283)	$(34,883)	(2,913)
Year ended December 31, 2020								
Class P1	$ 947	85	$ 66	7	$ (241)	(23)	$ 772	69
Class P2	24,832	2,333	16,834	1,640	(31,353)	(2,866)	10,313	1,107
Total net increase (decrease)	$25,779	2,418	$16,900	1,647	$(31,594)	(2,889)	$ 11,085	1,176

Managed Risk Growth-Income Fund

	Sales*		Reinvestments of distributions		Repurchases*		Net (decrease) increase	
Share class	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares
Year ended December 31, 2021								
Class P1	$ 64,192	4,303	$ 60,096	4,023	$(175,764)	(11,680)	$ (51,476)	(3,354)
Class P2	14,838	1,008	8,072	546	(35,819)	(2,404)	(12,909)	(850)
Total net increase (decrease)	$ 79,030	5,311	$ 68,168	4,569	$(211,583)	(14,084)	$ (64,385)	(4,204)
Year ended December 31, 2020								
Class P1	$ 92,644	6,852	$140,694	11,020	$(143,917)	(10,953)	$ 89,421	6,919
Class P2	24,533	1,843	20,073	1,584	(19,990)	(1,489)	24,616	1,938
Total net increase (decrease)	$117,177	8,695	$160,767	12,604	$(163,907)	(12,442)	$114,037	8,857

See end of tables for footnotes.

Managed Risk Asset Allocation Fund

Share class	Sales* Amount	Sales* Shares	Reinvestments of distributions Amount	Reinvestments of distributions Shares	Repurchases* Amount	Repurchases* Shares	Net increase (decrease) Amount	Net increase (decrease) Shares
Year ended December 31, 2021								
Class P1	$ 2,097	141	$ 114	8	$ (899)	(60)	$ 1,312	89
Class P2	57,616	4,016	38,113	2,632	(351,072)	(24,507)	(255,343)	(17,859)
Total net increase (decrease)	$59,713	4,157	$ 38,227	2,640	$(351,971)	(24,567)	$(254,031)	(17,770)
Year ended December 31, 2020								
Class P1	$ 3,275	256	$ 204	16	$ (622)	(45)	$ 2,857	227
Class P2	73,918	5,805	146,474	12,155	(280,685)	(21,952)	(60,293)	(3,992)
Total net increase (decrease)	$77,193	6,061	$146,678	12,171	$(281,307)	(21,997)	$ (57,436)	(3,765)

*Includes exchanges between share classes of the fund.
†Amount less than one thousand.

11. Ownership concentration

At December 31, 2021, American Funds Insurance Series - Portfolio Series - Managed Risk Growth and Income Portfolio held 20% and 16% of the outstanding shares of American Funds Insurance Series - Capital Income Builder and American Funds Insurance Series - Capital World Growth and Income Fund, respectively. In addition, American Funds Insurance Series - Portfolio Series - Managed Risk Global Allocation Portfolio held 26% of the outstanding shares of American Funds Insurance Series - Global Balanced Fund.

12. Investment transactions and other disclosures

The following tables present additional information for each fund for the year ended December 31, 2021 (dollars in thousands):

	Global Growth Fund	Global Small Capitalization Fund	Growth Fund	International Fund	New World Fund	Washington Mutual Investors Fund
Purchases of investment securities*	$1,587,009	$1,452,819	$10,247,271	$4,214,342	$1,858,677	$8,962,433
Sales of investment securities*	1,668,572	2,886,282	11,870,775	5,688,226	1,777,055	9,576,883
Non-U.S. taxes paid on dividend income	2,058	2,351	8,054	11,433	3,517	1,458
Non-U.S. taxes paid on interest income	–	–	–	9	52	–
Non-U.S. taxes paid (refunded) on realized gains	588	6,228	–	15,511	3,353	–
Non-U.S. taxes provided on unrealized appreciation	7,100	20,035	–	32,918	14,493	–

	Capital World Growth and Income Fund	Growth-Income Fund	International Growth and Income Fund	Capital Income Builder	Asset Allocation Fund	Global Balanced Fund
Purchases of investment securities*	$1,869,564	$ 9,600,767	$ 483,259	$816,295	$34,921,384	$138,405
Sales of investment securities*	1,932,434	13,672,341	1,580,251	884,488	37,362,054	162,557
Non-U.S. taxes paid on dividend income	2,980	9,656	2,196	1,594	9,130	314
Non-U.S. taxes paid on interest income	–	–	–	–	–	10
Non-U.S. taxes paid (refunded) on realized gains	2,560	(4)	1,766	112	1,639	4
Non-U.S. taxes provided on unrealized appreciation	696	–	130	299	3,762	–

See end of tables for footnotes.

	The Bond Fund of America	Capital World Bond Fund	American High-Income Trust	American Funds Mortgage Fund	Ultra-Short Bond Fund	U.S. Government Securities Fund
Purchases of investment securities*	$46,432,818	$1,495,705	$694,551	$2,415,925	$–	$4,831,338
Sales of investment securities*	47,502,780	1,725,555	527,096	2,445,297	–	5,410,660
Non-U.S. taxes paid on interest income	55	264	10	–	–	–
Non-U.S. taxes paid (refunded) on realized gains	–†	167	–	–	–	–

	Managed Risk Growth Fund	Managed Risk International Fund	Managed Risk Washington Mutual Investors Fund	Managed Risk Growth-Income Fund	Managed Risk Asset Allocation Fund
Purchases of investment securities*	$181,239	$37,781	$ 55,074	$315,748	$138,416
Sales of investment securities*	184,059	39,781	106,525	473,669	357,415

*Excludes short-term securities and U.S. government obligations, if any.
†Amount less than one thousand.

Financial highlights

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
Global Growth Fund													
Class 1:													
12/31/2021	$41.16	$.25	$ 6.48	$ 6.73	$(.26)	$(2.17)	$(2.43)	$45.46	16.72%	$4,270	.55%	.54%	.56%
12/31/2020	32.57	.20	9.56	9.76	(.21)	(.96)	(1.17)	41.16	30.79	3,309	.56	.56	.59
12/31/2019	25.74	.32	8.60	8.92	(.41)	(1.68)	(2.09)	32.57	35.61	2,515	.56	.56	1.07
12/31/2018	30.51	.29	(2.65)	(2.36)	(.28)	(2.13)	(2.41)	25.74	(8.81)	1,942	.55	.55	.98
12/31/2017	24.05	.26	7.30	7.56	(.26)	(.84)	(1.10)	30.51	31.80	2,010	.55	.55	.94
Class 1A:													
12/31/2021	41.02	.14	6.46	6.60	(.17)	(2.17)	(2.34)	45.28	16.45	18	.80	.79	.33
12/31/2020	32.47	.12	9.52	9.64	(.13)	(.96)	(1.09)	41.02	30.49	12	.81	.81	.34
12/31/2019	25.69	.25	8.55	8.80	(.34)	(1.68)	(2.02)	32.47	35.22	8	.81	.81	.83
12/31/2018	30.46	.23	(2.66)	(2.43)	(.21)	(2.13)	(2.34)	25.69	(9.02)	5	.80	.80	.77
12/31/2017[4,5]	24.50	.11	6.94	7.05	(.25)	(.84)	(1.09)	30.46	29.13[6]	2	.80[7]	.80[7]	.39[7]
Class 2:													
12/31/2021	40.72	.13	6.41	6.54	(.15)	(2.17)	(2.32)	44.94	16.42	4,559	.80	.80	.30
12/31/2020	32.24	.12	9.44	9.56	(.12)	(.96)	(1.08)	40.72	30.47	4,387	.81	.81	.34
12/31/2019	25.50	.24	8.51	8.75	(.33)	(1.68)	(2.01)	32.24	35.28	3,895	.81	.81	.83
12/31/2018	30.24	.22	(2.63)	(2.41)	(.20)	(2.13)	(2.33)	25.50	(9.04)	3,306	.80	.80	.73
12/31/2017	23.85	.19	7.23	7.42	(.19)	(.84)	(1.03)	30.24	31.47	4,012	.80	.80	.69
Class 4:													
12/31/2021	40.45	.03	6.35	6.38	(.09)	(2.17)	(2.26)	44.57	16.14	744	1.05	1.04	.07
12/31/2020	32.05	.03	9.38	9.41	(.05)	(.96)	(1.01)	40.45	30.17	533	1.06	1.06	.09
12/31/2019	25.39	.17	8.45	8.62	(.28)	(1.68)	(1.96)	32.05	34.87	382	1.06	1.06	.57
12/31/2018	30.13	.14	(2.60)	(2.46)	(.15)	(2.13)	(2.28)	25.39	(9.24)	249	1.05	1.05	.47
12/31/2017	23.81	.10	7.22	7.32	(.16)	(.84)	(1.00)	30.13	31.11	211	1.05	1.05	.37

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets[3]	Ratio of net (loss) income to average net assets
		Net investment (loss) income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions					
Global Small Capitalization Fund												
Class 1:												
12/31/2021	$32.64	$(.02)	$ 2.32	$ 2.30	$ –	$ (.77)	$ (.77)	$34.17	6.98%	$1,707	.74%	(.07)%
12/31/2020	26.80	(.01)	7.49	7.48	(.05)	(1.59)	(1.64)	32.64	30.04	2,391	.75	(.06)
12/31/2019	21.75	.12	6.61	6.73	(.10)	(1.58)	(1.68)	26.80	31.84	2,050	.75	.48
12/31/2018	25.38	.11	(2.51)	(2.40)	(.09)	(1.14)	(1.23)	21.75	(10.31)	1,453	.73	.42
12/31/2017	20.24	.12	5.17	5.29	(.15)	–	(.15)	25.38	26.22	1,639	.73	.54
Class 1A:												
12/31/2021	32.49	(.07)	2.28	2.21	–	(.77)	(.77)	33.93	6.73	5	.99	(.21)
12/31/2020	26.74	(.09)	7.48	7.39	(.05)	(1.59)	(1.64)	32.49	29.72	1	.99	(.33)
12/31/2019	21.71	.05	6.61	6.66	(.05)	(1.58)	(1.63)	26.74	31.56	1	.99	.22
12/31/2018	25.36	.05	(2.52)	(2.47)	(.04)	(1.14)	(1.18)	21.71	(10.56)	–[8]	.98	.21
12/31/2017[4,5]	20.70	.08	4.71	4.79	(.13)	–	(.13)	25.36	23.19[6]	–[8]	.96[7]	.35[7]
Class 2:												
12/31/2021	31.56	(.10)	2.25	2.15	–	(.77)	(.77)	32.94	6.74	2,521	.99	(.30)
12/31/2020	26.02	(.08)	7.25	7.17	(.04)	(1.59)	(1.63)	31.56	29.72	2,653	1.00	(.31)
12/31/2019	21.16	.05	6.43	6.48	(.04)	(1.58)	(1.62)	26.02	31.52	2,363	1.00	.22
12/31/2018	24.72	.04	(2.44)	(2.40)	(.02)	(1.14)	(1.16)	21.16	(10.55)	2,056	.98	.17
12/31/2017	19.72	.06	5.04	5.10	(.10)	–	(.10)	24.72	25.89	2,551	.98	.27
Class 4:												
12/31/2021	31.67	(.18)	2.24	2.06	–	(.77)	(.77)	32.96	6.43	344	1.24	(.53)
12/31/2020	26.16	(.14)	7.27	7.13	(.03)	(1.59)	(1.62)	31.67	29.39	268	1.25	(.56)
12/31/2019	21.28	(.01)	6.47	6.46	–[9]	(1.58)	(1.58)	26.16	31.24	206	1.25	(.04)
12/31/2018	24.91	(.02)	(2.46)	(2.48)	(.01)	(1.14)	(1.15)	21.28	(10.80)	146	1.24	(.08)
12/31/2017	19.91	–[9]	5.09	5.09	(.09)	–	(.09)	24.91	25.62	125	1.23	–[10]

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets[3]	Ratio of net income (loss) to average net assets
		Net investment income (loss)	Net gains on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions					
Growth Fund												
Class 1:												
12/31/2021	$120.22	$ .46	$24.29	$24.75	$(.58)	$(16.81)	$(17.39)	$127.58	22.30%	$19,783	.34%	.37%
12/31/2020	81.22	.43	41.28	41.71	(.53)	(2.18)	(2.71)	120.22	52.45	15,644	.35	.46
12/31/2019	69.96	.83	19.63	20.46	(.76)	(8.44)	(9.20)	81.22	31.11	10,841	.35	1.09
12/31/2018	77.85	.64	.25	.89	(.54)	(8.24)	(8.78)	69.96	(.01)	8,474	.34	.81
12/31/2017	67.29	.55	17.89	18.44	(.55)	(7.33)	(7.88)	77.85	28.62	8,100	.35	.75
Class 1A:												
12/31/2021	119.59	.16	24.11	24.27	(.35)	(16.81)	(17.16)	126.70	21.97	121	.59	.13
12/31/2020	80.92	.20	41.05	41.25	(.40)	(2.18)	(2.58)	119.59	52.07	60	.60	.21
12/31/2019	69.77	.65	19.55	20.20	(.61)	(8.44)	(9.05)	80.92	30.79	18	.60	.85
12/31/2018	77.74	.47	.24	.71	(.44)	(8.24)	(8.68)	69.77	(.26)	10	.59	.60
12/31/2017[4,5]	68.84	.35	16.38	16.73	(.50)	(7.33)	(7.83)	77.74	25.47[6]	3	.59[7]	.47[7]
Class 2:												
12/31/2021	119.18	.15	24.03	24.18	(.27)	(16.81)	(17.08)	126.28	21.97	21,986	.59	.12
12/31/2020	80.57	.19	40.89	41.08	(.29)	(2.18)	(2.47)	119.18	52.10	20,594	.60	.21
12/31/2019	69.48	.63	19.47	20.10	(.57)	(8.44)	(9.01)	80.57	30.77	15,885	.60	.83
12/31/2018	77.35	.44	.27	.71	(.34)	(8.24)	(8.58)	69.48	(.25)	13,701	.59	.55
12/31/2017	66.92	.37	17.76	18.13	(.37)	(7.33)	(7.70)	77.35	28.28	15,716	.60	.50
Class 3:												
12/31/2021	121.13	.24	24.47	24.71	(.35)	(16.81)	(17.16)	128.68	22.07	302	.52	.19
12/31/2020	81.84	.26	41.56	41.82	(.35)	(2.18)	(2.53)	121.13	52.20	279	.53	.28
12/31/2019	70.44	.69	19.77	20.46	(.62)	(8.44)	(9.06)	81.84	30.86	213	.53	.90
12/31/2018	78.32	.50	.26	.76	(.40)	(8.24)	(8.64)	70.44	(.18)	187	.52	.62
12/31/2017	67.67	.42	17.98	18.40	(.42)	(7.33)	(7.75)	78.32	28.39	212	.53	.57
Class 4:												
12/31/2021	117.24	(.15)	23.59	23.44	(.08)	(16.81)	(16.89)	123.79	21.69	3,214	.84	(.13)
12/31/2020	79.41	(.04)	40.24	40.20	(.19)	(2.18)	(2.37)	117.24	51.71	2,347	.85	(.04)
12/31/2019	68.64	.44	19.19	19.63	(.42)	(8.44)	(8.86)	79.41	30.44	1,513	.85	.59
12/31/2018	76.56	.24	.28	.52	(.20)	(8.24)	(8.44)	68.64	(.50)	1,076	.84	.31
12/31/2017	66.41	.18	17.61	17.79	(.31)	(7.33)	(7.64)	76.56	27.99	954	.85	.25

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	(Loss) income from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets[3]	Ratio of net income to average net assets
		Net investment income	Net (losses) gains on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions					
International Fund												
Class 1:												
12/31/2021	$23.64	$.38	$ (.67)	$ (.29)	$(.65)	$ –	$ (.65)	$22.70	(1.23)%	$4,747	.55%	1.57%
12/31/2020	20.86	.14	2.82	2.96	(.18)	–	(.18)	23.64	14.28	5,652	.55	.71
12/31/2019	17.66	.30	3.74	4.04	(.34)	(.50)	(.84)	20.86	23.21	5,353	.54	1.54
12/31/2018	21.71	.34	(2.97)	(2.63)	(.40)	(1.02)	(1.42)	17.66	(12.94)	4,811	.53	1.62
12/31/2017	16.82	.26	5.16	5.42	(.30)	(.23)	(.53)	21.71	32.46	5,014	.53	1.33
Class 1A:												
12/31/2021	23.55	.33	(.67)	(.34)	(.60)	–	(.60)	22.61	(1.47)	12	.80	1.39
12/31/2020	20.80	.08	2.81	2.89	(.14)	–	(.14)	23.55	13.96	10	.80	.43
12/31/2019	17.62	.25	3.72	3.97	(.29)	(.50)	(.79)	20.80	22.90	7	.79	1.27
12/31/2018	21.67	.27	(2.93)	(2.66)	(.37)	(1.02)	(1.39)	17.62	(13.11)	5	.78	1.32
12/31/2017[4,5]	17.17	.09	4.93	5.02	(.29)	(.23)	(.52)	21.67	29.46[6]	2	.77[7]	.43[7]
Class 2:												
12/31/2021	23.54	.33	(.68)	(.35)	(.59)	–	(.59)	22.60	(1.49)	4,190	.80	1.35
12/31/2020	20.78	.09	2.80	2.89	(.13)	–	(.13)	23.54	13.97	4,481	.80	.46
12/31/2019	17.60	.25	3.72	3.97	(.29)	(.50)	(.79)	20.78	22.88	4,311	.79	1.29
12/31/2018	21.63	.29	(2.95)	(2.66)	(.35)	(1.02)	(1.37)	17.60	(13.13)	3,875	.78	1.40
12/31/2017	16.76	.22	5.13	5.35	(.25)	(.23)	(.48)	21.63	32.14	4,422	.78	1.10
Class 3:												
12/31/2021	23.69	.34	(.67)	(.33)	(.60)	–	(.60)	22.76	(1.39)	21	.73	1.41
12/31/2020	20.92	.10	2.81	2.91	(.14)	–	(.14)	23.69	14.00	25	.73	.53
12/31/2019	17.70	.27	3.75	4.02	(.30)	(.50)	(.80)	20.92	23.05	25	.72	1.37
12/31/2018	21.75	.31	(2.98)	(2.67)	(.36)	(1.02)	(1.38)	17.70	(13.10)	24	.71	1.48
12/31/2017	16.85	.23	5.17	5.40	(.27)	(.23)	(.50)	21.75	32.23	31	.71	1.17
Class 4:												
12/31/2021	23.25	.27	(.67)	(.40)	(.54)	–	(.54)	22.31	(1.71)	459	1.05	1.13
12/31/2020	20.54	.04	2.76	2.80	(.09)	–	(.09)	23.25	13.66	423	1.05	.21
12/31/2019	17.40	.20	3.69	3.89	(.25)	(.50)	(.75)	20.54	22.67	379	1.04	1.03
12/31/2018	21.42	.23	(2.93)	(2.70)	(.30)	(1.02)	(1.32)	17.40	(13.41)	295	1.03	1.13
12/31/2017	16.64	.11	5.16	5.27	(.26)	(.23)	(.49)	21.42	31.89	289	1.03	.55

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
New World Fund													
Class 1:													
12/31/2021	$31.59	$.29	$ 1.38	$ 1.67	$(.36)	$(1.07)	$(1.43)	$31.83	5.16%	$2,443	.74%	.56%	.88%
12/31/2020	25.84	.15	5.93	6.08	(.06)	(.27)	(.33)	31.59	23.89	2,309	.76	.64	.58
12/31/2019	20.98	.28	5.79	6.07	(.29)	(.92)	(1.21)	25.84	29.47	2,129	.76	.76	1.18
12/31/2018	25.30	.27	(3.65)	(3.38)	(.27)	(.67)	(.94)	20.98	(13.83)	1,702	.77	.77	1.11
12/31/2017	19.72	.26	5.59	5.85	(.27)	–	(.27)	25.30	29.73	2,050	.77	.77	1.14
Class 1A:													
12/31/2021	31.43	.17	1.41	1.58	(.24)	(1.07)	(1.31)	31.70	4.90	12	.99	.81	.54
12/31/2020	25.74	.07	5.92	5.99	(.03)	(.27)	(.30)	31.43	23.63	18	1.01	.87	.26
12/31/2019	20.92	.22	5.76	5.98	(.24)	(.92)	(1.16)	25.74	29.11	4	1.01	1.01	.92
12/31/2018	25.25	.21	(3.64)	(3.43)	(.23)	(.67)	(.90)	20.92	(14.02)	2	1.02	1.02	.91
12/31/2017[4,5]	20.14	.13	5.24	5.37	(.26)	–	(.26)	25.25	26.72[6]	1	1.00[7]	1.00[7]	.53[7]
Class 2:													
12/31/2021	31.25	.20	1.38	1.58	(.28)	(1.07)	(1.35)	31.48	4.92	1,086	.99	.81	.63
12/31/2020	25.59	.08	5.87	5.95	(.02)	(.27)	(.29)	31.25	23.58	1,109	1.01	.89	.34
12/31/2019	20.79	.22	5.73	5.95	(.23)	(.92)	(1.15)	25.59	29.15	981	1.01	1.01	.93
12/31/2018	25.07	.20	(3.61)	(3.41)	(.20)	(.67)	(.87)	20.79	(14.04)	843	1.02	1.02	.85
12/31/2017	19.54	.20	5.55	5.75	(.22)	–	(.22)	25.07	29.44	1,055	1.02	1.02	.89
Class 4:													
12/31/2021	31.04	.12	1.36	1.48	(.21)	(1.07)	(1.28)	31.24	4.63	906	1.24	1.06	.38
12/31/2020	25.47	.02	5.83	5.85	(.01)	(.27)	(.28)	31.04	23.29	807	1.26	1.14	.08
12/31/2019	20.71	.16	5.70	5.86	(.18)	(.92)	(1.10)	25.47	28.82	646	1.26	1.26	.67
12/31/2018	24.99	.14	(3.59)	(3.45)	(.16)	(.67)	(.83)	20.71	(14.25)	464	1.27	1.27	.61
12/31/2017	19.51	.14	5.52	5.66	(.18)	–	(.18)	24.99	29.06	427	1.27	1.27	.61

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
Washington Mutual Investors Fund													
Class 1:													
12/31/2021	$14.35	$.29	$ 3.73	$ 4.02	$(.28)	$ –	$ (.28)	$18.09	28.12%	$6,766	.42%	.31%	1.79%
12/31/2020	13.56	.25	.95	1.20	(.26)	(.15)	(.41)	14.35	9.04	5,684	.43	.43	2.00
12/31/2019	12.38	.30	2.25	2.55	(.30)	(1.07)	(1.37)	13.56	21.66	5,559	.42	.42	2.28
12/31/2018	14.96	.31	(1.44)	(1.13)	(.31)	(1.14)	(1.45)	12.38	(8.45)	4,810	.41	.41	2.13
12/31/2017	13.53	.32	1.96	2.28	(.32)	(.53)	(.85)	14.96	17.30	5,581	.41	.41	2.27
Class 1A:													
12/31/2021	14.28	.27	3.67	3.94	(.26)	–	(.26)	17.96	27.70	169	.67	.53	1.62
12/31/2020	13.51	.23	.93	1.16	(.24)	(.15)	(.39)	14.28	8.79	25	.67	.67	1.78
12/31/2019	12.35	.26	2.24	2.50	(.27)	(1.07)	(1.34)	13.51	21.35	9	.67	.67	2.03
12/31/2018	14.94	.26	(1.42)	(1.16)	(.29)	(1.14)	(1.43)	12.35	(8.67)	3	.66	.66	1.84
12/31/2017[4,5]	13.75	.28	1.75	2.03	(.31)	(.53)	(.84)	14.94	15.21[6]	1	.65[7]	.65[7]	2.01[7]
Class 2:													
12/31/2021	14.15	.25	3.67	3.92	(.24)	–	(.24)	17.83	27.78	3,426	.67	.56	1.54
12/31/2020	13.39	.22	.91	1.13	(.22)	(.15)	(.37)	14.15	8.68	3,082	.68	.68	1.75
12/31/2019	12.24	.26	2.22	2.48	(.26)	(1.07)	(1.33)	13.39	21.38	3,093	.67	.67	2.03
12/31/2018	14.80	.27	(1.42)	(1.15)	(.27)	(1.14)	(1.41)	12.24	(8.66)	2,850	.66	.66	1.88
12/31/2017	13.39	.28	1.94	2.22	(.28)	(.53)	(.81)	14.80	17.04	3,551	.66	.66	2.02
Class 4:													
12/31/2021	14.06	.21	3.65	3.86	(.21)	–	(.21)	17.71	27.51	1,104	.92	.81	1.30
12/31/2020	13.31	.19	.91	1.10	(.20)	(.15)	(.35)	14.06	8.47	788	.93	.93	1.51
12/31/2019	12.19	.23	2.20	2.43	(.24)	(1.07)	(1.31)	13.31	21.03	621	.92	.92	1.78
12/31/2018	14.77	.23	(1.42)	(1.19)	(.25)	(1.14)	(1.39)	12.19	(8.92)	368	.91	.91	1.62
12/31/2017	13.39	.25	1.93	2.18	(.27)	(.53)	(.80)	14.77	16.70	247	.91	.91	1.76

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
Capital World Growth and Income Fund													
Class 1:													
12/31/2021	$16.67	$.38	$ 2.10	$ 2.48	$(.33)	$ (.40)	$ (.73)	$18.42	15.03%	$ 812	.63%	.47%	2.14%
12/31/2020	15.92	.22	1.14	1.36	(.23)	(.38)	(.61)	16.67	9.03	657	.66	.66	1.49
12/31/2019	13.02	.31	3.67	3.98	(.32)	(.76)	(1.08)	15.92	31.39	625	.65	.65	2.08
12/31/2018	15.81	.29	(1.62)	(1.33)	(.28)	(1.18)	(1.46)	13.02	(9.36)	492	.63	.63	1.94
12/31/2017	13.02	.35	3.06	3.41	(.36)	(.26)	(.62)	15.81	26.40	485	.63	.63	2.43
Class 1A:													
12/31/2021	16.62	.37	2.06	2.43	(.31)	(.40)	(.71)	18.34	14.71	7	.88	.70	2.08
12/31/2020	15.88	.18	1.13	1.31	(.19)	(.38)	(.57)	16.62	8.78	2	.90	.90	1.23
12/31/2019	13.00	.26	3.68	3.94	(.30)	(.76)	(1.06)	15.88	31.04	2	.90	.90	1.77
12/31/2018	15.81	.26	(1.63)	(1.37)	(.26)	(1.18)	(1.44)	13.00	(9.62)	1	.88	.88	1.74
12/31/2017[4,5]	13.21	.18	3.03	3.21	(.35)	(.26)	(.61)	15.81	24.54[6]	–[8]	.84[7]	.84[7]	1.20[7]
Class 2:													
12/31/2021	16.63	.33	2.11	2.44	(.29)	(.40)	(.69)	18.38	14.78	1,340	.88	.73	1.85
12/31/2020	15.89	.18	1.13	1.31	(.19)	(.38)	(.57)	16.63	8.73	1,349	.91	.91	1.23
12/31/2019	12.99	.27	3.68	3.95	(.29)	(.76)	(1.05)	15.89	31.14	1,366	.90	.90	1.84
12/31/2018	15.78	.26	(1.63)	(1.37)	(.24)	(1.18)	(1.42)	12.99	(9.63)	1,228	.88	.88	1.70
12/31/2017	13.00	.31	3.05	3.36	(.32)	(.26)	(.58)	15.78	26.06	1,538	.88	.88	2.11
Class 4:													
12/31/2021	16.35	.29	2.06	2.35	(.26)	(.40)	(.66)	18.04	14.46	225	1.13	.97	1.65
12/31/2020	15.63	.14	1.12	1.26	(.16)	(.38)	(.54)	16.35	8.55	166	1.16	1.16	.97
12/31/2019	12.81	.23	3.61	3.84	(.26)	(.76)	(1.02)	15.63	30.73	145	1.15	1.15	1.56
12/31/2018	15.60	.21	(1.60)	(1.39)	(.22)	(1.18)	(1.40)	12.81	(9.89)	95	1.13	1.13	1.43
12/31/2017	12.89	.22	3.08	3.30	(.33)	(.26)	(.59)	15.60	25.83	79	1.14	1.14	1.49

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets[3]	Ratio of net income to average net assets
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions					
Growth-Income Fund												
Class 1:												
12/31/2021	$55.38	$ .79	$12.64	$13.43	$(.86)	$ (.60)	$(1.46)	$67.35	24.42%	$25,507	.29%	1.28%
12/31/2020	50.71	.75	6.02	6.77	(.80)	(1.30)	(2.10)	55.38	13.81	22,903	.29	1.52
12/31/2019	45.39	1.00	10.40	11.40	(.92)	(5.16)	(6.08)	50.71	26.46	21,057	.29	2.05
12/31/2018	50.22	.84	(1.25)	(.41)	(.84)	(3.58)	(4.42)	45.39	(1.55)	16,783	.28	1.65
12/31/2017	44.41	.81	8.89	9.70	(.78)	(3.11)	(3.89)	50.22	22.68	15,765	.28	1.69
Class 1A:												
12/31/2021	55.16	.65	12.55	13.20	(.74)	(.60)	(1.34)	67.02	24.08	32	.53	1.04
12/31/2020	50.54	.63	5.99	6.62	(.70)	(1.30)	(2.00)	55.16	13.55	16	.54	1.28
12/31/2019	45.28	.89	10.36	11.25	(.83)	(5.16)	(5.99)	50.54	26.14	11	.54	1.82
12/31/2018	50.15	.72	(1.25)	(.53)	(.76)	(3.58)	(4.34)	45.28	(1.78)	7	.53	1.43
12/31/2017[4,5]	45.39	.67	7.96	8.63	(.76)	(3.11)	(3.87)	50.15	19.83[6]	2	.52[7]	1.41[7]
Class 2:												
12/31/2021	54.66	.63	12.45	13.08	(.70)	(.60)	(1.30)	66.44	24.10	15,319	.54	1.03
12/31/2020	50.08	.62	5.93	6.55	(.67)	(1.30)	(1.97)	54.66	13.54	14,012	.54	1.27
12/31/2019	44.90	.87	10.27	11.14	(.80)	(5.16)	(5.96)	50.08	26.14	13,586	.53	1.80
12/31/2018	49.71	.71	(1.23)	(.52)	(.71)	(3.58)	(4.29)	44.90	(1.79)	12,035	.53	1.40
12/31/2017	44.00	.68	8.80	9.48	(.66)	(3.11)	(3.77)	49.71	22.38	13,930	.53	1.45
Class 3:												
12/31/2021	55.49	.68	12.65	13.33	(.74)	(.60)	(1.34)	67.48	24.18	166	.47	1.10
12/31/2020	50.81	.66	6.02	6.68	(.70)	(1.30)	(2.00)	55.49	13.60	154	.47	1.34
12/31/2019	45.47	.91	10.43	11.34	(.84)	(5.16)	(6.00)	50.81	26.24	156	.46	1.87
12/31/2018	50.29	.75	(1.25)	(.50)	(.74)	(3.58)	(4.32)	45.47	(1.72)	140	.46	1.47
12/31/2017	44.47	.72	8.90	9.62	(.69)	(3.11)	(3.80)	50.29	22.47	168	.46	1.52
Class 4:												
12/31/2021	53.99	.48	12.28	12.76	(.58)	(.60)	(1.18)	65.57	23.80	1,928	.79	.79
12/31/2020	49.52	.49	5.85	6.34	(.57)	(1.30)	(1.87)	53.99	13.25	1,407	.79	1.02
12/31/2019	44.47	.74	10.18	10.92	(.71)	(5.16)	(5.87)	49.52	25.86	1,216	.79	1.56
12/31/2018	49.31	.58	(1.23)	(.65)	(.61)	(3.58)	(4.19)	44.47	(2.05)	899	.78	1.15
12/31/2017	43.73	.56	8.73	9.29	(.60)	(3.11)	(3.71)	49.31	22.08	827	.78	1.19

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
International Growth and Income Fund													
Class 1:													
12/31/2021	$19.01	$.54	$ .53	$ 1.07	$(.46)	$ –	$(.46)	$19.62	5.64%	$ 30	.67%	.67%	2.70%
12/31/2020	18.18	.27	.85	1.12	(.29)	–	(.29)	19.01	6.24	1,120	.68	.68	1.70
12/31/2019	15.35	.46	3.03	3.49	(.47)	(.19)	(.66)	18.18	23.06	1,140	.66	.66	2.73
12/31/2018	17.72	.45	(2.39)	(1.94)	(.43)	–	(.43)	15.35	(11.00)	1,034	.65	.65	2.62
12/31/2017	14.48	.46	3.20	3.66	(.42)	–	(.42)	17.72	25.31	1,121	.66	.66	2.75
Class 1A:													
12/31/2021	18.97	.50	.52	1.02	(.60)	–	(.60)	19.39	5.39	6	.94	.92	2.50
12/31/2020	18.15	.22	.85	1.07	(.25)	–	(.25)	18.97	5.98	3	.93	.93	1.38
12/31/2019	15.33	.41	3.04	3.45	(.44)	(.19)	(.63)	18.15	22.76	2	.91	.91	2.41
12/31/2018	17.70	.41	(2.39)	(1.98)	(.39)	–	(.39)	15.33	(11.24)	2	.90	.90	2.35
12/31/2017[4,5]	14.69	.34	3.08	3.42	(.41)	–	(.41)	17.70	23.36[6]	2	.91[7]	.91[7]	1.99[7]
Class 2:													
12/31/2021	18.95	.48	.53	1.01	(.58)	–	(.58)	19.38	5.37	211	.93	.92	2.44
12/31/2020	18.12	.23	.85	1.08	(.25)	–	(.25)	18.95	6.01	221	.93	.93	1.43
12/31/2019	15.30	.42	3.02	3.44	(.43)	(.19)	(.62)	18.12	22.76	257	.91	.91	2.49
12/31/2018	17.66	.41	(2.38)	(1.97)	(.39)	–	(.39)	15.30	(11.23)	230	.90	.90	2.38
12/31/2017	14.43	.43	3.17	3.60	(.37)	–	(.37)	17.66	25.03	276	.91	.91	2.60
Class 4:													
12/31/2021	18.82	.44	.51	.95	(.54)	–	(.54)	19.23	5.09	132	1.18	1.17	2.21
12/31/2020	18.01	.19	.83	1.02	(.21)	–	(.21)	18.82	5.73	112	1.18	1.18	1.19
12/31/2019	15.22	.37	3.01	3.38	(.40)	(.19)	(.59)	18.01	22.47	101	1.16	1.16	2.18
12/31/2018	17.58	.36	(2.36)	(2.00)	(.36)	–	(.36)	15.22	(11.46)	71	1.15	1.15	2.10
12/31/2017	14.38	.37	3.18	3.55	(.35)	–	(.35)	17.58	24.72	63	1.16	1.16	2.24

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
Capital Income Builder													
Class 1:													
12/31/2021	$10.87	$.37	$ 1.28	$1.65	$(.35)	$ –	$(.35)	$12.17	15.31%	$563	.53%	.27%	3.19%
12/31/2020	10.73	.31	.15	.46	(.32)	–	(.32)	10.87	4.64	621	.53	.35	3.07
12/31/2019	9.37	.32	1.36	1.68	(.32)	–	(.32)	10.73	18.16	533	.53	.53	3.17
12/31/2018	10.40	.31	(1.00)	(.69)	(.32)	(.02)	(.34)	9.37	(6.77)	317	.54	.54	3.08
12/31/2017	9.46	.32	.93	1.25	(.31)	–	(.31)	10.40	13.29	254	.54	.54	3.21
Class 1A:													
12/31/2021	10.86	.34	1.27	1.61	(.32)	–	(.32)	12.15	14.95	10	.78	.52	2.94
12/31/2020	10.72	.28	.16	.44	(.30)	–	(.30)	10.86	4.38	6	.78	.60	2.81
12/31/2019	9.36	.29	1.37	1.66	(.30)	–	(.30)	10.72	17.90	6	.78	.78	2.84
12/31/2018	10.39	.28	(.99)	(.71)	(.30)	(.02)	(.32)	9.36	(7.01)	2	.79	.79	2.82
12/31/2017[4,5]	9.57	.27	.84	1.11	(.29)	–	(.29)	10.39	11.72[6]	1	.79[7]	.79[7]	2.63[7]
Class 2:													
12/31/2021	10.87	.34	1.27	1.61	(.32)	–	(.32)	12.16	14.94	13	.78	.52	2.93
12/31/2020	10.72	.29	.16	.45	(.30)	–	(.30)	10.87	4.48	8	.78	.60	2.83
12/31/2019	9.36	.30	1.35	1.65	(.29)	–	(.29)	10.72	17.89	6	.78	.78	2.91
12/31/2018	10.40	.28	(1.00)	(.72)	(.30)	(.02)	(.32)	9.36	(7.08)	4	.79	.79	2.83
12/31/2017	9.46	.29	.93	1.22	(.28)	–	(.28)	10.40	13.04	1	.79	.79	2.82
Class 4:													
12/31/2021	10.85	.31	1.27	1.58	(.29)	–	(.29)	12.14	14.68	559	1.03	.77	2.69
12/31/2020	10.71	.26	.15	.41	(.27)	–	(.27)	10.85	4.11	462	1.03	.85	2.55
12/31/2019	9.35	.27	1.36	1.63	(.27)	–	(.27)	10.71	17.62	454	1.03	1.03	2.68
12/31/2018	10.38	.26	(1.00)	(.74)	(.27)	(.02)	(.29)	9.35	(7.25)	352	1.04	1.04	2.58
12/31/2017	9.45	.27	.92	1.19	(.26)	–	(.26)	10.38	12.65	338	1.04	1.04	2.72

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets[3]	Ratio of net income to average net assets
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions					
Asset Allocation Fund												
Class 1:												
12/31/2021	$26.50	$.48	$ 3.54	$ 4.02	$(.50)	$ (.94)	$(1.44)	$29.08	15.40%	$18,836	.30%	1.71%
12/31/2020	24.05	.43	2.59	3.02	(.46)	(.11)	(.57)	26.50	12.71	19,238	.30	1.80
12/31/2019	21.29	.51	3.94	4.45	(.50)	(1.19)	(1.69)	24.05	21.54	17,730	.29	2.21
12/31/2018	23.71	.48	(1.43)	(.95)	(.44)	(1.03)	(1.47)	21.29	(4.35)	14,627	.28	2.04
12/31/2017	21.68	.44	3.06	3.50	(.41)	(1.06)	(1.47)	23.71	16.51	16,556	.29	1.90
Class 1A:												
12/31/2021	26.42	.42	3.52	3.94	(.45)	(.94)	(1.39)	28.97	15.13	24	.55	1.49
12/31/2020	23.99	.37	2.58	2.95	(.41)	(.11)	(.52)	26.42	12.43	14	.55	1.56
12/31/2019	21.26	.45	3.92	4.37	(.45)	(1.19)	(1.64)	23.99	21.19	11	.54	1.95
12/31/2018	23.69	.42	(1.42)	(1.00)	(.40)	(1.03)	(1.43)	21.26	(4.58)	7	.53	1.82
12/31/2017[4,5]	21.97	.39	2.78	3.17	(.39)	(1.06)	(1.45)	23.69	14.78[6]	4	.53[7]	1.69[7]
Class 2:												
12/31/2021	26.21	.41	3.49	3.90	(.43)	(.94)	(1.37)	28.74	15.10	5,473	.55	1.46
12/31/2020	23.79	.37	2.56	2.93	(.40)	(.11)	(.51)	26.21	12.46	5,242	.55	1.55
12/31/2019	21.08	.45	3.89	4.34	(.44)	(1.19)	(1.63)	23.79	21.23	5,154	.54	1.96
12/31/2018	23.49	.41	(1.41)	(1.00)	(.38)	(1.03)	(1.41)	21.08	(4.60)	4,668	.53	1.78
12/31/2017	21.49	.37	3.04	3.41	(.35)	(1.06)	(1.41)	23.49	16.23	5,480	.54	1.64
Class 3:												
12/31/2021	26.53	.43	3.55	3.98	(.45)	(.94)	(1.39)	29.12	15.22	36	.48	1.53
12/31/2020	24.08	.39	2.59	2.98	(.42)	(.11)	(.53)	26.53	12.50	33	.48	1.62
12/31/2019	21.32	.47	3.93	4.40	(.45)	(1.19)	(1.64)	24.08	21.30	32	.47	2.02
12/31/2018	23.73	.43	(1.41)	(.98)	(.40)	(1.03)	(1.43)	21.32	(4.49)	29	.46	1.85
12/31/2017	21.70	.39	3.07	3.46	(.37)	(1.06)	(1.43)	23.73	16.29	38	.47	1.72
Class 4:												
12/31/2021	26.06	.34	3.47	3.81	(.37)	(.94)	(1.31)	28.56	14.84	6,337	.80	1.22
12/31/2020	23.67	.31	2.54	2.85	(.35)	(.11)	(.46)	26.06	12.16	5,131	.80	1.30
12/31/2019	20.99	.39	3.87	4.26	(.39)	(1.19)	(1.58)	23.67	20.92	4,493	.79	1.71
12/31/2018	23.40	.35	(1.40)	(1.05)	(.33)	(1.03)	(1.36)	20.99	(4.83)	3,594	.78	1.54
12/31/2017	21.43	.32	3.02	3.34	(.31)	(1.06)	(1.37)	23.40	15.91	3,582	.79	1.40

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets[3]	Ratio of net income to average net assets
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions					
Global Balanced Fund												
Class 1:												
12/31/2021	$14.19	$.18	$1.37	$1.55	$(.19)	$(.82)	$(1.01)	$14.73	11.05%	$120	.73%	1.24%
12/31/2020	13.51	.17	1.24	1.41	(.19)	(.54)	(.73)	14.19	10.53	139	.72	1.29
12/31/2019	11.67	.24	2.17	2.41	(.20)	(.37)	(.57)	13.51	20.79	134	.72	1.88
12/31/2018	12.75	.23	(.96)	(.73)	(.20)	(.15)	(.35)	11.67	(5.81)	110	.72	1.82
12/31/2017	11.08	.21	1.99	2.20	(.15)	(.38)	(.53)	12.75	19.91	93	.72	1.68
Class 1A:												
12/31/2021	14.16	.15	1.36	1.51	(.15)	(.82)	(.97)	14.70	10.83	4	.98	1.02
12/31/2020	13.49	.14	1.23	1.37	(.16)	(.54)	(.70)	14.16	10.25	3	.97	1.03
12/31/2019	11.65	.21	2.17	2.38	(.17)	(.37)	(.54)	13.49	20.54	2	.97	1.63
12/31/2018	12.74	.18	(.94)	(.76)	(.18)	(.15)	(.33)	11.65	(6.03)	2	.98	1.44
12/31/2017[4,5]	11.18	.16	1.92	2.08	(.14)	(.38)	(.52)	12.74	18.71[6]	–[8]	.94[7]	1.27[7]
Class 2:												
12/31/2021	14.16	.15	1.36	1.51	(.15)	(.82)	(.97)	14.70	10.79	208	.98	1.01
12/31/2020	13.48	.14	1.23	1.37	(.15)	(.54)	(.69)	14.16	10.30	208	.97	1.03
12/31/2019	11.65	.21	2.16	2.37	(.17)	(.37)	(.54)	13.48	20.44	207	.97	1.64
12/31/2018	12.72	.20	(.96)	(.76)	(.16)	(.15)	(.31)	11.65	(6.01)	185	.97	1.57
12/31/2017	11.06	.18	1.98	2.16	(.12)	(.38)	(.50)	12.72	19.57	210	.96	1.43
Class 4:												
12/31/2021	14.02	.11	1.34	1.45	(.12)	(.82)	(.94)	14.53	10.46	135	1.23	.77
12/31/2020	13.36	.10	1.22	1.32	(.12)	(.54)	(.66)	14.02	10.00	105	1.22	.78
12/31/2019	11.55	.18	2.14	2.32	(.14)	(.37)	(.51)	13.36	20.21	94	1.22	1.37
12/31/2018	12.63	.17	(.96)	(.79)	(.14)	(.15)	(.29)	11.55	(6.31)	69	1.22	1.34
12/31/2017	11.00	.13	1.99	2.12	(.11)	(.38)	(.49)	12.63	19.38	51	1.22	1.07

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	(Loss) income from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net (losses) gains on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
The Bond Fund of America													
Class 1:													
12/31/2021	$11.89	$.21	$(.23)	$ (.02)	$(.19)	$(.47)	$(.66)	$11.21	(.14)%	$8,555	.39%	.26%	1.84%
12/31/2020	11.17	.23	.87	1.10	(.27)	(.11)	(.38)	11.89	9.96	6,844	.40	.40	2.00
12/31/2019	10.47	.30	.71	1.01	(.31)	–	(.31)	11.17	9.70	6,481	.39	.39	2.76
12/31/2018	10.82	.29	(.35)	(.06)	(.28)	(.01)	(.29)	10.47	(.45)	5,962	.38	.38	2.70
12/31/2017	10.80	.24	.18	.42	(.24)	(.16)	(.40)	10.82	3.88	6,434	.38	.38	2.19
Class 1A:													
12/31/2021	11.84	.18	(.23)	(.05)	(.16)	(.47)	(.63)	11.16	(.36)	12	.64	.51	1.59
12/31/2020	11.13	.20	.87	1.07	(.25)	(.11)	(.36)	11.84	9.68	9	.65	.65	1.74
12/31/2019	10.45	.27	.71	.98	(.30)	–	(.30)	11.13	9.36	7	.64	.64	2.48
12/31/2018	10.80	.26	(.33)	(.07)	(.27)	(.01)	(.28)	10.45	(.60)	3	.63	.63	2.50
12/31/2017[4,5]	10.82	.22	.15	.37	(.23)	(.16)	(.39)	10.80	3.46[6]	1	.62[7]	.62[7]	2.01[7]
Class 2:													
12/31/2021	11.73	.18	(.22)	(.04)	(.16)	(.47)	(.63)	11.06	(.31)	3,729	.64	.52	1.57
12/31/2020	11.02	.20	.86	1.06	(.24)	(.11)	(.35)	11.73	9.73	3,840	.65	.65	1.75
12/31/2019	10.34	.27	.70	.97	(.29)	–	(.29)	11.02	9.36	3,561	.64	.64	2.51
12/31/2018	10.69	.26	(.34)	(.08)	(.26)	(.01)	(.27)	10.34	(.71)	3,524	.63	.63	2.45
12/31/2017	10.67	.21	.18	.39	(.21)	(.16)	(.37)	10.69	3.67	3,966	.63	.63	1.94
Class 4:													
12/31/2021	11.69	.15	(.22)	(.07)	(.14)	(.47)	(.61)	11.01	(.59)	891	.89	.76	1.34
12/31/2020	11.00	.17	.85	1.02	(.22)	(.11)	(.33)	11.69	9.38	714	.90	.90	1.48
12/31/2019	10.33	.24	.70	.94	(.27)	–	(.27)	11.00	9.08	502	.89	.89	2.25
12/31/2018	10.68	.23	(.33)	(.10)	(.24)	(.01)	(.25)	10.33	(.89)	366	.88	.88	2.22
12/31/2017	10.70	.19	.16	.35	(.21)	(.16)	(.37)	10.68	3.29	297	.88	.88	1.72

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	(Loss) income from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net (losses) gains on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
Capital World Bond Fund													
Class 1:													
12/31/2021	$12.94	$.25	$(.85)	$ (.60)	$(.24)	$(.31)	$(.55)	$11.79	(4.73)%	$ 988	.60%	.50%	2.06%
12/31/2020	12.12	.26	.95	1.21	(.18)	(.21)	(.39)	12.94	10.17	1,219	.59	.52	2.08
12/31/2019	11.42	.31	.61	.92	(.22)	–	(.22)	12.12	8.08	1,077	.58	.58	2.60
12/31/2018	11.88	.30	(.44)	(.14)	(.28)	(.04)	(.32)	11.42	(1.14)	1,015	.57	.57	2.56
12/31/2017	11.22	.28	.52	.80	(.07)	(.07)	(.14)	11.88	7.11	1,273	.56	.56	2.37
Class 1A:													
12/31/2021	12.91	.23	(.85)	(.62)	(.22)	(.31)	(.53)	11.76	(4.88)	1	.85	.75	1.85
12/31/2020	12.10	.23	.95	1.18	(.16)	(.21)	(.37)	12.91	9.89	1	.83	.76	1.83
12/31/2019	11.41	.28	.60	.88	(.19)	–	(.19)	12.10	7.75	1	.83	.83	2.35
12/31/2018	11.87	.27	(.43)	(.16)	(.26)	(.04)	(.30)	11.41	(1.29)	1	.82	.82	2.36
12/31/2017[4,5]	11.22	.26	.52	.78	(.06)	(.07)	(.13)	11.87	7.00[6]	–[8]	.72[7]	.72[7]	2.27[7]
Class 2:													
12/31/2021	12.84	.22	(.84)	(.62)	(.21)	(.31)	(.52)	11.70	(4.92)	1,030	.85	.75	1.82
12/31/2020	12.03	.22	.95	1.17	(.15)	(.21)	(.36)	12.84	9.90	1,058	.84	.77	1.83
12/31/2019	11.34	.28	.60	.88	(.19)	–	(.19)	12.03	7.77	1,002	.83	.83	2.35
12/31/2018	11.79	.27	(.43)	(.16)	(.25)	(.04)	(.29)	11.34	(1.33)	1,032	.82	.82	2.32
12/31/2017	11.14	.25	.51	.76	(.04)	(.07)	(.11)	11.79	6.86	1,164	.81	.81	2.12
Class 4:													
12/31/2021	12.71	.19	(.84)	(.65)	(.18)	(.31)	(.49)	11.57	(5.18)	66	1.10	1.00	1.57
12/31/2020	11.92	.19	.94	1.13	(.13)	(.21)	(.34)	12.71	9.62	61	1.09	1.02	1.58
12/31/2019	11.24	.24	.60	.84	(.16)	–	(.16)	11.92	7.54	49	1.08	1.08	2.09
12/31/2018	11.70	.24	(.43)	(.19)	(.23)	(.04)	(.27)	11.24	(1.61)	40	1.07	1.07	2.09
12/31/2017	11.08	.22	.51	.73	(.04)	(.07)	(.11)	11.70	6.63	31	1.06	1.06	1.89

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers[3]	Ratio of expenses to average net assets after waivers[2,3]	Ratio of net income to average net assets[2]
		Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
American High-Income Trust													
Class 1:													
12/31/2021	$ 9.80	$.51	$ .34	$ .85	$(.46)	$–	$(.46)	$10.19	8.74%	$278	.53%	.37%	4.95%
12/31/2020	9.87	.61	.17	.78	(.85)	–	(.85)	9.80	8.21	123	.52	.52	6.46
12/31/2019	9.34	.67	.52	1.19	(.66)	–	(.66)	9.87	12.85	525	.51	.51	6.71
12/31/2018	10.19	.64	(.84)	(.20)	(.65)	–	(.65)	9.34	(2.15)	501	.50	.50	6.32
12/31/2017	10.18	.63	.10	.73	(.72)	–	(.72)	10.19	7.25	632	.49	.49	5.98
Class 1A:													
12/31/2021	9.78	.49	.33	.82	(.44)	–	(.44)	10.16	8.42	1	.78	.64	4.75
12/31/2020	9.86	.56	.20	.76	(.84)	–	(.84)	9.78	7.94	1	.78	.78	5.85
12/31/2019	9.33	.65	.51	1.16	(.63)	–	(.63)	9.86	12.61	1	.75	.75	6.47
12/31/2018	10.18	.62	(.84)	(.22)	(.63)	–	(.63)	9.33	(2.35)	1	.75	.75	6.11
12/31/2017[4,5]	10.28	.60	.02	.62	(.72)	–	(.72)	10.18	6.02[6]	–[8]	.72[7]	.72[7]	5.74[7]
Class 2:													
12/31/2021	9.61	.48	.33	.81	(.44)	–	(.44)	9.98	8.42	673	.78	.65	4.80
12/31/2020	9.70	.55	.19	.74	(.83)	–	(.83)	9.61	7.94	665	.78	.78	5.88
12/31/2019	9.19	.64	.50	1.14	(.63)	–	(.63)	9.70	12.55	667	.76	.76	6.45
12/31/2018	10.03	.61	(.83)	(.22)	(.62)	–	(.62)	9.19	(2.34)	661	.75	.75	6.07
12/31/2017	10.04	.59	.10	.69	(.70)	–	(.70)	10.03	6.89	776	.74	.74	5.72
Class 3:													
12/31/2021	9.84	.50	.34	.84	(.44)	–	(.44)	10.24	8.60	10	.71	.58	4.86
12/31/2020	9.92	.57	.19	.76	(.84)	–	(.84)	9.84	7.93	10	.71	.71	5.94
12/31/2019	9.38	.66	.52	1.18	(.64)	–	(.64)	9.92	12.70	10	.69	.69	6.52
12/31/2018	10.23	.63	(.85)	(.22)	(.63)	–	(.63)	9.38	(2.33)	10	.68	.68	6.14
12/31/2017	10.22	.61	.10	.71	(.70)	–	(.70)	10.23	7.02	12	.67	.67	5.79
Class 4:													
12/31/2021	10.54	.50	.36	.86	(.41)	–	(.41)	10.99	8.18	90	1.03	.89	4.52
12/31/2020	10.56	.57	.22	.79	(.81)	–	(.81)	10.54	7.74	69	1.03	1.03	5.58
12/31/2019	9.96	.67	.54	1.21	(.61)	–	(.61)	10.56	12.27	63	1.01	1.01	6.21
12/31/2018	10.82	.63	(.90)	(.27)	(.59)	–	(.59)	9.96	(2.64)	31	1.00	1.00	5.83
12/31/2017	10.79	.61	.10	.71	(.68)	–	(.68)	10.82	6.63	34	.99	.99	5.46

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	(Loss) income from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers	Ratio of expenses to average net assets after waivers[2]	Ratio of net income to average net assets[2]
		Net investment income	Net (losses) gains on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
American Funds Mortgage Fund													
Class 1:													
12/31/2021	$11.11	$.06	$(.09)	$(.03)	$(.08)	$(.37)	$(.45)	$10.63	(.32)%	$231	.49%	.29%	.58%
12/31/2020	10.56	.10	.64	.74	(.17)	(.02)	(.19)	11.11	6.98	224	.48	.36	.93
12/31/2019	10.30	.24	.30	.54	(.28)	–	(.28)	10.56	5.30	210	.47	.47	2.26
12/31/2018	10.47	.20	(.14)	.06	(.23)	–	(.23)	10.30	.58	209	.48	.48	1.97
12/31/2017	10.56	.16	–[9]	.16	(.18)	(.07)	(.25)	10.47	1.47	265	.47	.47	1.52
Class 1A:													
12/31/2021	11.08	.04	(.10)	(.06)	(.06)	(.37)	(.43)	10.59	(.47)	2	.74	.54	.33
12/31/2020	10.55	.07	.63	.70	(.15)	(.02)	(.17)	11.08	6.63	1	.73	.59	.61
12/31/2019	10.28	.22	.30	.52	(.25)	–	(.25)	10.55	5.09	1	.71	.71	2.04
12/31/2018	10.46	.18	(.14)	.04	(.22)	–	(.22)	10.28	.36	1	.73	.73	1.77
12/31/2017[4,5]	10.55	.14	–[9]	.14	(.16)	(.07)	(.23)	10.46	1.31[6]	–[8]	.70[7]	.70[7]	1.38[7]
Class 2:													
12/31/2021	11.09	.04	(.10)	(.06)	(.05)	(.37)	(.42)	10.61	(.57)	58	.74	.54	.33
12/31/2020	10.54	.08	.63	.71	(.14)	(.02)	(.16)	11.09	6.72	58	.73	.60	.68
12/31/2019	10.28	.21	.31	.52	(.26)	–	(.26)	10.54	5.04	56	.72	.72	2.01
12/31/2018	10.45	.18	(.15)	.03	(.20)	–	(.20)	10.28	.32	57	.73	.73	1.72
12/31/2017	10.54	.14	(.01)	.13	(.15)	(.07)	(.22)	10.45	1.22	63	.72	.72	1.27
Class 4:													
12/31/2021	10.97	.01	(.09)	(.08)	(.03)	(.37)	(.40)	10.49	(.78)	43	.99	.79	.08
12/31/2020	10.44	.04	.63	.67	(.12)	(.02)	(.14)	10.97	6.38	37	.98	.85	.41
12/31/2019	10.19	.18	.31	.49	(.24)	–	(.24)	10.44	4.80	28	.97	.97	1.71
12/31/2018	10.38	.15	(.15)	–[9]	(.19)	–	(.19)	10.19	.07	24	.98	.98	1.49
12/31/2017	10.48	.11	–[9]	.11	(.14)	(.07)	(.21)	10.38	.97	12	.97	.97	1.03

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	(Loss) income from investment operations[1] Net investment (loss) income	Net (losses) gains on securities (both realized and unrealized)	Total from investment operations	Dividends and distributions Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions	Net asset value, end of period	Total return	Net assets, end of period (in millions)	Ratio of expenses to average net assets	Ratio of net (loss) income to average net assets
Ultra-Short Bond Fund												
Class 1:												
12/31/2021	$11.31	$(.03)	$(.01)	$(.04)	$ –	$–	$ –	$11.27	(.35)%	$ 37	.37%	(.28)%
12/31/2020	11.30	.02	.02	.04	(.03)	–	(.03)	11.31	.34	44	.37	.16
12/31/2019	11.31	.22	–[9]	.22	(.23)	–	(.23)	11.30	1.92	30	.36	1.92
12/31/2018	11.29	.18	–[9]	.18	(.16)	–	(.16)	11.31	1.58	37	.35	1.60
12/31/2017	11.27	.08	(.01)	.07	(.05)	–	(.05)	11.29	.66	37	.35	.68
Class 1A:												
12/31/2021	11.31	(.03)	–[9]	(.03)	–	–	–	11.28	(.27)	–[8]	.36	(.28)
12/31/2020	11.30	.03	.01	.04	(.03)	–	(.03)	11.31	.32	–[8]	.35	.26
12/31/2019	11.31	.22	–[9]	.22	(.23)	–	(.23)	11.30	1.92	–[8]	.37	1.90
12/31/2018	11.29	.18	–[9]	.18	(.16)	–	(.16)	11.31	1.58	–[8]	.35	1.60
12/31/2017[4,5]	11.27	.08	–[9]	.08	(.06)	–	(.06)	11.29	.67[6]	–[8]	.34[7]	.69[7]
Class 2:												
12/31/2021	10.99	(.06)	–[9]	(.06)	–	–	–	10.93	(.55)	245	.62	(.53)
12/31/2020	11.01	–[9]	–[9]	–[9]	(.02)	–	(.02)	10.99	.03	288	.62	(.05)
12/31/2019	11.03	.18	–[9]	.18	(.20)	–	(.20)	11.01	1.62	230	.61	1.66
12/31/2018	11.01	.15	–[9]	.15	(.13)	–	(.13)	11.03	1.36	247	.60	1.34
12/31/2017	10.99	.05	–[9]	.05	(.03)	–	(.03)	11.01	.46	249	.60	.42
Class 3:												
12/31/2021	11.12	(.05)	–[9]	(.05)	–	–	–	11.07	(.45)	5	.55	(.46)
12/31/2020	11.13	–[9]	.02	.02	(.03)	–	(.03)	11.12	.13	4	.55	.03
12/31/2019	11.14	.20	–[9]	.20	(.21)	–	(.21)	11.13	1.76	3	.54	1.74
12/31/2018	11.12	.16	(.01)	.15	(.13)	–	(.13)	11.14	1.38	4	.53	1.42
12/31/2017	11.10	.06	–[9]	.06	(.04)	–	(.04)	11.12	.54	4	.53	.50
Class 4:												
12/31/2021	11.08	(.09)	.01	(.08)	–	–	–	11.00	(.72)	46	.87	(.79)
12/31/2020	11.13	(.04)	.01	(.03)	(.02)	–	(.02)	11.08	(.25)	40	.87	(.35)
12/31/2019	11.15	.16	–[9]	.16	(.18)	–	(.18)	11.13	1.40	22	.86	1.40
12/31/2018	11.13	.12	.01	.13	(.11)	–	(.11)	11.15	1.14	18	.86	1.11
12/31/2017	11.12	.02	–[9]	.02	(.01)	–	(.01)	11.13	.16	15	.85	.19

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	(Loss) income from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers	Ratio of expenses to average net assets after waivers[2]	Ratio of net income to average net assets[2]
		Net investment income	Net (losses) gains on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions						
U.S. Government Securities Fund													
Class 1:													
12/31/2021	$13.04	$.18	$ (.26)	$ (.08)	$(.18)	$(1.11)	$(1.29)	$11.67	(.44)%	$ 522	.39%	.29%	1.50%
12/31/2020	12.34	.16	1.07	1.23	(.26)	(.27)	(.53)	13.04	10.09	429	.38	.38	1.21
12/31/2019	11.94	.25	.43	.68	(.28)	–	(.28)	12.34	5.69	1,418	.37	.37	2.07
12/31/2018	12.08	.24	(.13)	.11	(.25)	–	(.25)	11.94	.91	1,445	.36	.36	2.02
12/31/2017	12.05	.21	.01	.22	(.19)	–	(.19)	12.08	1.83	1,558	.36	.36	1.68
Class 1A:													
12/31/2021	13.00	.16	(.26)	(.10)	(.16)	(1.11)	(1.27)	11.63	(.65)	5	.64	.53	1.28
12/31/2020	12.32	.09	1.10	1.19	(.24)	(.27)	(.51)	13.00	9.75	4	.64	.64	.69
12/31/2019	11.93	.22	.43	.65	(.26)	–	(.26)	12.32	5.42	2	.62	.62	1.82
12/31/2018	12.08	.22	(.14)	.08	(.23)	–	(.23)	11.93	.70	1	.61	.61	1.82
12/31/2017[4,5]	12.05	.18	.03	.21	(.18)	–	(.18)	12.08	1.73[6]	–[8]	.58[7]	.58[7]	1.53[7]
Class 2:													
12/31/2021	12.89	.15	(.25)	(.10)	(.15)	(1.11)	(1.26)	11.53	(.62)	1,391	.64	.54	1.24
12/31/2020	12.21	.09	1.10	1.19	(.24)	(.27)	(.51)	12.89	9.80	1,439	.64	.64	.73
12/31/2019	11.82	.22	.42	.64	(.25)	–	(.25)	12.21	5.31	1,343	.62	.62	1.82
12/31/2018	11.96	.21	(.14)	.07	(.21)	–	(.21)	11.82	.73	1,323	.61	.61	1.77
12/31/2017	11.93	.17	.02	.19	(.16)	–	(.16)	11.96	1.59	1,473	.61	.61	1.43
Class 3:													
12/31/2021	13.07	.16	(.26)	(.10)	(.16)	(1.11)	(1.27)	11.70	(.62)	9	.57	.47	1.31
12/31/2020	12.37	.10	1.12	1.22	(.25)	(.27)	(.52)	13.07	9.91	10	.57	.57	.78
12/31/2019	11.97	.23	.43	.66	(.26)	–	(.26)	12.37	5.49	9	.55	.55	1.88
12/31/2018	12.11	.22	(.14)	.08	(.22)	–	(.22)	11.97	.71	9	.54	.54	1.84
12/31/2017	12.07	.18	.03	.21	(.17)	–	(.17)	12.11	1.72	10	.54	.54	1.50
Class 4:													
12/31/2021	12.88	.12	(.25)	(.13)	(.12)	(1.11)	(1.23)	11.52	(.88)	238	.89	.79	.98
12/31/2020	12.22	.05	1.10	1.15	(.22)	(.27)	(.49)	12.88	9.48	272	.89	.89	.42
12/31/2019	11.84	.19	.42	.61	(.23)	–	(.23)	12.22	5.14	124	.87	.87	1.56
12/31/2018	11.98	.18	(.12)	.06	(.20)	–	(.20)	11.84	.50	91	.86	.86	1.53
12/31/2017	11.96	.14	.01	.15	(.13)	–	(.13)	11.98	1.28	62	.86	.86	1.18

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers/ reimbursements[11]	Ratio of expenses to average net assets after waivers/ reimbursements[2,11]	Net effective expense ratio[2,12,13]	Ratio of net income (loss) to average net assets[2]
		Net investment income (loss)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions							
Managed Risk Growth Fund														
Class P1:														
12/31/2021	$17.25	$ .04	$ 2.16	$ 2.20	$(.18)	$(.74)	$ (.92)	$18.53	13.08%	$ 13	.41%	.36%	.69%	.19%
12/31/2020	13.78	.07	4.20	4.27	(.12)	(.68)	(.80)	17.25	32.45	11	.42	.37	.72	.49
12/31/2019	12.30	.15	2.44	2.59	(.19)	(.92)	(1.11)	13.78	22.01	6	.42	.37	.73	1.19
12/31/2018	13.22	.11	(.04)	.07	(.10)	(.89)	(.99)	12.30	(.04)[14]	3	.42[14]	.37[14]	.71[14]	.82[14]
12/31/2017	10.71	.08	2.70	2.78	(.07)	(.20)	(.27)	13.22	26.23[14]	2	.42[14]	.36[14]	.70[14]	.69[14]
Class P2:														
12/31/2021	17.11	(.01)	2.16	2.15	(.10)	(.74)	(.84)	18.42	12.89	584	.67	.62	.95	(.07)
12/31/2020	13.71	.03	4.16	4.19	(.11)	(.68)	(.79)	17.11	32.03	554	.67	.62	.97	.20
12/31/2019	12.21	.09	2.45	2.54	(.12)	(.92)	(1.04)	13.71	21.74	434	.68	.63	.99	.73
12/31/2018	13.14	.06	(.04)	.02	(.06)	(.89)	(.95)	12.21	(.37)	340	.68	.63	.97	.46
12/31/2017	10.64	.04	2.70	2.74	(.04)	(.20)	(.24)	13.14	25.99	286	.69	.63	.97	.34
Managed Risk International Fund														
Class P1:														
12/31/2021	$11.07	$ .24	$ (.67)	$ (.43)	$(.09)	$ –	$ (.09)	$10.55	(3.92)%[14]	$ 2	.44%[14]	.36%[14]	.87%[14]	2.12%[14]
12/31/2020	11.01	.08	.22	.30	(.16)	(.08)	(.24)	11.07	3.13[14]	2	.43[14]	.35[14]	.86[14]	.82[14]
12/31/2019	9.82	.17	1.54	1.71	(.20)	(.32)	(.52)	11.01	17.91[14]	1	.41[14]	.33[14]	.84[14]	1.64[14]
12/31/2018	11.25	.32	(1.44)	(1.12)	(.26)	(.05)	(.31)	9.82	(10.11)[14]	–[8]	.33[14]	.28[14]	.77[14]	3.02[14]
12/31/2017	8.89	.11	2.47	2.58	(.10)	(.12)	(.22)	11.25	29.28[14]	–[8]	.28[14]	.20[14]	.69[14]	1.13[14]
Class P2:														
12/31/2021	10.99	.20	(.65)	(.45)	(.06)	–	(.06)	10.48	(4.13)	160	.71	.63	1.14	1.79
12/31/2020	10.92	.04	.23	.27	(.12)	(.08)	(.20)	10.99	2.80	168	.71	.63	1.14	.42
12/31/2019	9.76	.13	1.55	1.68	(.20)	(.32)	(.52)	10.92	17.64	165	.71	.63	1.14	1.21
12/31/2018	11.15	.16	(1.32)	(1.16)	(.18)	(.05)	(.23)	9.76	(10.50)	151	.69	.64	1.13	1.49
12/31/2017	8.83	.11	2.41	2.52	(.08)	(.12)	(.20)	11.15	28.69	148	.71	.63	1.12	1.03
Managed Risk Washington Mutual Investors Fund														
Class P1:														
12/31/2021	$11.24	$ .16	$ 1.79	$ 1.95	$(.24)	$ –	$ (.24)	$12.95	17.46%[14]	$ 2	.41%[14]	.36%[14]	.77%[14]	1.33%[14]
12/31/2020	12.01	.18	(.35)	(.17)	(.26)	(.34)	(.60)	11.24	(.93)[14]	2	.40[14]	.35[14]	.76[14]	1.66[14]
12/31/2019	11.28	.25	1.28	1.53	(.20)	(.60)	(.80)	12.01	14.14[14]	1	.38[14]	.33[14]	.74[14]	2.14[14]
12/31/2018	13.04	.40	(1.27)	(.87)	(.45)	(.44)	(.89)	11.28	(6.99)[14]	–[8]	.33[14]	.28[14]	.67[14]	3.21[14]
12/31/2017	11.67	.19	1.59	1.78	(.22)	(.19)	(.41)	13.04	15.48[14]	–[8]	.30[14]	.25[14]	.64[14]	1.59[14]
Class P2:														
12/31/2021	11.18	.11	1.79	1.90	(.20)	–	(.20)	12.88	17.11	371	.68	.62	1.03	.91
12/31/2020	11.91	.13	(.33)	(.20)	(.19)	(.34)	(.53)	11.18	(1.25)	355	.68	.63	1.04	1.18
12/31/2019	11.21	.18	1.31	1.49	(.19)	(.60)	(.79)	11.91	13.88	365	.68	.63	1.04	1.62
12/31/2018	12.96	.19	(1.10)	(.91)	(.40)	(.44)	(.84)	11.21	(7.38)	336	.68	.63	1.02	1.49
12/31/2017	11.61	.17	1.55	1.72	(.18)	(.19)	(.37)	12.96	15.03	367	.68	.63	1.02	1.43

See end of tables for footnotes.

Financial highlights (continued)

Period ended	Net asset value, beginning of period	Income (loss) from investment operations[1]			Dividends and distributions			Net asset value, end of period	Total return[2]	Net assets, end of period (in millions)	Ratio of expenses to average net assets before waivers/ reimbursements[11]	Ratio of expenses to average net assets after waivers/ reimbursements[2,11]	Net effective expense ratio[2,12,13]	Ratio of net income (loss) to average net assets[2]
		Net investment income (loss)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)	Distributions (from capital gains)	Total dividends and distributions							
Managed Risk Growth-Income Fund														
Class P1:														
12/31/2021	$14.01	$ .14	$1.99	$2.13	$(.21)	$(.20)	$ (.41)	$15.73	15.32%	$2,328	.41%	.36%	.66%	.96%
12/31/2020	13.76	.17	1.08	1.25	(.26)	(.74)	(1.00)	14.01	9.85	2,120	.41	.36	.66	1.24
12/31/2019	11.73	.22	2.01	2.23	(.10)	(.10)	(.20)	13.76	19.14	1,987	.42	.37	.67	1.71
12/31/2018	12.66	(.02)	(.15)	(.17)	(.19)	(.57)	(.76)	11.73	(1.66)	1,662	.40	.35	.64	(.20)
12/31/2017	11.07	.19	2.03	2.22	(.13)	(.50)	(.63)	12.66	20.64[14]	2	.44[14]	.37[14]	.66[14]	1.61[14]
Class P2:														
12/31/2021	13.93	.10	1.98	2.08	(.17)	(.20)	(.37)	15.64	15.05	340	.66	.61	.91	.70
12/31/2020	13.69	.14	1.07	1.21	(.23)	(.74)	(.97)	13.93	9.58	315	.66	.61	.91	1.02
12/31/2019	11.67	.19	2.00	2.19	(.07)	(.10)	(.17)	13.69	18.84	283	.67	.62	.92	1.47
12/31/2018	12.58	.16	(.36)	(.20)	(.14)	(.57)	(.71)	11.67	(1.97)	230	.69	.64	.93	1.25
12/31/2017	11.02	.13	2.05	2.18	(.12)	(.50)	(.62)	12.58	20.40	206	.70	.63	.92	1.08
Managed Risk Asset Allocation Fund														
Class P1:														
12/31/2021	$13.84	$ .21	$1.55	$1.76	$(.27)	$ –	$ (.27)	$15.33	12.82%	$ 7	.41%	.36%	.66%	1.43%
12/31/2020	13.81	.25	.51	.76	(.21)	(.52)	(.73)	13.84	6.10	5	.41	.36	.66	1.91
12/31/2019	12.23	.26	1.92	2.18	(.03)	(.57)	(.60)	13.81	18.25	2	.41	.36	.65	2.01
12/31/2018	13.59	.22	(.80)	(.58)	(.25)	(.53)	(.78)	12.23	(4.63)	2	.37	.32	.59	1.67
12/31/2017	12.02	.19	1.60	1.79	(.10)	(.12)	(.22)	13.59	15.06	1,656	.43	.38	.66	1.45
Class P2:														
12/31/2021	13.45	.15	1.53	1.68	(.20)	–	(.20)	14.93	12.50	2,812	.66	.61	.91	1.03
12/31/2020	13.46	.15	.56	.71	(.20)	(.52)	(.72)	13.45	5.88	2,773	.66	.61	.91	1.15
12/31/2019	12.22	.19	1.93	2.12	(.31)	(.57)	(.88)	13.46	17.98	2,830	.66	.61	.90	1.51
12/31/2018	13.55	.17	(.79)	(.62)	(.18)	(.53)	(.71)	12.22	(4.89)	2,541	.62	.57	.84	1.27
12/31/2017	12.01	.15	1.61	1.76	(.10)	(.12)	(.22)	13.55	14.80	2,798	.68	.63	.91	1.13

See end of tables for footnotes.

Financial highlights (continued)

Portfolio turnover rate for all share classes excluding mortgage dollar roll transactions[15,16]	Year ended December 31, 2021	2020	2019	2018	2017
Capital Income Builder	60%	110%	44%	42%	59%
Asset Allocation Fund	45	49	47	34	39
Global Balanced Fund	36	68	60	30	28
The Bond Fund of America	87	72	146	98	153
Capital World Bond Fund	64	88	110	78	74
American Funds Mortgage Fund	38	123	84	60	98
U.S. Government Securities Fund	126	112	103	76	120

Portfolio turnover rate for all share classes including mortgage dollar roll transactions, if any[15,16]	Year ended December 31, 2021	2020	2019	2018	2017
Global Growth Fund	18%	17%	14%	25%	31%
Global Small Capitalization Fund	29	38	50	43	33
Growth Fund	25	32	21	35	24
International Fund	44	40	32	29	29
New World Fund	43	70	38	58	56
Washington Mutual Investors Fund	90	40	37	49	34
Capital World Growth and Income Fund	85	36	29	49	41
Growth-Income Fund	24	33	27	39	27
International Growth and Income Fund	41	56	28	38	51
Capital Income Builder	93	184	72	98	88
Asset Allocation Fund	124	145	79	86	85
Global Balanced Fund	39	86	74	51	41
The Bond Fund of America	456	461	373	514	502
Capital World Bond Fund	91	145	159	125	105
American High-Income Trust	56	78	58	67	78
American Funds Mortgage Fund	975	1143	350	811	680
U.S. Government Securities Fund	433	867	277	446	551
Ultra-Short Bond Fund	—[17]	—[17]	—[17]	—[17]	—[17]
Managed Risk Growth Fund	32	80	10	7	25
Managed Risk International Fund	24	71	8	8	25
Managed Risk Washington Mutual Investors Fund	16	101	13	11	32
Managed Risk Growth-Income Fund	13	38	6	14	26
Managed Risk Asset Allocation Fund	5	30	8	12	1

[1]Based on average shares outstanding.
[2]This column reflects the impact of certain waivers/reimbursements from CRMC. During some of the periods shown, CRMC waived a portion of investment advisory services fees on some funds, including each of the managed risk funds. In addition, during some of the periods shown CRMC reimbursed a portion of miscellaneous fees and expenses for some of the managed risk funds.
[3]Ratios do not include expenses of any Central Funds. The fund indirectly bears its proportionate share of the expenses of any Central Funds, if applicable.
[4]Based on operations for a period that is less than a full year.
[5]Class 1A shares began investment operations on January 6, 2017.
[6]Not annualized.
[7]Annualized.
[8]Amount less than $1 million.
[9]Amount less than $.01.
[10]Amount less than .01%.
[11]This column does not include expenses of the underlying funds in which each fund invests.
[12]This column reflects the net effective expense ratios for each fund and class, which include each class's expense ratio combined with the weighted average net expense ratio of the underlying funds for the periods presented. See expense example for further information regarding fees and expenses.
[13]Unaudited.
[14]All or a significant portion of assets in this class consisted of seed capital invested by CRMC and/or its affiliates. Certain fees (including, where applicable, fees for distribution services) are not charged or accrued on these seed capital assets. If such fees were paid by the fund on seed capital assets, fund expenses would have been higher and net income and total return would have been lower.
[15]Refer to Note 5 for further information on mortgage doller rolls.
[16]Rates do not include the fund's portfolio activity with respect to any Central Funds, if applicable.
[17]Amount is either less than 1% or there is no turnover.

See notes to financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of American Funds Insurance Series and Shareholders of Global Growth Fund, Global Small Capitalization Fund, Growth Fund, International Fund, New World Fund®, Washington Mutual Investors Fund℠, Capital World Growth and Income Fund®, Growth-Income Fund, International Growth and Income Fund, Capital Income Builder®, Asset Allocation Fund, Global Balanced Fund, The Bond Fund of America®, Capital World Bond Fund®, American High-Income Trust®, American Funds Mortgage Fund®, Ultra-Short Bond Fund, U.S. Government Securities Fund®, Managed Risk Growth Fund, Managed Risk International Fund, Managed Risk Washington Mutual Investors Fund, Managed Risk Growth-Income Fund and Managed Risk Asset Allocation Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the investment portfolios, of Global Growth Fund, Global Small Capitalization Fund, Growth Fund, International Fund, New World Fund®, Washington Mutual Investors Fund℠ (formerly Blue Chip Income and Growth Fund), Capital World Growth and Income Fund® (formerly Global Growth and Income Fund), Growth-Income Fund, International Growth and Income Fund, Capital Income Builder®, Asset Allocation Fund, Global Balanced Fund, The Bond Fund of America® (formerly Bond Fund), Capital World Bond Fund®, American High Income Trust® (formerly High-Income Bond Fund), American Funds Mortgage Fund®, Ultra-Short Bond Fund, U.S. Government Securities Fund® (formerly U.S. Government/ AAA-Rated Securities Fund), Managed Risk Growth Fund, Managed Risk International Fund, Managed Risk Washington Mutual Investors Fund (formerly Managed Risk Blue Chip Income and Growth Fund), Managed Risk Growth-Income Fund and Managed Risk Asset Allocation Fund (twenty-three of the funds constituting American Funds Insurance Series, hereafter collectively referred to as the "Funds") as of December 31, 2021, the related statements of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2021, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended December 31, 2021 and each of the financial highlights for each of the periods indicated therein in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements 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 Funds 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/PricewaterhouseCoopers LLP

Los Angeles, California
February 14, 2022

We have served as the auditor of one or more investment companies in The Capital Group Companies Investment Company Complex since 1934.

Expense example

unaudited

The funds in American Funds Insurance Series serve as the underlying investment vehicle for various insurance products. As an owner of an insurance contract that invests in one of the funds in the series, you incur two types of costs: (1) transaction costs, such as initial sales charges on purchase payments and contingent deferred sales charges on redemptions (loads), and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other expenses. Additional fees are charged by the insurance companies related to the various benefits they provide. This example is intended to help you understand your ongoing costs (in dollars) of investing in the underlying funds so you can compare these costs with the ongoing costs of investing in other mutual funds that serve a similar function in other annuity products. The example is based on an investment of $1,000 invested at the beginning of the period and held for the entire six-month period (July 1, 2021, through December 31, 2021).

Actual expenses:

The first line of each share class in the tables on the following pages provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading titled "Expenses paid during period" to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes:

The second line of each share class in the tables on the following pages provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio for the share class and an assumed rate of return of 5.00% per year before expenses, which is not the actual return of the share class. 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 5.00% hypothetical example with the 5.00% hypothetical examples that appear in the shareholder reports of the other funds.

Notes:

Additional fees are charged by the insurance companies related to the various benefits they provide. You can estimate the impact of these fees by adding the amount of the fees to the total estimated expenses you paid on your account during the period as calculated above. In addition, your ending account value would be lower by the amount of these fees.

Note that the expenses shown in the tables on the following pages are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the second line of each share class in the tables is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Expense example (continued)

	Beginning account value 7/1/2021	Ending account value 12/31/2021	Expenses paid during period[1]	Annualized expense ratio
Global Growth Fund				
Class 1 – actual return	$1,000.00	$1,044.35	$2.78	.54%
Class 1 – assumed 5% return	1,000.00	1,022.48	2.75	.54
Class 1A – actual return	1,000.00	1,043.30	4.07	.79
Class 1A – assumed 5% return	1,000.00	1,021.22	4.02	.79
Class 2 – actual return	1,000.00	1,043.19	4.07	.79
Class 2 – assumed 5% return	1,000.00	1,021.22	4.02	.79
Class 4 – actual return	1,000.00	1,041.82	5.35	1.04
Class 4 – assumed 5% return	1,000.00	1,019.96	5.30	1.04
Global Small Capitalization Fund				
Class 1 – actual return	$1,000.00	$ 964.99	$3.67	.74%
Class 1 – assumed 5% return	1,000.00	1,021.48	3.77	.74
Class 1A – actual return	1,000.00	963.92	4.90	.99
Class 1A – assumed 5% return	1,000.00	1,020.21	5.04	.99
Class 2 – actual return	1,000.00	963.99	4.90	.99
Class 2 – assumed 5% return	1,000.00	1,020.21	5.04	.99
Class 4 – actual return	1,000.00	962.63	6.13	1.24
Class 4 – assumed 5% return	1,000.00	1,018.95	6.31	1.24
Growth Fund				
Class 1 – actual return	$1,000.00	$1,082.01	$1.78	.34%
Class 1 – assumed 5% return	1,000.00	1,023.49	1.73	.34
Class 1A – actual return	1,000.00	1,080.62	3.09	.59
Class 1A – assumed 5% return	1,000.00	1,022.23	3.01	.59
Class 2 – actual return	1,000.00	1,080.70	3.09	.59
Class 2 – assumed 5% return	1,000.00	1,022.23	3.01	.59
Class 3 – actual return	1,000.00	1,081.17	2.73	.52
Class 3 – assumed 5% return	1,000.00	1,022.58	2.65	.52
Class 4 – actual return	1,000.00	1,079.33	4.40	.84
Class 4 – assumed 5% return	1,000.00	1,020.97	4.28	.84
International Fund				
Class 1 – actual return	$1,000.00	$ 943.19	$2.69	.55%
Class 1 – assumed 5% return	1,000.00	1,022.43	2.80	.55
Class 1A – actual return	1,000.00	941.93	3.92	.80
Class 1A – assumed 5% return	1,000.00	1,021.17	4.08	.80
Class 2 – actual return	1,000.00	941.65	3.92	.80
Class 2 – assumed 5% return	1,000.00	1,021.17	4.08	.80
Class 3 – actual return	1,000.00	942.13	3.57	.73
Class 3 – assumed 5% return	1,000.00	1,021.53	3.72	.73
Class 4 – actual return	1,000.00	940.79	5.14	1.05
Class 4 – assumed 5% return	1,000.00	1,019.91	5.35	1.05
New World Fund				
Class 1 – actual return	$1,000.00	$ 954.20	$2.76	.56%
Class 1 – assumed 5% return	1,000.00	1,022.38	2.85	.56
Class 1A – actual return	1,000.00	953.19	3.99	.81
Class 1A – assumed 5% return	1,000.00	1,021.12	4.13	.81
Class 2 – actual return	1,000.00	953.09	3.99	.81
Class 2 – assumed 5% return	1,000.00	1,021.12	4.13	.81
Class 4 – actual return	1,000.00	951.85	5.21	1.06
Class 4 – assumed 5% return	1,000.00	1,019.86	5.40	1.06

See end of tables for footnotes.

Expense example (continued)

	Beginning account value 7/1/2021	Ending account value 12/31/2021	Expenses paid during period[1]	Annualized expense ratio
Washington Mutual Investors Fund				
Class 1 – actual return	$1,000.00	$1,112.70	$1.38	.26%
Class 1 – assumed 5% return	1,000.00	1,023.89	1.33	.26
Class 1A – actual return	1,000.00	1,110.45	2.71	.51
Class 1A – assumed 5% return	1,000.00	1,022.63	2.60	.51
Class 2 – actual return	1,000.00	1,110.86	2.71	.51
Class 2 – assumed 5% return	1,000.00	1,022.63	2.60	.51
Class 4 – actual return	1,000.00	1,109.99	4.04	.76
Class 4 – assumed 5% return	1,000.00	1,021.37	3.87	.76
Capital World Growth and Income Fund				
Class 1 – actual return	$1,000.00	$1,045.13	$2.06	.40%
Class 1 – assumed 5% return	1,000.00	1,023.19	2.04	.40
Class 1A – actual return	1,000.00	1,043.44	3.35	.65
Class 1A – assumed 5% return	1,000.00	1,021.93	3.31	.65
Class 2 – actual return	1,000.00	1,043.58	3.35	.65
Class 2 – assumed 5% return	1,000.00	1,021.93	3.31	.65
Class 4 – actual return	1,000.00	1,042.28	4.63	.90
Class 4 – assumed 5% return	1,000.00	1,020.67	4.58	.90
Growth-Income Fund				
Class 1 – actual return	$1,000.00	$1,088.44	$1.47	.28%
Class 1 – assumed 5% return	1,000.00	1,023.79	1.43	.28
Class 1A – actual return	1,000.00	1,087.17	2.79	.53
Class 1A – assumed 5% return	1,000.00	1,022.53	2.70	.53
Class 2 – actual return	1,000.00	1,087.22	2.79	.53
Class 2 – assumed 5% return	1,000.00	1,022.53	2.70	.53
Class 3 – actual return	1,000.00	1,087.58	2.42	.46
Class 3 – assumed 5% return	1,000.00	1,022.89	2.35	.46
Class 4 – actual return	1,000.00	1,085.90	4.10	.78
Class 4 – assumed 5% return	1,000.00	1,021.27	3.97	.78
International Growth and Income Fund				
Class 1 – actual return	$1,000.00	$ 985.45	$3.40	.68%
Class 1 – assumed 5% return	1,000.00	1,021.78	3.47	.68
Class 1A – actual return	1,000.00	984.18	4.65	.93
Class 1A – assumed 5% return	1,000.00	1,020.52	4.74	.93
Class 2 – actual return	1,000.00	984.50	4.65	.93
Class 2 – assumed 5% return	1,000.00	1,020.52	4.74	.93
Class 4 – actual return	1,000.00	983.27	5.90	1.18
Class 4 – assumed 5% return	1,000.00	1,019.26	6.01	1.18
Capital Income Builder				
Class 1 – actual return	$1,000.00	$1,049.72	$1.45	.28%
Class 1 – assumed 5% return	1,000.00	1,023.79	1.43	.28
Class 1A – actual return	1,000.00	1,047.66	2.74	.53
Class 1A – assumed 5% return	1,000.00	1,022.53	2.70	.53
Class 2 – actual return	1,000.00	1,047.62	2.74	.53
Class 2 – assumed 5% return	1,000.00	1,022.53	2.70	.53
Class 4 – actual return	1,000.00	1,046.38	4.02	.78
Class 4 – assumed 5% return	1,000.00	1,021.27	3.97	.78

See end of tables for footnotes.

Expense example (continued)

	Beginning account value 7/1/2021	Ending account value 12/31/2021	Expenses paid during period[1]	Annualized expense ratio
Asset Allocation Fund				
Class 1 – actual return	$1,000.00	$1,046.97	$1.55	.30%
Class 1 – assumed 5% return	1,000.00	1,023.69	1.53	.30
Class 1A – actual return	1,000.00	1,045.67	2.84	.55
Class 1A – assumed 5% return	1,000.00	1,022.43	2.80	.55
Class 2 – actual return	1,000.00	1,045.76	2.84	.55
Class 2 – assumed 5% return	1,000.00	1,022.43	2.80	.55
Class 3 – actual return	1,000.00	1,046.17	2.48	.48
Class 3 – assumed 5% return	1,000.00	1,022.79	2.45	.48
Class 4 – actual return	1,000.00	1,044.27	4.12	.80
Class 4 – assumed 5% return	1,000.00	1,021.17	4.08	.80
Global Balanced Fund				
Class 1 – actual return	$1,000.00	$1,046.58	$3.77	.73%
Class 1 – assumed 5% return	1,000.00	1,021.53	3.72	.73
Class 1A – actual return	1,000.00	1,045.80	5.05	.98
Class 1A – assumed 5% return	1,000.00	1,020.27	4.99	.98
Class 2 – actual return	1,000.00	1,045.42	5.05	.98
Class 2 – assumed 5% return	1,000.00	1,020.27	4.99	.98
Class 4 – actual return	1,000.00	1,043.85	6.34	1.23
Class 4 – assumed 5% return	1,000.00	1,019.00	6.26	1.23
The Bond Fund of America				
Class 1 – actual return	$1,000.00	$1,005.34	$1.01	.20%
Class 1 – assumed 5% return	1,000.00	1,024.20	1.02	.20
Class 1A – actual return	1,000.00	1,004.41	2.27	.45
Class 1A – assumed 5% return	1,000.00	1,022.94	2.29	.45
Class 2 – actual return	1,000.00	1,005.09	2.27	.45
Class 2 – assumed 5% return	1,000.00	1,022.94	2.29	.45
Class 4 – actual return	1,000.00	1,003.44	3.53	.70
Class 4 – assumed 5% return	1,000.00	1,021.68	3.57	.70
Capital World Bond Fund				
Class 1 – actual return	$1,000.00	$ 984.22	$2.50	.50%
Class 1 – assumed 5% return	1,000.00	1,022.68	2.55	.50
Class 1A – actual return	1,000.00	983.09	3.75	.75
Class 1A – assumed 5% return	1,000.00	1,021.42	3.82	.75
Class 2 – actual return	1,000.00	982.87	3.75	.75
Class 2 – assumed 5% return	1,000.00	1,021.42	3.82	.75
Class 4 – actual return	1,000.00	981.73	5.00	1.00
Class 4 – assumed 5% return	1,000.00	1,020.16	5.09	1.00
American High-Income Trust				
Class 1 – actual return	$1,000.00	$1,019.91	$1.73	.34%
Class 1 – assumed 5% return	1,000.00	1,023.49	1.73	.34
Class 1A – actual return	1,000.00	1,018.15	3.00	.59
Class 1A – assumed 5% return	1,000.00	1,022.23	3.01	.59
Class 2 – actual return	1,000.00	1,018.05	3.00	.59
Class 2 – assumed 5% return	1,000.00	1,022.23	3.01	.59
Class 3 – actual return	1,000.00	1,019.15	2.65	.52
Class 3 – assumed 5% return	1,000.00	1,022.58	2.65	.52
Class 4 – actual return	1,000.00	1,017.92	4.27	.84
Class 4 – assumed 5% return	1,000.00	1,020.97	4.28	.84

See end of tables for footnotes.

Expense example (continued)

	Beginning account value 7/1/2021	Ending account value 12/31/2021	Expenses paid during period[1]	Annualized expense ratio
American Funds Mortgage Fund				
Class 1 – actual return	$1,000.00	$1,002.52	$1.36	.27%
Class 1 – assumed 5% return	1,000.00	1,023.84	1.38	.27
Class 1A – actual return	1,000.00	1,001.31	2.62	.52
Class 1A – assumed 5% return	1,000.00	1,022.58	2.65	.52
Class 2 – actual return	1,000.00	1,001.35	2.62	.52
Class 2 – assumed 5% return	1,000.00	1,022.58	2.65	.52
Class 4 – actual return	1,000.00	999.57	3.88	.77
Class 4 – assumed 5% return	1,000.00	1,021.32	3.92	.77
Ultra-Short Bond Fund				
Class 1 – actual return	$1,000.00	$ 998.23	$1.91	.38%
Class 1 – assumed 5% return	1,000.00	1,023.29	1.94	.38
Class 1A – actual return	1,000.00	999.11	1.86	.37
Class 1A – assumed 5% return	1,000.00	1,023.34	1.89	.37
Class 2 – actual return	1,000.00	997.26	3.17	.63
Class 2 – assumed 5% return	1,000.00	1,022.03	3.21	.63
Class 3 – actual return	1,000.00	998.19	2.82	.56
Class 3 – assumed 5% return	1,000.00	1,022.38	2.85	.56
Class 4 – actual return	1,000.00	996.38	4.43	.88
Class 4 – assumed 5% return	1,000.00	1,020.77	4.48	.88
U.S. Government Securities Fund				
Class 1 – actual return	$1,000.00	$1,008.77	$1.16	.23%
Class 1 – assumed 5% return	1,000.00	1,024.05	1.17	.23
Class 1A – actual return	1,000.00	1,007.74	2.43	.48
Class 1A – assumed 5% return	1,000.00	1,022.79	2.45	.48
Class 2 – actual return	1,000.00	1,007.51	2.43	.48
Class 2 – assumed 5% return	1,000.00	1,022.79	2.45	.48
Class 3 – actual return	1,000.00	1,008.04	2.08	.41
Class 3 – assumed 5% return	1,000.00	1,023.14	2.09	.41
Class 4 – actual return	1,000.00	1,007.18	3.69	.73
Class 4 – assumed 5% return	1,000.00	1,021.53	3.72	.73

See end of tables for footnotes.

Expense example (continued)

	Beginning account value 7/1/2021	Ending account value 12/31/2021	Expenses paid during period[1,2]	Annualized expense ratio[2]	Effective expenses paid during period[3]	Effective annualized expense ratio[4]
Managed Risk Growth Fund						
Class P1 – actual return	$1,000.00	$1,051.28	$1.86	.36%	$3.57	.69%
Class P1 – assumed 5% return	1,000.00	1,023.39	1.84	.36	3.52	.69
Class P2 – actual return	1,000.00	1,049.88	3.20	.62	4.91	.95
Class P2 – assumed 5% return	1,000.00	1,022.08	3.16	.62	4.84	.95
Managed Risk International Fund						
Class P1 – actual return	$1,000.00	$ 935.28	$1.76	.36%	$4.24	.87%
Class P1 – assumed 5% return	1,000.00	1,023.39	1.84	.36	4.43	.87
Class P2 – actual return	1,000.00	934.05	3.07	.63	5.56	1.14
Class P2 – assumed 5% return	1,000.00	1,022.03	3.21	.63	5.80	1.14
Managed Risk Washington Mutual Investors Fund						
Class P1 – actual return	$1,000.00	$1,076.75	$1.88	.36%	$4.03	.77%
Class P1 – assumed 5% return	1,000.00	1,023.39	1.84	.36	3.92	.77
Class P2 – actual return	1,000.00	1,074.57	3.29	.63	5.39	1.03
Class P2 – assumed 5% return	1,000.00	1,022.03	3.21	.63	5.24	1.03
Managed Risk Growth-Income Fund						
Class P1 – actual return	$1,000.00	$1,059.70	$1.87	.36%	$3.43	.66%
Class P1 – assumed 5% return	1,000.00	1,023.39	1.84	.36	3.36	.66
Class P2 – actual return	1,000.00	1,057.89	3.16	.61	4.72	.91
Class P2 – assumed 5% return	1,000.00	1,022.13	3.11	.61	4.63	.91
Managed Risk Asset Allocation Fund						
Class P1 – actual return	$1,000.00	$1,038.67	$1.85	.36%	$3.39	.66%
Class P1 – assumed 5% return	1,000.00	1,023.39	1.84	.36	3.36	.66
Class P2 – actual return	1,000.00	1,037.31	3.13	.61	4.67	.91
Class P2 – assumed 5% return	1,000.00	1,022.13	3.11	.61	4.63	.91

[1]The "expenses paid during period" are equal to the "annualized expense ratio," multiplied by the average account value over the period, multiplied by the number of days in the period, and divided by 365 (to reflect the one-half year period).

[2]The "expenses paid during period" and "annualized expense ratio" do not include the expenses of the underlying funds in which each fund invests.

[3]The "effective expenses paid during period" are equal to the "effective annualized expense ratio," multiplied by the average account value over the period, multiplied by the number of days in the period, and divided by 365 (to reflect the period).

[4]The "effective annualized expense ratio" reflects the net annualized expense ratio of the class plus the class's pro-rata share of the weighted average expense ratio of the underlying funds in which it invests.

Liquidity Risk Management Program

The series has adopted a liquidity risk management program (the "program"). The series' board has designated Capital Research and Management Company ("CRMC") as the administrator of the program. Personnel of CRMC or its affiliates conduct the day-to-day operation of the program pursuant to policies and procedures administered by the Capital Group Liquidity Risk Management Committee.

Under the program, CRMC manages each fund's liquidity risk, which is the risk that the fund could not meet shareholder redemption requests without significant dilution of remaining shareholders' interests in the fund. This risk is managed by monitoring the degree of liquidity of each fund's investments, limiting the amount of each fund's illiquid investments, and utilizing various risk management tools and facilities available to each fund for meeting shareholder redemptions, among other means. CRMC's process of determining the degree of liquidity of each fund's investments is supported by one or more third-party liquidity assessment vendors.

The series' board reviewed a report prepared by CRMC regarding the operation and effectiveness of the program for the period October 1, 2020, through September 30, 2021. No significant liquidity events impacting any of the funds were noted in the report. In addition, CRMC provided its assessment that the program had been effective in managing each fund's liquidity risk.

Board of trustees and other officers

Independent trustees[1]

Name and year of birth	Year first elected a trustee of the series[2]	Principal occupation(s) during past five years	Number of portfolios in fund complex overseen by trustee	Other directorships[3] held by trustee
Francisco G. Cigarroa, MD 1957	2021	Professor of Surgery, University of Texas Health San Antonio; Trustee, Ford Foundation; Clayton Research Scholar, Clayton Foundation for Biomedical Research	86	None
James G. Ellis, 1947	2010	Former Dean and Professor of Marketing, Marshall School of Business, University of Southern California	99	Advanced Merger Partners; EVe Mobility Acquisition Corp (acquisitions of companies in the electric vehicle market); J. G. Boswell (agricultural production); Mercury General Corporation
Nariman Farvardin, 1956	2018	President, Stevens Institute of Technology	87	None
Mary Davis Holt, 1950	2015–2016; 2017	Principal, Mary Davis Holt Enterprises, LLC (leadership development consulting); former Partner, Flynn Heath Holt Leadership, LLC (leadership consulting); former COO, Time Life Inc. (1993–2003)	87	None
R. Clark Hooper, 1946	2010	Private investor	91	None
Merit E. Janow, 1958	2007	Dean and Professor, Columbia University, School of International and Public Affairs	93	Aptiv (autonomous and green vehicle technology); Mastercard Incorporated
Margaret Spellings, 1957 Chair of the Board (Independent and Non-Executive)	2010	President and CEO, Texas 2036; former President, Margaret Spellings & Company (public policy and strategic consulting); former President, The University of North Carolina; former President, George W. Bush Presidential Center	91	None
Alexandra Trower, 1964	2018	Former Executive Vice President, Global Communications and Corporate Officer, The Estée Lauder Companies	86	None
Paul S. Williams, 1959	2020	Former Partner/Managing Director, Major, Lindsey & Africa (executive recruiting firm)	86	Air Transport Services Group, Inc. (aircraft leasing and air cargo transportation); Compass Minerals, Inc. (producer of salt and specialty fertilizers); Public Storage, Inc.; Romeo Power, Inc. (manufacturer of batteries for electric vehicles)

Interested trustees[4,5]

Name, year of birth and position with series	Year first elected a trustee or officer of the series[2]	Principal occupation(s) during past five years and positions held with affiliated entities or the principal underwriter of the series	Number of portfolios in fund complex overseen by trustee	Other directorships[3] held by trustee
Donald D. O'Neal, 1960 Co-President and Trustee	1998	Partner – Capital International Investors, Capital Research and Management Company; Partner – Capital International Investors, Capital Bank and Trust Company[6]	35	None
Michael C. Gitlin, 1970	2019	Partner – Capital Fixed Income Investors, Capital Research and Management Company; Vice Chairman and Director, Capital Research and Management Company; Director, The Capital Group Companies, Inc.[6]; served as Head of Fixed Income at a large investment management firm prior to joining Capital Research and Management Company in 2015	86	None

The series statement of additional information includes further details about the series trustees and is available without charge upon request by calling American Funds Service Company at (800) 421-4225 or by visiting the Capital Group website at capitalgroup.com/afis. The address for all trustees and officers of the series is 333 South Hope Street, Los Angeles, CA 90071. Attention: Secretary.

Other officers[5]

Name, year of birth and position with series	Year first elected an officer of the series[2]	Principal occupation(s) during past five years and positions held with affiliated entities or the principal underwriter of the series
Alan N. Berro, 1960 Co-President	1998	Partner – Capital World Investors, Capital Research and Management Company; Partner – Capital World Investors, Capital Bank and Trust Company[6]; Director, The Capital Group Companies, Inc.[6]
Maria Manotok, 1974 Principal Executive Officer	2012	Senior Vice President and Senior Counsel – Fund Business Management Group, Capital Research and Management Company; Chair, Senior Vice President, Senior Counsel and Director, Capital International, Inc.[6]; Senior Vice President and Director, Capital Group International, Inc.[6]; Director, Capital Group Investment Management Limited[6]
Michael W. Stockton, 1967 Executive Vice President	2021	Senior Vice President – Fund Business Management Group, Capital Research and Management Company
Martin Jacobs, 1962 Vice President	2016	Partner – Capital Research Global Investors, Capital Research and Management Company; Director, The Capital Group Companies, Inc.[6]
Carl M. Kawaja, 1964 Vice President	2008	Partner – Capital World Investors, Capital Research and Management Company; Partner – Capital World Investors, Capital Bank and Trust Company[6]; Chairman and Director, Capital Research and Management Company
Sung Lee, 1966 Vice President	2008	Partner – Capital Research Global Investors, Capital International, Inc.[6]; Director, The Capital Group Companies, Inc.[6]
Keiko McKibben, 1969 Vice President	2010	Partner – Capital Research Global Investors, Capital Research and Management Company
Renaud H. Samyn, 1974 Vice President	2010	Partner – Capital Research Global Investors, Capital International, Inc.[6]
Steven I. Koszalka, 1964 Secretary	2003	Vice President – Fund Business Management Group, Capital Research and Management Company
Gregory F. Niland, 1971 Treasurer	2008	Vice President – Investment Operations, Capital Research and Management Company
Susan K. Countess, 1966 Assistant Secretary	2014	Associate – Fund Business Management Group, Capital Research and Management Company
Sandra Chuon, 1972 Assistant Treasurer	2019	Assistant Vice President – Investment Operations, Capital Research and Management Company
Brian C. Janssen, 1972 Assistant Treasurer	2015	Senior Vice President – Investment Operations, Capital Research and Management Company

[1] The term independent trustee refers to a trustee who is not an "interested person" of the series within the meaning of the Investment Company Act of 1940.
[2] Trustees and officers of the series serve until their resignation, removal or retirement.
[3] This includes all directorships/trusteeships (other than those in the American Funds or other funds managed by Capital Research and Management Company or its affiliates) that are held by each trustee as a trustee or director of a public company or a registered investment company.
[4] The term interested trustee refers to a trustee who is an "interested person" within the meaning of the Investment Company Act of 1940, on the basis of their affiliation with the series investment adviser, Capital Research and Management Company, or affiliated entities (including the series principal underwriter).
[5] All of the trustees and/or officers listed are officers and/or directors/trustees of one or more of the other funds for which Capital Research and Management Company serves as investment adviser.
[6] Company affiliated with Capital Research and Management Company.

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PricewaterhouseCoopers LLP
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Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the series prospectuses and summary prospectuses, which can be obtained from your financial professional and should be read carefully before investing. You may also call American Funds Service Company (AFS) at (800) 421-4225 or visit the Capital Group website at capitalgroup.com/afis.

"American Funds Proxy Voting Procedures and Principles" — which describes how we vote proxies relating to portfolio securities — is available on the Capital Group website or upon request by calling AFS. The series files its proxy voting record with the U.S. Securities and Exchange Commission (SEC) for the 12 months ended June 30 by August 31. The proxy voting record is available free of charge on the SEC website at sec.gov and on the Capital Group website.

American Funds Insurance Series files a complete list of its portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form NPORT-P. This filing is available free of charge on the SEC website and our website.

This report is for the information of American Funds Insurance Series investors, but it also may be used as sales literature when preceded or accompanied by the current prospectuses or summary prospectuses for American Funds Insurance Series and the prospectus for the applicable insurance contract, which give details about charges, expenses, investment objectives and operating policies of the series. If used as sales material after March 31, 2022, this report must be accompanied by a statistical update for the most recently completed calendar quarter.

Fund attribution data was produced using FactSet, a third-party software system, based on daily portfolios. Securities in their initial period of acquisition may not be included in this analysis. The analysis includes equity investments only and excludes forward contracts and fixed income investments, if applicable. It does not account for buy-and-sell transactions that might have occurred intraday. As a result, average portfolio weight percentages are approximate, and the actual average portfolio weight percentages might be higher or lower. Data elements, such as pricing, income, market cap, etc., were provided by FactSet. The indexes provided for attribution are based on FactSet's methodology. The indexes are broad-based market benchmarks and may not be used by Capital Group® as the sole comparative index for the funds. Capital Group believes the software and information from FactSet to be reliable. However, Capital Group cannot be responsible for inaccuracies, incomplete information or updating of information by FactSet.

Hedge instruments, including exchange-traded futures contracts and exchange-traded put options, may not provide an effective hedge of the underlying securities because changes in the prices of such instruments may not track those of the securities they are intended to hedge. In addition, the managed risk strategy may not effectively protect the funds from market declines and will limit the funds' participation in market gains. The use of the managed risk strategy could cause the funds' returns to lag those of the applicable underlying funds in certain rising market conditions.

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The Capital Advantage®

Since 1931, Capital Group, home of American Funds, has helped investors pursue long-term investment success. Our consistent approach – in combination with The Capital System℠ – has resulted in superior outcomes.

Aligned with investor success

We base our decisions on a long-term perspective, which we believe aligns our goals with the interests of our clients. American Funds Insurance Series portfolio managers average 27 years of investment industry experience, including 22 years at our company, reflecting a career commitment to our long-term approach.[1]

The Capital System

The Capital System combines individual accountability with teamwork. Funds using The Capital System are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. An extensive global research effort is the backbone of our system.

American Funds Insurance Series' superior outcomes

American Funds Insurance Series equity funds have beaten their comparable Lipper indexes in 91% of 10-year periods and 100% of 20-year periods.[2] Our fixed income funds have helped investors achieve diversification through attention to correlation between bonds and equities.[3] We strive to keep management fees competitive. Over the past 20 years, most funds' fees have been below industry averages.[4]

[1] Portfolio manager experience as of the American Funds Insurance Series prospectus dated May 1, 2021.

[2] Based on Class 1 share results for rolling calendar-year periods starting the first full calendar year after each fund's inception through December 31, 2020. Periods covered are the shorter of the fund's lifetime or since the inception date of the comparable Lipper index or average. The comparable Lipper indexes are: Global Funds Index (Global Growth Fund, Capital World Growth and Income Fund), Growth Funds Index (Growth Fund), International Funds Index (International Fund), Emerging Markets Funds Index (New World Fund), Growth & Income Funds Index (Washington Mutual Investors Fund, Growth-Income Fund) and Balanced Funds Index (Asset Allocation Fund). The Lipper Global Small-/Mid-Cap Funds Average was used for Global Small Capitalization Fund. Lipper source: Refinitiv Lipper. There have been periods when the fund has lagged the index.

[3] Based on Class 1 share results as of December 31, 2020. Three of our five fixed income funds showed a three-year correlation below 0.3. Standard & Poor's 500 Index was used as an equity market proxy. Correlation based on monthly total returns. Correlation is a statistical measure of how two securities move in relation to each other. A correlation ranges from –1 to 1. A positive correlation close to 1 implies that as one security moves, either up or down, the other security will move in "lockstep," in the same direction. A negative correlation close to –1 indicates that the securities have moved in the opposite direction.

[4] Based on management fees for the 20-year period ended December 31, 2020, versus comparable Lipper categories, excluding funds of funds.

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BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio

ANNUAL REPORT
December 31, 2021

BNY MELLON
INVESTMENT MANAGEMENT

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DISCUSSION OF FUND PERFORMANCE (Unaudited)

For the period from January 1, 2021 through December 31, 2021, as provided by portfolio managers Patrick Kent, James Boyd and Andrew Leger of Newton Investment Management North America, LLC, Sub-Investment Adviser

Market and Fund Performance Overview

For the 12-month period ended December 31, 2021, BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio's (the "fund") Initial shares produced a total return of 16.46%, and its Service shares produced a total return of 16.16%.[1] In comparison, the Russell 2000® Index (the "Index"), the fund's benchmark, produced a total return of 14.82% for the same period.[2]

Small-cap stocks rose over the reporting period, as the economy recovered in response to easing government shutdowns and the prospect of COVID-19 vaccines. The fund outperformed the Index, mainly due to stock selection decisions.

The Fund's Investment Approach

The fund seeks capital growth. To pursue its goal, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in the stocks of small-cap companies. The fund currently considers small-cap companies to be those companies with market capitalizations that fall within the range of the companies in the Index. Stocks are selected for the fund's portfolio based primarily on bottom-up, fundamental analysis. The fund's portfolio managers use a disciplined investment process that relies, in general, on proprietary fundamental research and valuation.

Generally, elements of the process include analysis of mid-cycle business prospects, estimation of the intrinsic value of the company. In general, the fund seeks exposure to securities and sectors that are perceived to be attractive from a valuation and fundamental standpoint.

Stocks Weather COVID-19 Variants, Supply Bottlenecks, Inflation and Monetary Policy

Markets performed well during the reporting period, supported generally by strong corporate earnings. Early in the period, stocks benefited from the approval of multiple COVID-19 vaccines in November 2020, which brightened the global economic outlook and improved investor sentiment. Investors also factored the likelihood of additional stimulus and infrastructure spending into their calculations. Returns were also boosted by interest rates, which remained low.

With the end of the pandemic apparently in view early in 2021, government lockdowns were eased, and businesses that had been hard hit by the pandemic began to show signs of recovery. Businesses also became more confident and increased their capital spending. With continued economic rebound likely, investors began to shift away from growth-oriented stocks and into value-oriented stocks.

But with the emergence of the Delta variant of COVID-19 midway through 2021, questions about whether the economic recovery would stall weighed on the market. In addition, supply-chain bottlenecks hindered sales in some industries and created winners and losers. Supply-chain bottlenecks, combined with loose monetary policy and massive federal spending, caused inflation to rise during the reporting period. While the Federal Reserve (the "Fed") initially called it "transitory," it acknowledged late in the period that pricing pressures were more permanent. In response, the Fed announced that in addition to tapering its bond purchases late in 2021, it was likely to hike interest rate hikes in 2022.

Growth stocks came into, and fell out of, favor at times. When concerns about the economy rose, the market favored growth stocks, but when positive news on the pandemic emerged, value and cyclical stocks came into favor. When expectations that the Fed would begin to tighten monetary policy rose, the performance of growth stocks lagged, and when the Omicron variant of the COVID-19 posed a threat to the economic recovery, growth stocks benefited, while cyclical stocks lagged.

While markets wavered at times as investors digested pandemic news, rising inflation and Fed policy, markets were supported by strong corporate earnings worldwide, especially in the U.S.

Security Selection Decisions Benefited Fund Performance

The fund's performance versus the Index was primarily the result of stock selection decisions. Selections in the health care, consumer discretionary and utilities sector were the leading positive contributors. In the health care sector, an underweight position was also advantageous. In the health care sector, an underweight to the biotechnology industry was beneficial, and a position in Xenon Pharmaceutical also contributed positively. Similarly, in the pharmaceuticals industry, an underweight was beneficial, and a position in *GW Pharmaceuticals* also was advantageous. Selections in the health care providers & services industry also were favorable. Apria, which makes products for sleep apnea and other illnesses, performed especially well. In the consumer discretionary sector, shares of publisher Houghton Mifflin Harcourt were the primary driver of performance as the company continued to benefit from a move into digital products. In the utilities sector, the leading positive contributor was NextEra Energy Partners, which focuses on renewable energy.

On a less positive note, the communication services sector was the primary detractor. An overweight position in the interactive media & services industry hindered performance as did shares of *EverQuote*, an online insurance portal. In the media industry, Cardlytics, a digital advertising company serving the banking industry, was the leading detractor. Positions in SOC Telemed, an acute care telemedicine firm, Array Technologies, which makes solar panel tracking systems, and Paya Holdings, a payments company, were also primary detractors.

An Optimistic Outlook for Small-Cap Stocks

Given their more reasonable valuations, we remain positive on small-cap stocks in the U.S. market. While the valuation of the S&P 500® Index is at the high end of its historical range, valuations on small caps are closer to their average. Importantly, many segments of the domestic economy, which small caps are more exposed to, remain constrained by lingering concerns over the pandemic. This is likely to continue to abate. Moreover, in our view earnings growth for small caps is likely to be higher than for large caps in 2022 and 2023.

January 18, 2022

[1] *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. The fund's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in variable insurance contracts, which will reduce returns.*

[2] *Source: Lipper Inc. — The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Index is a subset of the Russell 3000® Index, representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® Index is constructed to provide a comprehensive and unbiased, small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true, small-cap opportunity set. Investors cannot invest directly in any index.*

Please note: the position in any security highlighted with italicized typeface was sold during the reporting period.

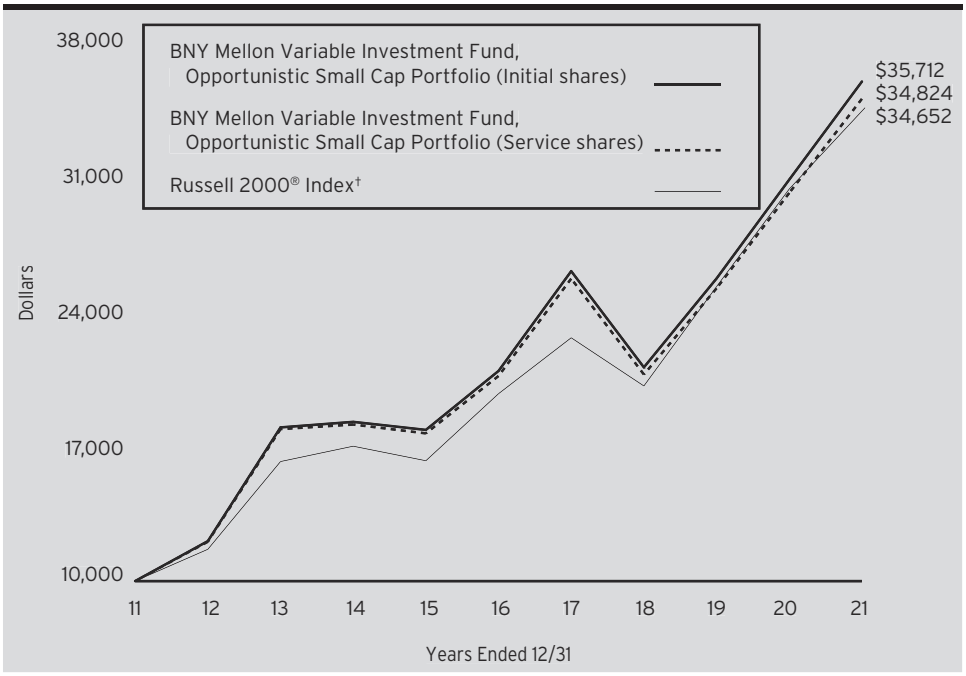
Equities are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

Stocks of small- and/or mid-cap companies often experience sharper price fluctuations than stocks of large-cap companies.

The fund is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies. Individuals may not purchase shares of the fund directly. A variable annuity is an insurance contract issued by an insurance company that enables investors to accumulate assets on a tax-deferred basis for retirement or other long-term goals. The investment objective and policies of BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio made available through insurance products may be similar to those of other funds managed or advised by BNY Mellon Investment Adviser, Inc. However, the investment results of the fund may be higher or lower than, and may not be comparable to, those of any other BNY Mellon fund.

Recent market risks include pandemic risks related to COVID-19. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

FUND PERFORMANCE (Unaudited)



Comparison of change in value of a $10,000 investment in Initial shares and Service shares of BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio with a hypothetical investment of $10,000 in the Russell 2000® Index (the "Index").

† *Source: Lipper Inc.*

Past performance is not predictive of future performance. The fund's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in variable insurance contracts which will reduce returns.

The above graph compares a hypothetical investment of $10,000 made in Initial and Service shares of BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio on 12/31/11 to a hypothetical investment of $10,000 made in the Index on that date.

The fund's performance shown in the line graph above takes into account all applicable fees and expenses. The Index measures the performance of the small-cap segment of the U.S. equity universe. The Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Index is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. Unlike a mutual fund, the Index is not subject to charges, fees and other expenses. Investors cannot invest directly in any index. Further information relating to fund performance, including expense reimbursements, if applicable, is contained in the Financial Highlights section of the prospectus and elsewhere in this report.

Average Annual Total Returns as of 12/31/2021

	1 Year	5 Years	10 Years
Initial shares	**16.46%**	**11.40%**	**13.58%**
Service shares	**16.16%**	**11.12%**	**13.29%**
Russell 2000® Index	**14.82%**	**12.02%**	**13.23%**

The performance data quoted represents past performance, which is no guarantee of future results. Share price and investment return fluctuate and an investor's shares may be worth more or less than original cost upon redemption. Current performance may be lower or higher than the performance quoted. Go to www.im.bnymellon.com for the fund's most recent month-end returns.

The fund's Initial shares are not subject to a Rule 12b-1 fee. The fund's Service shares are subject to a 0.25% annual Rule 12b-1 fee. All dividends and capital gain distributions are reinvested.

The fund's performance shown in the graph and table does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

UNDERSTANDING YOUR FUND'S EXPENSES (Unaudited)

As a mutual fund investor, you pay ongoing expenses, such as management fees and other expenses. Using the information below, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You also may pay one-time transaction expenses, including sales charges (loads), redemption fees and expenses associated with variable annuity or insurance contracts, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial adviser.

Review your fund's expenses

The table below shows the expenses you would have paid on a $1,000 investment in BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio from July 1, 2021 to December 31, 2021. It also shows how much a $1,000 investment would be worth at the close of the period, assuming actual returns and expenses.

Expenses and Value of a $1,000 Investment
Assume actual returns for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$4.09	$5.35
Ending value (after expenses)	$1,005.20	$1,003.80

COMPARING YOUR FUND'S EXPENSES WITH THOSE OF OTHER FUNDS (Unaudited)

Using the SEC's method to compare expenses

The Securities and Exchange Commission ("SEC") has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a hypothetical 5% annualized return. You can use this information to compare the ongoing expenses (but not transaction expenses or total cost) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

Expenses and Value of a $1,000 Investment
Assuming a hypothetical 5% annualized return for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$4.13	$5.40
Ending value (after expenses)	$1,021.12	$1,019.86

† *Expenses are equal to the fund's annualized expense ratio of .81% for Initial Shares and 1.06% for Service Shares, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS
December 31, 2021

Description	Shares	Value ($)
Common Stocks - 96.3%		
Banks - 9.8%		
BankUnited	136,634	5,780,985
Essent Group	104,804	4,771,726
First Bancorp	491,990	6,779,622
First Interstate BancSystem, Cl. A	92,477	3,761,040
First Merchants	80,386	3,367,370
Silvergate Capital, Cl. A	20,158 [a]	2,987,416
Synovus Financial	120,513	5,768,957
		33,217,116
Capital Goods - 16.3%		
Array Technologies	260,380 [a,b]	4,085,362
EnerSys	53,375	4,219,827
Fluor	268,696 [a]	6,655,600
Gibraltar Industries	53,274 [a]	3,552,310
GrafTech International	485,243	5,740,425
Matrix Service	234,662 [a]	1,764,658
Maxar Technologies	121,766	3,595,750
Regal Rexnord	17,367	2,955,516
Terex	56,125	2,466,694
Titan Machinery	89,876 [a]	3,027,922
Triumph Group	92,434 [a]	1,712,802
Valmont Industries	15,838	3,967,419
Wabash National	256,667	5,010,140
WESCO International	47,061 [a]	6,192,757
		54,947,182
Commercial & Professional Services - 1.9%		
The Brink's Company	46,036	3,018,580
U.S. Ecology	102,215 [a]	3,264,747
		6,283,327
Consumer Durables & Apparel - 2.3%		
Callaway Golf	139,443 [a]	3,826,316
GoPro, Cl. A	393,862 [a]	4,060,717
		7,887,033
Consumer Services - 7.4%		
Bloomin' Brands	222,899 [a]	4,676,421
Cracker Barrel Old Country Store	17,151	2,206,305
Houghton Mifflin Harcourt	743,306 [a]	11,967,227
OneSpaWorld Holdings	137,927 [a,b]	1,382,029
Papa John's International	35,476	4,734,982
		24,966,964
Diversified Financials - 1.3%		
PJT Partners, Cl. A	57,743	**4,278,179**

Description	Shares	Value ($)
Common Stocks - 96.3% (continued)		
Energy - 4.1%		
CNX Resources	355,040 [a,b]	4,881,800
PBF Energy, Cl. A	379,161 [a,b]	4,917,718
Viper Energy Partners	186,032	3,964,342
		13,763,860
Food & Staples Retailing - 1.2%		
The Chefs' Warehouse	125,547 [a]	**4,180,715**
Health Care Equipment & Services - 9.3%		
Acadia Healthcare	71,343 [a]	4,330,520
Apria	171,273 [a]	5,583,500
Health Catalyst	103,004 [a,b]	4,081,018
Innovage Holding	164,705 [a,b]	823,525
ModivCare	23,951 [a]	3,551,694
NuVasive	50,241 [a]	2,636,648
Privia Health Group	192,909 [a,b]	4,990,556
R1 RCM	121,873 [a]	3,106,543
SOC Telemed	402,735 [a]	515,501
TransMedics Group	97,265 [a]	1,863,597
		31,483,102
Household & Personal Products - 1.1%		
Spectrum Brands Holdings	35,052	**3,565,489**
Insurance - 2.3%		
BRP Group, Cl. A	115,776 [a]	4,180,671
The Hanover Insurance Group	28,264	3,704,280
		7,884,951
Materials - 6.6%		
Alamos Gold, Cl. A	588,092	4,522,428
IAMGOLD	725,728 [a,b]	2,271,529
Largo	186,019 [a]	1,722,536
MP Materials	111,926 [a,b]	5,083,679
Summit Materials, Cl. A	115,134 [a]	4,621,479
Tronox Holdings, Cl. A	174,635	4,196,479
		22,418,130
Media & Entertainment - 2.5%		
Cardlytics	27,071 [a,b]	1,789,122
Eventbrite, Cl. A	284,965 [a,b]	4,969,790
TrueCar	465,484 [a]	1,582,646
		8,341,558
Pharmaceuticals Biotechnology & Life Sciences - 5.7%		
Alkermes	210,495 [a]	4,896,114
Arena Pharmaceuticals	41,601 [a]	3,866,397
Generation Bio	62,985 [a]	445,934
Quanterix	96,938 [a]	4,110,171
Ultragenyx Pharmaceutical	23,547 [a]	1,980,067

Description		Shares	Value ($)
Common Stocks - 96.3% (continued)			
Pharmaceuticals Biotechnology & Life Sciences - 5.7% (continued)			
Xenon Pharmaceuticals		130,305 [a]	4,070,728
			19,369,411
Real Estate - 1.9%			
Colliers International Group		42,976 [b]	**6,388,382**
Retailing - 1.4%			
Party City Holdco		824,529 [a]	**4,592,627**
Semiconductors & Semiconductor Equipment - 3.7%			
Diodes		48,604 [a]	5,337,205
MaxLinear		94,513 [a]	7,125,335
			12,462,540
Software & Services - 6.5%			
ChannelAdvisor		311,175 [a]	7,679,799
Everbridge		32,503 [a,b]	2,188,427
Limelight Networks		446,789 [a]	1,532,486
Paya Holdings		661,666 [a,b]	4,194,962
Zuora, Cl. A		343,820 [a]	6,422,558
			22,018,232
Technology Hardware & Equipment - 5.2%			
ADTRAN		277,228	6,329,115
Arlo Technologies		385,186 [a]	4,040,601
Extreme Networks		409,353 [a]	6,426,842
Ondas Holdings		93,380 [a,b]	626,580
			17,423,138
Transportation - 1.9%			
SkyWest		163,691 [a]	**6,433,056**
Utilities - 3.9%			
Clearway Energy, Cl. C		191,976 [b]	6,916,895
NextEra Energy Partners		76,343 [b]	6,443,349
			13,360,244
Total Common Stocks (cost $266,028,316)			**325,265,236**
Exchange-Traded Funds - 1.4%			
Registered Investment Companies - 1.4%			
iShares Russell 2000 ETF (cost $4,891,712)		21,988 [b]	**4,891,231**
	1-Day Yield (%)		
Investment Companies - 2.3%			
Registered Investment Companies - 2.3%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares (cost $7,865,339)	0.07	7,865,339 [c]	**7,865,339**

Description	1-Day Yield (%)	Shares	Value ($)
Investment of Cash Collateral for Securities Loaned - 4.9%			
Registered Investment Companies - 4.9%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares (cost $16,400,206)	0.07	16,400,206 [c]	**16,400,206**
Total Investments (cost $295,185,573)		**104.9%**	**354,422,012**
Liabilities, Less Cash and Receivables		**(4.9%)**	**(16,595,828)**
Net Assets		**100.0%**	**337,826,184**

ETF—Exchange-Traded Fund

[a] *Non-income producing security.*

[b] *Security, or portion thereof, on loan. At December 31, 2021, the value of the fund's securities on loan was $36,812,405 and the value of the collateral was $37,744,226, consisting of cash collateral of $16,400,206 and U.S. Government & Agency securities valued at $21,344,020. In addition, the value of collateral may include pending sales that are also on loan.*

[c] *Investment in affiliated issuer. The investment objective of this investment company is publicly available and can be found within the investment company's prospectus.*

Portfolio Summary (Unaudited) †	Value (%)
Industrials	20.0
Information Technology	15.4
Health Care	15.0
Financials	13.4
Consumer Discretionary	11.1
Investment Companies	8.6
Materials	6.6
Energy	4.1
Utilities	4.0
Communication Services	2.5
Consumer Staples	2.3
Real Estate	1.9
	104.9

† *Based on net assets.*

See notes to financial statements.

STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS

Description	Value ($) 12/31/2020	Purchases ($)†	Sales ($)	Value ($) 12/31/2021	Dividends/ Distributions ($)
Registered Investment Companies - 2.3%					
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares - 2.3%	7,330,027	82,511,295	(81,975,983)	7,865,339	3,338
Investment of Cash Collateral for Securities Loaned - 4.9%					
Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares - 4.9%	11,599,220	140,150,478	(135,349,492)	16,400,206	112,068††
Total - 7.2%	**18,929,247**	**222,661,773**	**(217,325,475)**	**24,265,545**	**115,406**

† *Includes reinvested dividends/distributions.*

†† *Represents securities lending income earned from the reinvestment of cash collateral from loaned securities, net of fees and collateral investment expenses, and other payments to and from borrowers of securities.*

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2021

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
(including securities on loan, valued at $36,812,405)—Note 1(c):		
Unaffiliated issuers	270,920,028	330,156,467
Affiliated issuers	24,265,545	24,265,545
Receivable for shares of Beneficial Interest subscribed		116,466
Receivable for investment securities sold		66,003
Dividends and securities lending income receivable		64,062
Prepaid expenses		4,999
		354,673,542
Liabilities ($):		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 3(b)		223,174
Liability for securities on loan—Note 1(c)		16,400,206
Payable for shares of Beneficial Interest redeemed		91,671
Payable for investment securities purchased		42,638
Trustees' fees and expenses payable		3,143
Other accrued expenses		86,526
		16,847,358
Net Assets ($)		**337,826,184**
Composition of Net Assets ($):		
Paid-in capital		219,330,992
Total distributable earnings (loss)		118,495,192
Net Assets ($)		**337,826,184**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	316,091,896	21,734,288
Shares Outstanding	5,471,953	396,810
Net Asset Value Per Share ($)	**57.77**	**54.77**

See notes to financial statements.

STATEMENT OF OPERATIONS
Year Ended December 31, 2021

Investment Income ($):	
Income:	
Cash dividends (net of $26,551 foreign taxes withheld at source):	
Unaffiliated issuers	2,287,398
Affiliated issuers	3,338
Income from securities lending—Note 1(c)	112,068
Total Income	**2,402,804**
Expenses:	
Investment advisory fee—Note 3(a)	2,528,255
Professional fees	103,981
Distribution fees—Note 3(b)	54,470
Prospectus and shareholders' reports	42,070
Trustees' fees and expenses—Note 3(c)	19,550
Chief Compliance Officer fees—Note 3(b)	14,276
Custodian fees—Note 3(b)	13,566
Loan commitment fees—Note 2	7,457
Shareholder servicing costs—Note 3(b)	1,352
Miscellaneous	25,861
Total Expenses	**2,810,838**
Investment (Loss)—Net	**(408,034)**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments	64,142,601
Net change in unrealized appreciation (depreciation) on investments	(14,081,002)
Net Realized and Unrealized Gain (Loss) on Investments	**50,061,599**
Net Increase in Net Assets Resulting from Operations	**49,653,565**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31,	
	2021	2020
Operations ($):		
Investment income (loss)—net	(408,034)	342,943
Net realized gain (loss) on investments	64,142,601	2,161,849
Net change in unrealized appreciation (depreciation) on investments	(14,081,002)	49,035,655
Net Increase (Decrease) in Net Assets Resulting from Operations	**49,653,565**	**51,540,447**
Distributions ($):		
Distributions to shareholders:		
Initial Shares	(342,095)	(1,469,047)
Service Shares	-	(66,238)
Total Distributions	**(342,095)**	**(1,535,285)**
Beneficial Interest Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	16,726,030	13,882,857
Service Shares	1,470,360	1,214,440
Distributions reinvested:		
Initial Shares	342,095	1,469,047
Service Shares	-	66,238
Cost of shares redeemed:		
Initial Shares	(33,340,521)	(36,150,285)
Service Shares	(2,872,363)	(2,247,850)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	**(17,674,399)**	**(21,765,553)**
Total Increase (Decrease) in Net Assets	**31,637,071**	**28,239,609**
Net Assets ($):		
Beginning of Period	306,189,113	277,949,504
End of Period	**337,826,184**	**306,189,113**
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	296,401	409,112
Shares issued for distributions reinvested	6,297	51,564
Shares redeemed	(594,724)	(927,661)
Net Increase (Decrease) in Shares Outstanding	**(292,026)**	**(466,985)**
Service Shares		
Shares sold	27,690	36,881
Shares issued for distributions reinvested	-	2,444
Shares redeemed	(53,728)	(61,128)
Net Increase (Decrease) in Shares Outstanding	**(26,038)**	**(21,803)**

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period. Net asset value total return includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. The fund's total returns do not reflect expenses associated with variable annuity or insurance contracts. These figures have been derived from the fund's financial statements.

	Year Ended December 31,				
Initial Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	49.66	41.78	41.20	60.91	49.44
Investment Operations:					
Investment income (loss)—net[a]	(.06)	.06	.26	(.06)	(.12)
Net realized and unrealized gain (loss) on investments	8.23	8.07	8.35	(9.48)	12.21
Total from Investment Operations	8.17	8.13	8.61	(9.54)	12.09
Distributions:					
Dividends from investment income-net	(.06)	(.25)	-	-	-
Dividends from net realized gain on investments	-	-	(8.03)	(10.17)	(.62)
Total distributions	(.06)	(.25)	(8.03)	(10.17)	(.62)
Net asset value, end of period	57.77	49.66	41.78	41.20	60.91
Total Return (%)	16.46	19.89	21.78	(19.08)	24.69
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.82	.85	.84	.84	.85
Ratio of net investment income (loss) to average net assets	(.10)	.16	.64	(.12)	(.22)
Portfolio Turnover Rate	59.71	68.67	65.42	67.90	70.11
Net Assets, end of period ($ x 1,000)	316,092	286,250	260,321	146,730	189,582

[a] *Based on average shares outstanding.*

See notes to financial statements.

	Year Ended December 31,				
Service Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	47.15	39.65	39.53	58.98	48.01
Investment Operations:					
Investment income (loss)—net[a]	(.19)	(.03)	.16	(.19)	(.25)
Net realized and unrealized gain (loss) on investments	7.81	7.68	7.99	(9.09)	11.84
Total from Investment Operations	7.62	7.65	8.15	(9.28)	11.59
Distributions:					
Dividends from investment income-net	-	(.15)	-	-	-
Dividends from net realized gain on investments	-	-	(8.03)	(10.17)	(.62)
Total distributions	-	(.15)	(8.03)	(10.17)	(.62)
Net asset value, end of period	54.77	47.15	39.65	39.53	58.98
Total Return (%)	16.16	19.58	21.49	(19.29)	24.37
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	1.07	1.10	1.09	1.09	1.10
Ratio of net investment income (loss) to average net assets	(.36)	(.09)	.41	(.37)	(.47)
Portfolio Turnover Rate	59.71	68.67	65.42	67.90	70.11
Net Assets, end of period ($ x 1,000)	21,734	19,939	17,628	15,291	20,322

[a] *Based on average shares outstanding.*

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1—Significant Accounting Policies:

Opportunistic Small Cap Portfolio (the "fund") is a separate diversified series of BNY Mellon Variable Investment Fund (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company and operates as a series company currently offering four series, including the fund. The fund is only offered to separate accounts established by insurance companies to fund variable annuity contracts and variable life insurance policies. The fund's investment objective is to seek capital growth. BNY Mellon Investment Adviser, Inc. (the "Adviser"), a wholly-owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"), serves as the fund's investment adviser. Effective September 1, 2021 (the "Effective Date"), the Adviser has engaged its affiliate, Newton Investment Management North America, LLC (the "Sub-Adviser") as the fund's sub-investment adviser pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser. As the fund's sub-investment adviser, the Sub-Adviser provides the day-to-day management of the fund's investments, subject to the Adviser's supervision and approval. The Adviser (and not the fund) pays the Sub-Adviser for its sub-advisory services. As of the Effective Date, portfolio managers responsible for managing the fund's investments who were employees of Mellon Investments Corporation ("Mellon") in a dual employment arrangement with the Adviser, have become employees of the Sub-Adviser, and are no longer employees of Mellon.

BNY Mellon Securities Corporation (the "Distributor"), a wholly-owned subsidiary of the Adviser, is the distributor of the fund's shares, which are sold to the public without a sales charge. The fund is authorized to issue an unlimited number of $.001 par value shares of Beneficial Interest in each of the following classes of shares: Initial and Service. Each class of shares has identical rights and privileges, except with respect to the Distribution Plan, and the expenses borne by each class, the allocation of certain transfer agency costs, and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses which are applicable to all series are allocated among them on a pro rata basis.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund is an investment company and applies the accounting and reporting guidance of the FASB ASC Topic 946 Financial Services-Investment Companies. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The Trust enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The fund does not anticipate recognizing any loss related to these arrangements.

(a) Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

Level 1—unadjusted quoted prices in active markets for identical investments.

Level 2—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).

Level 3—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

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

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in equity securities are valued at the last sales price on the securities exchange or national securities market on which such securities are primarily traded. Securities listed on the National Market System for which market quotations are available are valued at the official closing price or, if there is no official closing price that day, at the last sales price. For open short positions, asked prices are used for valuation purposes. Bid price is used when no asked price is available. Registered investment companies that are not traded on an exchange are valued at their net asset value. All of the preceding securities are generally categorized within Level 1 of the fair value hierarchy.

Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices. These securities are generally categorized within Level 2 of the fair value hierarchy.

Fair valuing of securities may be determined with the assistance of a pricing service using calculations based on indices of domestic securities and other appropriate indicators, such as prices of relevant American Depository Receipts and futures. Utilizing these techniques may result in transfers between Level 1 and Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined not to accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Trust's Board of Trustees (the "Board"). Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For securities where observable inputs are limited, assumptions about market activity and risk are used and such securities are generally categorized within Level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of December 31, 2021 in valuing the fund's investments:

	Level 1- Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	**Total**
Assets ($)				
Investments in Securities:†				
Equity Securities - Common Stocks	325,265,236	-	-	**325,265,236**
Exchange-Traded Funds	4,891,231	-	-	**4,891,231**
Investment Companies	24,265,545	-	-	**24,265,545**

† *See Statement of Investments for additional detailed categorizations, if any.*

(b) Foreign taxes: The fund may be subject to foreign taxes (a portion of which may be reclaimable) on income, stock dividends, realized and unrealized capital gains on investments or certain foreign currency transactions. Foreign taxes are recorded in accordance with the applicable foreign tax regulations and rates that exist in the foreign jurisdictions in which the fund invests. These foreign taxes, if any, are paid by the fund and are reflected in the Statement of Operations, if applicable. Foreign taxes payable or deferred or those subject to reclaims as of December 31, 2021, if any, are disclosed in the fund's Statement of Assets and Liabilities.

(c) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

Pursuant to a securities lending agreement with The Bank of New York Mellon, a subsidiary of BNY Mellon and an affiliate of the Adviser, the fund may lend securities to qualified institutions. It is the fund's policy that, at origination, all loans are secured by collateral of at least 102% of the value of U.S. securities loaned and 105% of the value of foreign securities loaned. Collateral equivalent to at least 100% of the market value of securities on loan is maintained at all times. Collateral is either in the form of cash, which can be invested in certain money market mutual funds

managed by the Adviser, or U.S. Government and Agency securities. The fund is entitled to receive all dividends, interest and distributions on securities loaned, in addition to income earned as a result of the lending transaction. Should a borrower fail to return the securities in a timely manner, The Bank of New York Mellon is required to replace the securities for the benefit of the fund or credit the fund with the market value of the unreturned securities and is subrogated to the fund's rights against the borrower and the collateral. Additionally, the contractual maturity of security lending transactions are on an overnight and continuous basis. During the period ended December 31, 2021, The Bank of New York Mellon earned $15,275 from the lending of the fund's portfolio securities, pursuant to the securities lending agreement.

(d) Affiliated issuers: Investments in other investment companies advised by the Adviser are considered "affiliated" under the Act.

(e) Risk: Certain events particular to the industries in which the fund's investments conduct their operations, as well as general economic, political and public health conditions, may have a significant negative impact on the investee's operations and profitability. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the fund. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies world-wide. Recent examples include pandemic risks related to COVID-19 and aggressive measures taken world-wide in response by governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines of large populations, and by businesses, including changes to operations and reducing staff. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. The COVID-19 pandemic has had, and any other outbreak of an infectious disease or other serious public health concern could have, a significant negative impact on economic and market conditions and could trigger a prolonged period of global economic slowdown. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

(f) Dividends and distributions to shareholders: Dividends and distributions are recorded on the ex-dividend date. Dividends from investment income-net and dividends from net realized capital gains, if any, are normally declared and paid annually, but the fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gains can be offset by capital loss carryovers, it is the policy of the fund not to distribute such gains. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

(g) Federal income taxes: It is the policy of the fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income and net realized capital gain sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended December 31, 2021, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended December 31, 2021, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended December 31, 2021 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At December 31, 2021, the components of accumulated earnings on a tax basis were as follows: undistributed ordinary income $16,288,499, undistributed capital gains $43,530,432 and unrealized appreciation $58,676,261.

The tax character of distributions paid to shareholders during the fiscal periods ended December 31, 2021 and December 31, 2020 were as follows: ordinary income $342,095 and $1,535,285, respectively.

NOTE 2—Bank Lines of Credit:

The fund participates with other long-term open-end funds managed by the Adviser in a $823.5 million unsecured credit facility led by Citibank, N.A. (the "Citibank Credit Facility") and a $300 million unsecured credit facility provided by The Bank of New York Mellon (the "BNYM Credit Facility"), each to be utilized primarily for temporary or emergency purposes, including the financing of redemptions (each, a "Facility"). The Citibank Credit Facility is available in two tranches: (i) Tranche A is in an

amount equal to $688.5 million and is available to all long-term open-ended funds, including the fund, and (ii) Tranche B is an amount equal to $135 million and is available only to BNY Mellon Floating Rate Income Fund, a series of BNY Mellon Investment Funds IV, Inc. In connection therewith, the fund has agreed to pay its pro rata portion of commitment fees for Tranche A of the Citibank Credit Facility and the BNYM Credit Facility. Interest is charged to the fund based on rates determined pursuant to the terms of the respective Facility at the time of borrowing. During the period ended December 31, 2021, the fund did not borrow under the Facilities.

NOTE 3—Investment Advisory Fee, Sub-Investment Advisory Fee and Other Transactions with Affiliates:

(a) Pursuant to an investment advisory agreement with the Adviser, the investment advisory fee is computed at the annual rate of .75% of the value of the fund's average daily net assets and is payable monthly.

As of the Effective Date, pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser, the Adviser pays the Sub-Adviser a monthly fee at an annual rate of .36% of the value of the fund's average daily net assets.

(b) Under the Distribution Plan adopted pursuant to Rule 12b-1 under the Act, Service shares pay the Distributor for distributing its shares, for servicing and/or maintaining Service shares' shareholder accounts and for advertising and marketing for Service shares. The Distribution Plan provides for payments to be made at an annual rate of .25% of the value of the Service shares' average daily net assets. The Distributor may make payments to Participating Insurance Companies and to brokers and dealers acting as principal underwriter for their variable insurance products. The fees payable under the Distribution Plan are payable without regard to actual expenses incurred. During the period ended December 31, 2021, Service shares were charged $54,470 pursuant to the Distribution Plan.

The fund has an arrangement with the transfer agent whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset transfer agency fees. For financial reporting purposes, the fund includes net earnings credits, if any, as shareholder servicing costs in the Statement of Operations.

The fund has an arrangement with the custodian whereby the fund will receive interest income or be charged overdraft fees when cash balances are maintained. For financial reporting purposes, the fund includes this interest income and overdraft fees, if any, as interest income in the Statement of Operations.

The fund compensates BNY Mellon Transfer, Inc., a wholly-owned subsidiary of the Adviser, under a transfer agency agreement for providing transfer agency and cash management services inclusive of earnings credits, if any, for the fund. The majority of transfer agency fees are comprised of amounts paid on a per account basis, while cash management fees are related to fund subscriptions and redemptions. During the period ended December 31, 2021, the fund was charged $1,158 for transfer agency services, inclusive of earnings credit, if any. These fees are included in Shareholder servicing costs in the Statement of Operations.

The fund compensates The Bank of New York Mellon under a custody agreement for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended December 31, 2021, the fund was charged $13,566 pursuant to the custody agreement.

During the period ended December 31, 2021, the fund was charged $14,276 for services performed by the Chief Compliance Officer and his staff. These fees are included in Chief Compliance Officer fees in the Statement of Operations.

The components of "Due to BNY Mellon Investment Adviser, Inc. and affiliates" in the Statement of Assets and Liabilities consist of: investment advisory fees of $211,148, Distribution Plan fees of $4,517, custodian fees of $3,600, Chief Compliance Officer fees of $3,627 and transfer agency fees of $282.

(c) Each Board member also serves as a Board member of other funds in the BNY Mellon Family of Funds complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

NOTE 4—Securities Transactions:

The aggregate amount of purchases and sales of investment securities, excluding short-term securities, during the period ended December 31, 2021, amounted to $195,581,221 and $214,047,545, respectively.

At December 31, 2021, the cost of investments for federal income tax purposes was $295,745,751; accordingly, accumulated net unrealized appreciation on investments was $58,676,261, consisting of $84,232,573 gross unrealized appreciation and $25,556,312 gross unrealized depreciation.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of Opportunistic Small Cap Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Opportunistic Small Cap Portfolio (the "Fund") (one of the funds constituting BNY Mellon Variable Investment Fund), including the statements of investments and investments in affiliated issuers, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting BNY Mellon Variable Investment Fund) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the BNY Mellon Family of Funds since at least 1957, but we are unable to determine the specific year.

New York, New York
February 8, 2022

IMPORTANT TAX INFORMATION (Unaudited)

For federal tax purposes, the portfolio hereby reports 99.47% of the ordinary dividends paid during the fiscal year ended December 31, 2021 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in early 2022 of the percentage applicable to the preparation of their 2021 income tax returns.

BOARD MEMBERS INFORMATION (Unaudited)

Independent Board Members

Joseph S. DiMartino (78)
Chairman of the Board (1995)

Principal Occupation During Past 5 Years:

- Director or Trustee of funds in the BNY Mellon Family of Funds and certain other entities (as described in the fund's Statement of Additional Information) (1995-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (1997-Present)

No. of Portfolios for which Board Member Serves: 96

Peggy C. Davis (78)
Board Member (2006)

Principal Occupation During Past 5 Years:

- Shad Professor of Law, New York University School of Law (1983-Present)

No. of Portfolios for which Board Member Serves: 34

Gina D. France (63)
Board Member (2019)

Principal Occupation During Past 5 Years:

- France Strategic Partners, a strategy and advisory firm serving corporate clients across the United States, *Founder, President and Chief Executive Officer* (2003-Present)

Other Public Company Board Memberships During Past 5 Years:

- Huntington Bancshares, a bank holding company headquartered in Columbus, Ohio, *Director* (2016-Present)
- Cedar Fair, L.P., a publicly-traded partnership that owns and operates amusement parks and hotels in the U.S. and Canada, *Director* (2011-Present)
- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (2015-Present)
- FirstMerit Corporation, a diversified financial services company, *Director* (2004-2016)

No. of Portfolios for which Board Member Serves: 24

Joan Gulley (74)
Board Member (2017)

Principal Occupation During Past 5 Years:

- Nantucket Atheneum, public library, *Chair* (2018-June 2021) and *Director* (2015-June 2021)
- Orchard Island Club, golf and beach club, *Governor* (2016-Present)

No. of Portfolios for which Board Member Serves: 42

Robin A. Melvin (58)
Board Member (2012)

Principal Occupation During Past 5 Years:

- Westover School, a private girls' boarding school in Middlebury, Connecticut, *Trustee* (2019-Present)
- Mentor Illinois, a non-profit organization dedicated to increasing the quality of mentoring services in Illinois, *Co-Chair* (2014–2020); *Board Member*, Mentor Illinois (2013-2020)
- JDRF, a non-profit juvenile diabetes research foundation, *Board Member* (June 2021-Present)

Other Public Company Board Memberships During Past 5 Years:

- HPS Corporate Lending Fund, a closed-end management investment company regulated as a business development company, *Trustee* (August 2021-Present)

No. of Portfolios for which Board Member Serves: 74

Once elected all Board Members serve for an indefinite term, but achieve Emeritus status upon reaching age 80. The address of the Board Members and Officers is c/o BNY Mellon Investment Adviser, Inc. 240 Greenwich Street, New York, New York 10286. Additional information about the Board Members is available in the fund's Statement of Additional Information which can be obtained from the Adviser free of charge by calling this toll free number: 1-800-373-9387.

David P.Feldman, Emeritus Board Member
Ehud Houminer, Emeritus Board Member
Lynn Martin, Emeritus Board Member
Dr. Martin Peretz, Emeritus Board Member
Philip L. Toia, Emeritus Board Member

OFFICERS OF THE FUND (Unaudited)

DAVID DIPETRILLO, President since January 2021.

Vice President and Director of the Adviser since February 2021; Head of North America Product, BNY Mellon Investment Management since January 2018; Director of Product Strategy, BNY Mellon Investment Management from January 2016 to December 2017. He is an officer of 56 investment companies (comprised of 109 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 43 years old and has been an employee of BNY Mellon since 2005.

JAMES WINDELS, Treasurer since November 2001.

Vice President of the Adviser since September 2020; Director–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 63 years old and has been an employee of the Adviser since April 1985.

PETER M. SULLIVAN, Chief Legal Officer since July 2021 and Vice President and Assistant Secretary since March 2019.

Chief Legal Officer of the Adviser and Associate General Counsel of BNY Mellon since July 2021; Senior Managing Counsel of BNY Mellon from December 2020 to July 2021; Managing Counsel of BNY Mellon from March 2009 to December 2020, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of BNY Mellon since April 2004.

JAMES BITETTO, Vice President since August 2005 and Secretary since February 2018.

Senior Managing Counsel of BNY Mellon since December 2019; Managing Counsel of BNY Mellon from April 2014 to December 2019; Secretary of the Adviser, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 55 years old and has been an employee of the Adviser since December 1996.

DEIRDRE CUNNANE, Vice President and Assistant Secretary since March 2019.

Managing Counsel of BNY Mellon since December 2021, Counsel of BNY Mellon from August 2018 to December 2021; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from February 2016 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 31 years old and has been an employee of the Adviser since August 2018.

SARAH S. KELLEHER, Vice President and Assistant Secretary since April 2014.

Vice President of BNY Mellon ETF Investment Adviser; LLC since February 2020; Senior Managing Counsel of BNY Mellon since September 2021; Managing Counsel of BNY Mellon from December 2017 to September 2021; and Senior Counsel of BNY Mellon from March 2013 to December 2017. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 46 years old and has been an employee of the Adviser since March 2013.

JEFF PRUSNOFSKY, Vice President and Assistant Secretary since August 2005.

Senior Managing Counsel of BNY Mellon, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 56 years old and has been an employee of the Adviser since October 1990.

AMANDA QUINN, Vice President and Assistant Secretary since March 2020.

Counsel of BNY Mellon since June 2019; Regulatory Administration Manager at BNY Mellon Investment Management Services from September 2018 to May 2019; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from April 2015 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of the Adviser since June 2019.

NATALYA ZELENSKY, Vice President and Assistant Secretary since March 2017.

Chief Compliance Officer since August 2021 and Vice President since February 2020 of BNY Mellon ETF Investment Adviser, LLC; Chief Compliance Officer since August 2021 and Vice President and Assistant Secretary since February 2020 of BNY Mellon ETF Trust; Managing Counsel of BNY Mellon from December 2019 to August 2021; Counsel of BNY Mellon from May 2016 to December 2019; Assistant Secretary of the Adviser from April 2018 to August 2021. She is an officer of 56 investment companies (comprised of 129 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of BNY Mellon since May 2016.

GAVIN C. REILLY, Assistant Treasurer since December 2005.

Tax Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of the Adviser since April 1991.

ROBERT SALVIOLO, Assistant Treasurer since July 2007.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since June 1989.

ROBERT SVAGNA, Assistant Treasurer since December 2002.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since November 1990.

JOSEPH W. CONNOLLY, Chief Compliance Officer since October 2004.

Chief Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust since 2004; Chief Compliance Officer of the Adviser from 2004 until June 2021. He is an officer of 56 investment companies (comprised of 117 portfolios) managed by the Adviser. He is 64 years old.

CARIDAD M. CAROSELLA, Anti-Money Laundering Compliance Officer since January 2016.

Anti-Money Laundering Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust. She is an officer of 49 investment companies (comprised of 122 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 53 years old and has been an employee of the Distributor since 1997.

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For More Information

BNY Mellon Variable Investment Fund, Opportunistic Small Cap Portfolio

240 Greenwich Street
New York, NY 10286

Adviser

BNY Mellon Investment Adviser, Inc.
240 Greenwich Street
New York, NY 10286

Sub-Adviser

Newton Investment Management
North America, LLC
BNY Mellon Center
201 Washington Place
Boston, MA 02108

Custodian

The Bank of New York Mellon
240 Greenwich Street
New York, NY 10286

Transfer Agent & Dividend Disbursing Agent

BNY Mellon Transfer, Inc.
240 Greenwich Street
New York, NY 10286

Distributor

BNY Mellon Securities Corporation
240 Greenwich Street
New York, NY 10286

Telephone 1-800-258-4260 or 1-800-258-4261

Mail The BNY Mellon Family of Funds, 144 Glenn Curtiss Boulevard, Uniondale, NY 11556-0144 Attn: Institutional Services Department

E-mail Send your request to info@bnymellon.com

Internet Information can be viewed online or downloaded at www.im.bnymellon.com

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-PORT. The fund's Forms N-PORT are available on the SEC's website at www.sec.gov.

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the fund voted these proxies for the most recent 12-month period ended June 30 is available at www.im.bnymellon.com and on the SEC's website at www.sec.gov and without charge, upon request, by calling 1-800-373-9387.

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BNY MELLON
INVESTMENT MANAGEMENT

BNY Mellon Sustainable U.S. Equity Portfolio, Inc.

ANNUAL REPORT
December 31, 2021



BNY MELLON
INVESTMENT MANAGEMENT

Save time. Save paper. View your next shareholder report online as soon as it's available. Log into www.im.bnymellon.com and sign up for eCommunications. It's simple and only takes a few minutes.

The views expressed in this report reflect those of the portfolio manager(s) only through the end of the period covered and do not necessarily represent the views of BNY Mellon Investment Adviser, Inc. or any other person in the BNY Mellon Investment Adviser, Inc. organization. Any such views are subject to change at any time based upon market or other conditions and BNY Mellon Investment Adviser, Inc. disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a fund in the BNY Mellon Family of Funds are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any fund in the BNY Mellon Family of Funds.

Not FDIC-Insured • Not Bank-Guaranteed • May Lose Value

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FOR MORE INFORMATION

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DISCUSSION OF FUND PERFORMANCE (Unaudited)

For the period from January 1, 2021 through December 31, 2021, as provided by portfolio managers Charles French and Yuko Takano of Newton Investment Management Limited, Sub-Investment Adviser

Market and Fund Performance Overview

For the 12-month period ended December 31, 2021, BNY Mellon Sustainable U.S. Equity Portfolio, Inc. (the "fund") Initial shares produced a total return of 27.00%, and the fund's Service shares returned 26.68%.[1] In comparison, the fund's benchmark, the S&P 500® Index (the "Index"), produced a total return of 28.70% for the same period.[2]

U.S. equities rose during the reporting period, supported by government stimulus programs, accommodative central bank policies, strong corporate earnings and improving investor sentiment as vaccines for the COVID-19 pandemic rolled out. The fund underperformed the Index, largely due to security selection in the health care sector, as well as disappointing selections in consumer discretionary and financials.

The Fund's Investment Approach

The fund seeks long-term capital appreciation. To pursue its goal, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of U.S. companies that demonstrate attractive investment attributes and sustainable business practices and have no material, unresolvable, environmental, social and governance (ESG) issues. The fund invests principally in common stocks, focusing on companies with market capitalizations of $5 billion or more at the time of purchase. The fund may invest up to 20% of its assets in the stocks of foreign companies, including up to 10% in the stocks of companies in emerging-market countries.

We use quantitative and qualitative fundamental analyses to identify attractively priced companies with good products, strong management and strategic direction that have adopted, or are making progress toward, a sustainable business approach. We employ an investment process that combines investment themes with fundamental research and analysis to select stocks for the fund's portfolio.

Equities Advance in the Face of Challenges

U.S. equities made further headway as they passed the first anniversary of the coronavirus pandemic. Although fresh lockdowns were enforced across several major economies, the accelerating rollout of COVID-19 vaccination programs and the promising results witnessed in those countries most advanced in this process bolstered investors' risk appetite. By contrast, the influence of monetary accommodation, which undoubtedly provided critical support for financial asset prices, took a somewhat different turn. With reflation underway and an elevated pace of growth expected in the second half of the year, investors began to anticipate a dialing back of the exceptional levels of monetary stimulus provided earlier in the pandemic. This contributed to a sharp rise in government bond yields early in 2021, with the long end of the U.S. Treasury market experiencing its worst quarter since 1980. The nature of fiscal stimulus also continued to evolve as President Biden formally announced his long-awaited $1.2 trillion infrastructure program.

U.S. equities continued to advance during the second half of the period, drawing strength from an impressive slate of U.S. economic data, robust corporate earnings and further evidence that vaccination programs could be paving the way for a full reopening of economies. However, as the year progressed, the widening scope of regulatory intervention within China unnerved investors. Concerns were heightened by the possibility that The China Evergrande Group, a highly indebted

Chinese property developer, might default on its loans and trigger a broader crisis in the property and financial sectors. Higher energy prices, goods shortages and wage-inflation numbers led to the suggestion that monetary stimulus could be 'tapered' and interest rates moved higher. Nevertheless, U.S. equities continued on an upward trajectory, taking the prospect of monetary policy tightening and the travails of President Biden's 'Build Back Better' bill in their stride, until the new COVID-19 Omicron variant came to the fore. Omicron's highly mutated profile initially provoked draconian responses from several governments, which, in turn, undermined risk appetite. Shortly afterwards, the picture for U.S. equities was muddied still further when Jerome Powell, Chair of the U.S. Federal Reserve (the "Fed"), surprised markets by embracing a more hawkish tone with regard to the tapering of the Fed's asset-purchase program. However, risk assets recovered into the end of the year. Financial markets proved equally resilient to the incrementally hawkish rhetoric that emanated from the Fed's December meeting, implying that such concerns had already been well discounted.

Health Care Selections Detract from Relative Returns

Stock selection in the communication services, consumer staples, industrials, materials and information technology sectors had a positive impact on the portfolio's relative returns. Overweight exposure to information technology further bolstered performance, as did underweight exposure to the lagging communication services and industrials sectors. Top-performing individual holdings included business strategy and consulting firm Accenture and semiconductor equipment maker Applied Materials. Accenture shares rose in response to a succession of strong quarterly results that displayed broad-based revenue growth. Given the robust nature of the demand environment and strength of the digital transformation trend, management raised revenue guidance toward the end of the review period. Applied Materials performed well over the start of the year on the positive implications of Taiwan Semiconductor Manufacturing Company's plans to dramatically increase capital expenditure in 2021. Shares continued to trend higher on an increasingly optimistic outlook for demand and revenue, shrugging off intermittent worries around the semiconductor cycle. Despite supply constraints weighing on results toward the end of 2021, the underlying demand environment continued to be robust with management remaining bullish on the secular opportunity.

On the other hand, the portfolio's relative performance suffered due to disappointing stock selections in health care and, to a lesser extent, consumer discretionary and financials. Lack of exposure to energy and real estate also detracted from relative returns. Notably weak individual holdings included medical device company Medtronic and fintech firm Fidelity National Information Services. Medtronic shares fell as sales expectations for its renal denervation product were curbed following news that a key study would need to continue until completion, thus delaying any potential FDA (Food and Drug Administration) filing. The subsequent receipt of a warning letter from the same agency relating to manufacturing issues with the company's MiniMed insulin pumps represented a further setback, raising concerns around a broader slowdown in product approvals. Fidelity National Information Services shares struggled at the start of 2021 due to the pandemic-related squeeze on consumer spending. Shares subsequently fell in the second half of the year as financial results failed to meet some lofty expectations.

Taking a Thematic and Fundamental Approach

Although the direction of bond yields is likely to be a key determinant of equity markets, we remain focused on our thematic and fundamental stock-selection approach, taking into consideration how rapidly shifting the backdrop may continue to be and the likely volatility that will be encountered as the market reacts to the removal of central bank stimulus measures. At Newton, our themes allow us to identify investment opportunities, while steering us away from

longer-term structural threats and guiding our capital allocation and portfolio construction. A focus on the sustainability of our investments also plays a key role in ensuring that the portfolio is effectively positioned for the longer term. We continue to seek out opportunities that are able to manage the potential dynamic tension between the three vectors of financial returns, social consequences and environmental impacts.

As we continue to manage the portfolio very much in line with our thematic and fundamental views, our positioning remains broadly consistent at the sector level. We maintain a sizeable overweight to information technology, although we trimmed several holdings on share-price strength in the fourth quarter of 2021. Nevertheless, with low-cost computing power being dominated by so few companies, we remain positive on prospects for the sector's growth.

January 18, 2022

[1] *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. The fund's return reflects the absorption of certain fund expenses by BNY Mellon Investment Adviser, Inc. pursuant to an agreement in effect through April 30, 2022, at which time it may be extended, modified or terminated. Had these expenses not been absorbed, returns would have been lower.*

[2] *Source: Lipper Inc. — The S&P 500® Index is widely regarded as the best single gauge of large-cap U.S. equities. The Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Investors cannot invest directly in any index.*

Equities are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

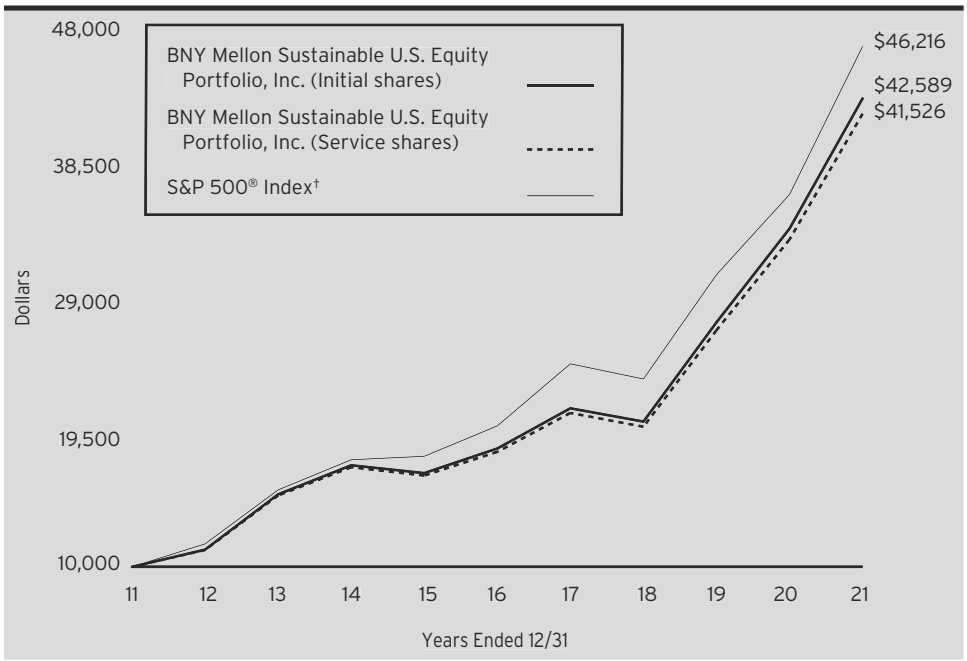
References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be and should not be interpreted as recommendations.

Recent market risks include pandemic risks related to COVID-19. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

The fund's consideration of ESG issues in the securities selection process may cause the fund to perform differently from funds that do not integrate consideration of ESG issues when selecting investments.

The fund is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies. Individuals may not purchase shares of the fund directly. A variable annuity is an insurance contract issued by an insurance company that enables investors to accumulate assets on a tax-deferred basis for retirement or other long-term goals. The investment objective and policies of BNY Mellon Sustainable U.S. Equity Portfolio, Inc., made available through insurance products, may be similar to those of other funds managed by BNY Mellon Investment Adviser, Inc. However, the investment results of the fund may be higher or lower than, and may not be comparable to, those of any other BNY Mellon Investment Adviser, Inc. fund.

FUND PERFORMANCE (Unaudited)



Comparison of change in value of a $10,000 investment in Initial shares and Service shares of BNY Mellon Sustainable U.S. Equity Portfolio, Inc. with a hypothetical investment of $10,000 in the S&P 500® Index (the "Index").

† *Source: Lipper Inc.*

Past performance is not predictive of future performance. The fund's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in variable insurance contracts which will reduce returns.

The above graph compares a hypothetical $10,000 investment made in Initial shares and Service shares of BNY Mellon Sustainable U.S. Equity Portfolio, Inc. on 12/31/11 to a hypothetical investment of $10,000 made in the Index on that date.

The fund's performance shown in the line graph above takes into account all applicable fund fees and expenses for Initial shares and Service shares (after any expense reimbursements). The Index is widely regarded as the best single gauge of large-cap U.S. equities. The Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Unlike a mutual fund, the Index is not subject to charges, fees and other expenses. Investors cannot invest directly in any index. Further information relating to fund performance, including expense reimbursements, if applicable, is contained in the Financial Highlights section of the prospectus and elsewhere in this report.

Average Annual Total Returns as of 12/31/2021

	1 Year	5 Years	10 Years
Initial shares	**27.00%**	**18.49%**	**15.59%**
Service shares	**26.68%**	**18.20%**	**15.30%**
S&P 500® Index	**28.70%**	**18.47%**	**16.54%**

The performance data quoted represents past performance, which is no guarantee of future results. Share price and investment return fluctuate and an investor's shares may be worth more or less than original cost upon redemption. Current performance may be lower or higher than the performance quoted. Go to www.im.bnymellon.com for the fund's most recent month-end returns.

The fund's Initial shares are not subject to a Rule 12b-1 fee. The fund's Service shares are subject to a 0.25% annual Rule 12b-1 fee. All dividends and capital gain distributions are reinvested.

The fund's performance shown in the graph and table does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

UNDERSTANDING YOUR FUND'S EXPENSES (Unaudited)

As a mutual fund investor, you pay ongoing expenses, such as management fees and other expenses. Using the information below, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You also may pay one-time transaction expenses, including sales charges (loads), redemption fees and expenses associated with variable annuity or insurance contracts, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial adviser.

Review your fund's expenses

The table below shows the expenses you would have paid on a $1,000 investment in BNY Mellon Sustainable U.S. Equity Portfolio, Inc. from July 1, 2021 to December 31, 2021. It also shows how much a $1,000 investment would be worth at the close of the period, assuming actual returns and expenses.

Expenses and Value of a $1,000 Investment
Assume actual returns for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$3.59	$4.92
Ending value (after expenses)	$1,123.60	$1,122.40

COMPARING YOUR FUND'S EXPENSES WITH THOSE OF OTHER FUNDS (Unaudited)

Using the SEC's method to compare expenses

The Securities and Exchange Commission ("SEC") has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a hypothetical 5% annualized return. You can use this information to compare the ongoing expenses (but not transaction expenses or total cost) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

Expenses and Value of a $1,000 Investment
Assuming a hypothetical 5% annualized return for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$3.41	$4.69
Ending value (after expenses)	$1,021.83	$1,020.57

† *Expenses are equal to the fund's annualized expense ratio of .67% for Initial Shares and .92% for Service Shares, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS
December 31, 2021

Description	Shares	Value ($)
Common Stocks - 99.0%		
Banks - 7.7%		
Citigroup	120,790	7,294,508
First Republic Bank	47,324	9,772,879
JPMorgan Chase & Co.	66,312	10,500,505
		27,567,892
Capital Goods - 2.5%		
Ferguson	41,166	7,302,137
Otis Worldwide	20,737	1,805,571
		9,107,708
Consumer Durables & Apparel - 6.1%		
Lennar, Cl. A	89,880	10,440,461
NIKE, Cl. B	67,840	11,306,893
		21,747,354
Diversified Financials - 2.5%		
The Goldman Sachs Group	23,858	**9,126,878**
Food & Staples Retailing - 2.9%		
Costco Wholesale	18,195	**10,329,302**
Food, Beverage & Tobacco - 3.0%		
Beyond Meat	7,211 [a]	469,869
PepsiCo	58,923	10,235,514
		10,705,383
Health Care Equipment & Services - 8.3%		
Abbott Laboratories	83,817	11,796,405
Medtronic	83,751	8,664,041
The Cooper Companies	21,927	9,186,097
		29,646,543
Materials - 4.6%		
Albemarle	39,283	9,183,187
Ecolab	31,071	7,288,946
		16,472,133
Media & Entertainment - 4.7%		
Alphabet, Cl. A	5,879 [a]	**17,031,698**
Pharmaceuticals Biotechnology & Life Sciences - 1.5%		
Merck & Co.	68,959	**5,285,018**
Retailing - 10.5%		
Amazon.com	6,062 [a]	20,212,769
Dollar General	31,906	7,524,392
eBay	147,410	9,802,765
		37,539,926
Semiconductors & Semiconductor Equipment - 6.8%		
Applied Materials	62,804	9,882,838
Qualcomm	35,035	6,406,851

Description		Shares	Value ($)
Common Stocks - 99.0% (continued)			
Semiconductors & Semiconductor Equipment - 6.8% (continued)			
Texas Instruments		43,034	8,110,618
			24,400,307
Software & Services - 22.1%			
Accenture, Cl. A		39,957	16,564,174
Fidelity National Information Services		45,874	5,007,147
Intuit		18,151	11,675,086
Mastercard, Cl. A		25,619	9,205,419
Microsoft		77,469	26,054,374
salesforce.com		42,970 [a]	10,919,966
			79,426,166
Technology Hardware & Equipment - 9.8%			
Apple		148,319	26,337,005
TE Connectivity		53,927	8,700,582
			35,037,587
Telecommunication Services - .9%			
Verizon Communications		63,769	**3,313,437**
Transportation - 1.9%			
Norfolk Southern		23,209	**6,909,551**
Utilities - 3.2%			
CMS Energy		83,128	5,407,477
Eversource Energy		67,648	6,154,615
			11,562,092
Total Common Stocks (cost $183,707,068)			**355,208,975**
	1-Day Yield (%)		
Investment Companies - 1.0%			
Registered Investment Companies - 1.0%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares (cost $3,481,838)	0.07	3,481,838 [b]	**3,481,838**
Total Investments (cost $187,188,906)		**100.0%**	**358,690,813**
Liabilities, Less Cash and Receivables		**(.0%)**	**(151,091)**
Net Assets		**100.0%**	**358,539,722**

[a] *Non-income producing security.*

[b] *Investment in affiliated issuer. The investment objective of this investment company is publicly available and can be found within the investment company's prospectus.*

Portfolio Summary (Unaudited) †	Value (%)
Information Technology	38.7
Consumer Discretionary	16.5
Financials	10.2
Health Care	9.7
Consumer Staples	5.9
Communication Services	5.7
Materials	4.6
Industrials	4.5
Utilities	3.2
Investment Companies	1.0
	100.0

† *Based on net assets.*

See notes to financial statements.

STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS

Description	Value ($) 12/31/2020	Purchases ($)†	Sales ($)	Value ($) 12/31/2021	Dividends/ Distributions ($)
Registered Investment Companies - 1.0%					
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares - 1.0%	3,426,748	42,428,578	(42,373,488)	3,481,838	2,811

† *Includes reinvested dividends/distributions.*

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES
December 31, 2021

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
Unaffiliated issuers	183,707,068	355,208,975
Affiliated issuers	3,481,838	3,481,838
Dividends receivable		195,070
Receivable for shares of Common Stock subscribed		45,464
Prepaid expenses		5,113
		358,936,460
Liabilities ($):		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 3(c)		193,602
Payable for shares of Common Stock redeemed		126,464
Directors' fees and expenses payable		3,857
Other accrued expenses		72,815
		396,738
Net Assets ($)		**358,539,722**
Composition of Net Assets ($):		
Paid-in capital		164,853,418
Total distributable earnings (loss)		193,686,304
Net Assets ($)		**358,539,722**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	328,328,461	30,211,261
Shares Outstanding	5,652,984	528,657
Net Asset Value Per Share ($)	**58.08**	**57.15**

See notes to financial statements.

STATEMENT OF OPERATIONS
Year Ended December 31, 2021

Investment Income ($):	
Income:	
Cash dividends:	
Unaffiliated issuers	3,734,838
Affiliated issuers	2,811
Total Income	**3,737,649**
Expenses:	
Management fee—Note 3(a)	1,973,170
Professional fees	113,623
Distribution fees—Note 3(b)	59,330
Prospectus and shareholders' reports	45,226
Directors' fees and expenses—Note 3(d)	23,644
Chief Compliance Officer fees—Note 3(c)	14,276
Custodian fees—Note 3(c)	6,539
Shareholder servicing costs—Note 3(c)	6,443
Loan commitment fees—Note 2	5,453
Miscellaneous	25,004
Total Expenses	**2,272,708**
Investment Income—Net	**1,464,941**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments and foreign currency transactions	20,900,897
Net realized gain (loss) on forward foreign currency exchange contracts	(50)
Net Realized Gain (Loss)	**20,900,847**
Net change in unrealized appreciation (depreciation) on investments and foreign currency transactions	55,727,208
Net change in unrealized appreciation (depreciation) on forward foreign currency exchange contracts	66
Net Change in Unrealized Appreciation (Depreciation)	**55,727,274**
Net Realized and Unrealized Gain (Loss) on Investments	**76,628,121**
Net Increase in Net Assets Resulting from Operations	**78,093,062**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31,	
	2021	2020
Operations ($):		
Investment income—net	1,464,941	2,443,416
Net realized gain (loss) on investments	20,900,847	7,395,059
Net change in unrealized appreciation (depreciation) on investments	55,727,274	48,215,379
Net Increase (Decrease) in Net Assets Resulting from Operations	**78,093,062**	**58,053,854**
Distributions ($):		
Distributions to shareholders:		
Initial Shares	(9,105,383)	(5,450,358)
Service Shares	(620,217)	(278,338)
Total Distributions	**(9,725,600)**	**(5,728,696)**
Capital Stock Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	14,996,495	13,185,483
Service Shares	8,532,661	5,892,682
Distributions reinvested:		
Initial Shares	9,105,383	5,450,358
Service Shares	620,217	278,338
Cost of shares redeemed:		
Initial Shares	(36,743,574)	(27,686,362)
Service Shares	(2,033,408)	(4,001,592)
Increase (Decrease) in Net Assets from Capital Stock Transactions	**(5,522,226)**	**(6,881,093)**
Total Increase (Decrease) in Net Assets	**62,845,236**	**45,444,065**
Net Assets ($):		
Beginning of Period	295,694,486	250,250,421
End of Period	**358,539,722**	**295,694,486**
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	285,446	337,739
Shares issued for distributions reinvested	191,290	195,143
Shares redeemed	(699,072)	(695,969)
Net Increase (Decrease) in Shares Outstanding	**(222,336)**	**(163,087)**
Service Shares		
Shares sold	165,009	145,537
Shares issued for distributions reinvested	13,216	10,096
Shares redeemed	(39,340)	(100,741)
Net Increase (Decrease) in Shares Outstanding	**138,885**	**54,892**

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period. Net asset value total return includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. The fund's total returns do not reflect expenses associated with variable annuity or insurance contracts. These figures have been derived from the fund's financial statements.

	Year Ended December 31,				
Initial Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	47.24	39.30	30.73	40.27	37.86
Investment Operations:					
Investment income—net[a]	.24	.39	.40	.41	.38
Net realized and unrealized gain (loss) on investments	12.17	8.47	9.85	(1.69)	5.14
Total from Investment Operations	12.41	8.86	10.25	(1.28)	5.52
Distributions:					
Dividends from investment income—net	(.40)	(.44)	(.52)	(.71)	(.46)
Dividends from net realized gain on investments	(1.17)	(.48)	(1.16)	(7.55)	(2.65)
Total Distributions	(1.57)	(.92)	(1.68)	(8.26)	(3.11)
Net asset value, end of period	58.08	47.24	39.30	30.73	40.27
Total Return (%)	27.00	24.14	34.36	(4.41)	15.33
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.67	.68	.68	.74	.80
Ratio of net expenses to average net assets	.67	.68	.68	.70	.77
Ratio of net investment income to average net assets	.46	.97	1.14	1.19	.99
Portfolio Turnover Rate	13.23	24.81	25.43	51.68	119.51
Net Assets, end of period ($ x 1,000)	328,328	277,555	237,287	193,538	226,078

[a] *Based on average shares outstanding.*

See notes to financial statements.

	Year Ended December 31,				
Service Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	46.54	38.71	30.30	39.80	37.46
Investment Operations:					
Investment income—net[a]	.10	.29	.31	.32	.28
Net realized and unrealized gain (loss) on investments	11.99	8.38	9.71	(1.66)	5.08
Total from Investment Operations	12.09	8.67	10.02	(1.34)	5.36
Distributions:					
Dividends from investment income—net	(.31)	(.36)	(.45)	(.61)	(.37)
Dividends from net realized gain on investments	(1.17)	(.48)	(1.16)	(7.55)	(2.65)
Total Distributions	(1.48)	(.84)	(1.61)	(8.16)	(3.02)
Net asset value, end of period	57.15	46.54	38.71	30.30	39.80
Total Return (%)	26.68	23.86	34.01	(4.64)	15.04
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.92	.93	.93	.99	1.05
Ratio of net expenses to average net assets	.92	.93	.93	.95	1.02
Ratio of net investment income to average net assets	.20	.72	.88	.95	.74
Portfolio Turnover Rate	13.23	24.81	25.43	51.68	119.51
Net Assets, end of period ($ x 1,000)	30,211	18,139	12,964	9,410	10,274

[a] *Based on average shares outstanding.*

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1—Significant Accounting Policies:

BNY Mellon Sustainable U.S. Equity Portfolio, Inc. (the "fund"), which is registered under the Investment Company Act of 1940, as amended (the "Act"), is a diversified open-end management investment company. The fund is only offered to separate accounts established by insurance companies to fund variable annuity contracts and variable life insurance policies. The fund's investment objective is to seek long-term capital appreciation. BNY Mellon Investment Adviser, Inc. (the "Adviser"), a wholly-owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"), serves as the fund's investment adviser. Newton Investment Management Limited (the "Sub-Adviser"), a wholly-owned subsidiary of BNY Mellon and an affiliate of the Adviser, serves as the fund's sub-investment adviser.

BNY Mellon Securities Corporation (the "Distributor"), a wholly-owned subsidiary of the Adviser, is the distributor of the fund's shares, which are sold without a sales charge. The fund is authorized to issue 150 million shares of $.001 par value Common Stock in each of the following classes of shares: Initial and Service. Initial shares are subject to a Shareholder Services Plan fee and Service shares are subject to a Distribution Plan fee. Each class of shares has identical rights and privileges, except with respect to the Distribution Plan, Shareholder Services Plan and the expenses borne by each class, the allocation of certain transfer agency costs, and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund is an investment company and applies the accounting and reporting guidance of the FASB ASC Topic 946 Financial Services-Investment Companies. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The fund enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The

fund does not anticipate recognizing any loss related to these arrangements.

(a) Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

> **Level 1**—unadjusted quoted prices in active markets for identical investments.
>
> **Level 2**—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).
>
> **Level 3**—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

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

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in equity securities are valued at the last sales price on the securities exchange or national securities market on which such securities are primarily traded. Securities listed on the National Market System for which market quotations are available are valued at the official closing price or, if there is no official closing price that day, at the last sales price. For open short positions, asked prices are used for valuation purposes. Bid price is used when no asked price is available. Registered investment companies that are not traded on an exchange are valued at their net asset

value. All of the preceding securities are generally categorized within Level 1 of the fair value hierarchy.

Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices. These securities are generally categorized within Level 2 of the fair value hierarchy.

Fair valuing of securities may be determined with the assistance of a pricing service using calculations based on indices of domestic securities and other appropriate indicators, such as prices of relevant American Depository Receipts and futures. Utilizing these techniques may result in transfers between Level 1 and Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined not to accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the fund's Board of Directors (the "Board"). Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For securities where observable inputs are limited, assumptions about market activity and risk are used and such securities are generally categorized within Level 3 of the fair value hierarchy.

Investments denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange.

The following is a summary of the inputs used as of December 31, 2021 in valuing the fund's investments:

	Level 1- Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	**Total**
Assets ($)				
Investments in Securities:†				
Equity Securities - Common Stocks	355,208,975	-	-	**355,208,975**

	Level 1- Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	**Total**
Assets ($)(continued)				
Investments in Securities:†(continued)				
Investment Companies	3,481,838	-	-	**3,481,838**

† *See Statement of Investments for additional detailed categorizations, if any.*

(b) Foreign currency transactions: The fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized on securities transactions between trade and settlement date, and the difference between the amounts of dividends, interest and foreign withholding taxes 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 resulting from changes in exchange rates. Foreign currency gains and losses on foreign currency transactions are also included with net realized and unrealized gain or loss on investments.

(c) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

(d) Affiliated issuers: Investments in other investment companies advised by the Adviser are considered "affiliated" under the Act.

(e) Risk: Certain events particular to the industries in which the fund's investments conduct their operations, as well as general economic, political and public health conditions, may have a significant negative impact on the investee's operations and profitability. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the fund. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country,

region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies world-wide. Recent examples include pandemic risks related to COVID-19 and aggressive measures taken world-wide in response by governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines of large populations, and by businesses, including changes to operations and reducing staff. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. The COVID-19 pandemic has had, and any other outbreak of an infectious disease or other serious public health concern could have, a significant negative impact on economic and market conditions and could trigger a prolonged period of global economic slowdown. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

(f) Dividends and distributions to shareholders: Dividends and distributions are recorded on the ex-dividend date. Dividends from investment income-net and dividends from net realized capital gains, if any, are normally declared and paid annually, but the fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gains can be offset by capital loss carryovers, it is the policy of the fund not to distribute such gains. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

(g) Federal income taxes: It is the policy of the fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income and net realized capital gain sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended December 31, 2021, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended December 31, 2021, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended December 31, 2021 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At December 31, 2021, the components of accumulated earnings on a tax basis were as follows: undistributed ordinary income $2,473,119, undistributed capital gains $19,887,112 and unrealized appreciation $171,326,073.

The tax character of distributions paid to shareholders during the fiscal periods ended December 31, 2021 and December 31, 2020 were as follows: ordinary income $5,202,309 and $3,974,173, and long-term capital gains $4,523,291 and $1,754,523, respectively.

NOTE 2—Bank Lines of Credit:

The fund participates with other long-term open-end funds managed by the Adviser in a $823.5 million unsecured credit facility led by Citibank, N.A. (the "Citibank Credit Facility") and a $300 million unsecured credit facility provided by The Bank of New York Mellon (the "BNYM Credit Facility"), each to be utilized primarily for temporary or emergency purposes, including the financing of redemptions (each, a "Facility"). The Citibank Credit Facility is available in two tranches: (i) Tranche A is in an amount equal to $688.5 million and is available to all long-term open-ended funds, including the fund, and (ii) Tranche B is an amount equal to $135 million and is available only to BNY Mellon Floating Rate Income Fund, a series of BNY Mellon Investment Funds IV, Inc. In connection therewith, the fund has agreed to pay its pro rata portion of commitment fees for Tranche A of the Citibank Credit Facility and the BNYM Credit Facility. Interest is charged to the fund based on rates determined pursuant to the terms of the respective Facility at the time of borrowing. During the period ended December 31, 2021, the fund did not borrow under the Facilities.

NOTE 3—Management Fee, Sub-Investment Advisory Fee and Other Transactions with Affiliates:

(a) Pursuant to the management agreement with the Adviser, the management fee is computed at an annual rate of .60% of the value of the fund's average daily net assets and is payable monthly. The Adviser has contractually agreed, from January 1, 2021 through April 30, 2022, to waive receipt of its fees and/or assume the direct expenses of the fund, so that the direct expenses of none of the classes (excluding Rule 12b-1 Distribution Plan fees, Shareholder Services Plan fees, taxes, interest expense, brokerage commission, commitment fees on borrowings and extraordinary expenses) exceed .70% of the value of the fund's average

daily net assets. On or after April 30, 2022, the Adviser may terminate this expense limitation agreement at any time. During the period ended December 31, 2021, there was no expense reimbursement pursuant to the undertaking.

Pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser, the Sub-Adviser serves as the fund's sub-investment adviser responsible for the day-to-day management of the fund's portfolio. The Adviser pays the sub-investment adviser a monthly fee at an annual percentage of the value of the fund's average daily net assets. The Adviser has obtained an exemptive order from the SEC (the "Order"), upon which the fund may rely, to use a manager of managers approach that permits the Adviser, subject to certain conditions and approval by the Board, to enter into and materially amend sub-investment advisory agreements with one or more sub-investment advisers who are either unaffiliated with the Adviser or are wholly-owned subsidiaries (as defined under the Act) of the Adviser's ultimate parent company, BNY Mellon, without obtaining shareholder approval. The Order also allows the fund to disclose the sub-investment advisory fee paid by the Adviser to any unaffiliated sub-investment adviser in the aggregate with other unaffiliated sub-investment advisers in documents filed with the SEC and provided to shareholders. In addition, pursuant to the Order, it is not necessary to disclose the sub-investment advisory fee payable by the Adviser separately to a sub-investment adviser that is a wholly-owned subsidiary of BNY Mellon in documents filed with the SEC and provided to shareholders; such fees are to be aggregated with fees payable to the Adviser. The Adviser has ultimate responsibility (subject to oversight by the Board) to supervise any sub-investment adviser and recommend the hiring, termination, and replacement of any sub-investment adviser to the Board.

(b) Under the Distribution Plan adopted pursuant to Rule 12b-1 under the Act, Service shares pay the Distributor for distributing its shares, for servicing and/or maintaining Service shares' shareholder accounts and for advertising and marketing for Service shares. The Distribution Plan provides for payments to be made at an annual rate of .25% of the value of the Service shares' average daily net assets. The Distributor may make payments to Participating Insurance Companies and to brokers and dealers acting as principal underwriter for their variable insurance products. The fees payable under the Distribution Plan are payable without regard to actual expenses incurred. During the period ended December 31, 2021, Service shares were charged $59,330 pursuant to the Distribution Plan.

(c) Under the Shareholder Services Plan, Initial shares reimburse the Distributor at an amount not to exceed an annual rate of .25% of the value

of its average daily net assets for certain allocated expenses with respect to servicing and/or maintaining Initial shares' shareholder accounts. During the period ended December 31, 2021, Initial shares were charged $4,502 pursuant to the Shareholder Services Plan.

The fund has an arrangement with the transfer agent whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset transfer agency fees. For financial reporting purposes, the fund includes net earnings credits, if any, as shareholder servicing costs in the Statement of Operations.

The fund has an arrangement with the custodian whereby the fund will receive interest income or be charged overdraft fees when cash balances are maintained. For financial reporting purposes, the fund includes this interest income and overdraft fees, if any, as interest income in the Statement of Operations.

The fund compensates BNY Mellon Transfer, Inc., a wholly-owned subsidiary of the Adviser, under a transfer agency agreement for providing transfer agency and cash management services inclusive of earnings credits, if any, for the fund. The majority of transfer agency fees are comprised of amounts paid on a per account basis, while cash management fees are related to fund subscriptions and redemptions. During the period ended December 31, 2021, the fund was charged $1,687 for transfer agency services, inclusive of earnings credit, if any. These fees are included in Shareholder servicing costs in the Statement of Operations.

The fund compensates The Bank of New York Mellon under a custody agreement for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended December 31, 2021, the fund was charged $6,539 pursuant to the custody agreement.

During the period ended December 31, 2021, the fund was charged $14,276 for services performed by the Chief Compliance Officer and his staff. These fees are included in Chief Compliance Officer fees in the Statement of Operations.

The components of "Due to BNY Mellon Investment Adviser, Inc. and affiliates" in the Statement of Assets and Liabilities consist of: management fees of $180,201, Distribution Plan fees of $6,221, Shareholder Service Plan fees of $1,000, custodian fees of $2,200, Chief Compliance Officer fees of $3,627 and transfer agency fees of $353.

(d) Each Board member also serves as a Board member of other funds in the BNY Mellon Family of Funds complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

NOTE 4—Securities Transactions:

The aggregate amount of purchases and sales of investment securities, excluding short-term securities and forward foreign currency exchange contracts ("forward contracts"), during the period ended December 31, 2021, amounted to $42,613,347 and $56,242,774, respectively.

Derivatives: A derivative is a financial instrument whose performance is derived from the performance of another asset. The fund enters into International Swaps and Derivatives Association, Inc. Master Agreements or similar agreements (collectively, "Master Agreements") with its over-the-counter ("OTC") derivative contract counterparties in order to, among other things, reduce its credit risk to counterparties. Master Agreements include provisions for general obligations, representations, collateral and events of default or termination. Under a Master Agreement, the fund may offset with the counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment in the event of default or termination.

Each type of derivative instrument that was held by the fund during the period ended December 31, 2021 is discussed below.

Forward Foreign Currency Exchange Contracts: The fund enters into forward contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign portfolio holdings, to settle foreign currency transactions or as a part of its investment strategy. When executing forward contracts, the fund is obligated to buy or sell a foreign currency at a specified rate on a certain date in the future. With respect to sales of forward contracts, the fund incurs a loss if the value of the contract increases between the date the forward contract is opened and the date the forward contract is closed. The fund realizes a gain if the value of the contract decreases between those dates. With respect to purchases of forward contracts, the fund incurs a loss if the value of the contract decreases between the date the forward contract is opened and the date the forward contract is closed. The fund realizes a gain if the value of the contract increases between those dates. Any realized or unrealized gains or losses which occurred during the period are reflected in the Statement of Operations. The fund is exposed to foreign currency risk as a result of changes in value of underlying financial instruments. The fund is also exposed to credit risk associated with counterparty nonperformance on these forward contracts, which is generally limited to the unrealized gain

on each open contract. This risk may be mitigated by Master Agreements, if any, between the fund and the counterparty and the posting of collateral, if any, by the counterparty to the fund to cover the fund's exposure to the counterparty. At December 31, 2021, there were no outstanding forward contracts.

The following summarizes the average market value of derivatives outstanding during the period ended December 31, 2021:

	Average Market Value ($)
Forward contracts	2,699

At December 31, 2021, the cost of investments for federal income tax purposes was $187,364,740; accordingly, accumulated net unrealized appreciation on investments was $171,326,073, consisting of $174,599,908 gross unrealized appreciation and $3,273,835 gross unrealized depreciation.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of BNY Mellon Sustainable U.S. Equity Portfolio, Inc.

Opinion on the Financial Statements

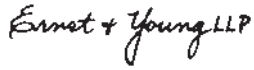
We have audited the accompanying statement of assets and liabilities of BNY Mellon Sustainable U.S. Equity Portfolio, Inc. (the "Fund"), including the statements of investments and investments in affiliated issuers, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. 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. We believe that our audits provide a reasonable basis for our opinion.



We have served as the auditor of one or more investment companies in the BNY Mellon Family of Funds since at least 1957, but we are unable to determine the specific year.

New York, New York
February 8, 2022

IMPORTANT TAX INFORMATION (Unaudited)

For federal tax purposes, the portfolio hereby reports 68.32% of the ordinary dividends paid during the fiscal year ended December 31, 2021 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in early 2022 of the percentage applicable to the preparation of their 2021 income tax returns. Also, the portfolio hereby reports $0.7266 per share as a long-term capital gain distribution and $0.4434 per share as a short-term capital gain distribution paid on March 30, 2021.

INFORMATION ABOUT THE RENEWAL OF THE FUND'S MANAGEMENT AND SUB-INVESTMENT ADVISORY AGREEMENTS (Unaudited)

At a meeting of the fund's Board of Directors held on August 3-4, 2021, the Board considered the renewal of the fund's Management Agreement, pursuant to which the Adviser provides the fund with investment advisory and administrative services, and the Sub-Investment Advisory Agreement (together with the Management Agreement, the "Agreements"), pursuant to which Newton Investment Management Limited (the "Sub-adviser") provides day-to-day management of the fund's investments. The Board members, a majority of whom are not "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the fund, were assisted in their review by independent legal counsel and met with counsel in executive session separate from representatives of the Adviser and the Sub-adviser. In considering the renewal of the Agreements, the Board considered several factors that it believed to be relevant, including those discussed below. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

Analysis of Nature, Extent, and Quality of Services Provided to the Fund. The Board considered information provided to it at the meeting and in previous presentations from representatives of the Adviser regarding the nature, extent, and quality of the services provided to funds in the BNY Mellon fund complex, including the fund. The Adviser provided the number of open accounts in the fund, the fund's asset size and the allocation of fund assets among distribution channels. The Adviser also had previously provided information regarding the diverse intermediary relationships and distribution channels of funds in the BNY Mellon fund complex (such as retail direct or intermediary, in which intermediaries typically are paid by the fund and/or the Adviser) and the Adviser's corresponding need for broad, deep, and diverse resources to be able to provide ongoing shareholder services to each intermediary or distribution channel, as applicable to the fund.

The Board also considered research support available to, and portfolio management capabilities of, the fund's portfolio management personnel and that the Adviser also provides oversight of day-to-day fund operations, including fund accounting and administration and assistance in meeting legal and regulatory requirements. The Board also considered the Adviser's extensive administrative, accounting and compliance infrastructures, as well as the Adviser's supervisory activities over the Sub-adviser. The Board also considered portfolio management's brokerage policies and practices (including that there are no soft dollar arrangements in place for the fund) and the standards applied in seeking best execution.

Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio. The Board reviewed reports prepared by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company data based on classifications provided by Thomson Reuters Lipper, which included information comparing (1) the performance of the fund's Initial shares with the performance of a group of large-cap core funds underlying variable insurance products ("VIPs") selected by Broadridge as comparable to the fund ("Performance Group 1") and with a broader

group of funds consisting of all large-cap core funds underlying VIPs (the "Performance Universe"), all for various periods ended June 30, 2021; (2) at the request of the Adviser, the performance of the fund's Initial shares with the performance of a second group of large-cap core funds underlying VIPs with an above average Morningstar ESG (environmental, social and governance) Sustainable Ranking selected by Broadridge ("Performance Group 2"), all for various periods ended June 30, 2021; (3) the fund's actual and contractual management fees and total expenses of the fund's Initial shares with those of two groups of comparable funds, one identical to Performance Group 1 ("Expense Group 1") and the other identical to Performance Group 2 ("Expense Group 2"), and with a broader group of all large-cap core funds underlying VIPs with similar 12b-1/non-12b-1 structures, excluding outliers (the "Expense Universe"); and (4) at the request of the Adviser, the total expenses of the fund's Service shares with those of Expense Group 1, Expense Group 2 and the Expense Universe, the information for which was derived in part from fund financial statements available to Broadridge as of the date of its analysis. The Adviser previously had furnished the Board with a description of the methodology Broadridge used to select the Performance Groups and Performance Universe and the Expense Groups and Expense Universe.

Performance Comparisons. Representatives of the Adviser stated that the usefulness of performance comparisons may be affected by a number of factors, including different investment limitations and policies that may be applicable to the fund and comparison funds and the end date selected. The Board discussed with representatives of the Adviser and the Sub-adviser the results of the comparisons and considered that the fund's total return performance was above the Performance Group 1, Performance Group 2 and Performance Universe medians for all periods, except the one- and ten-year periods when the total return performance was below the Performance Group 1 and Performance Universe medians and the one-year period when it was below the Performance Group 2 median, ranking in the first quartile of Performance Group 2 and the Performance Universe in most of the periods shown. The Adviser also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index. The Board noted that the fund had a five star rating for the three-year period, a four star rating for the five-year period, and a four star overall rating from Morningstar based on Morningstar's risk-adjusted return measures.

Management Fee and Expense Ratio Comparisons. The Board reviewed and considered the contractual management fee rate payable by the fund to the Adviser in light of the nature, extent and quality of the management and sub-advisory services provided by the Adviser and the Sub-adviser, respectively. In addition, the Board reviewed and considered the actual management fee rate paid by the fund over the fund's last fiscal year. The Board also reviewed the range of actual and contractual management fees and total expenses as a percentage of average net assets of the Expense Group and Expense Universe funds and discussed the results of the comparisons.

The Board considered that the fund's contractual management fee was below the Expense Group 1 contractual management fee median and equal to the Expense Group 2 contractual management fee median, the fund's actual management fee was above the

Expense Group 1 median, equal to the Expense Group 2 median and slightly above the Expense Universe median actual management fee, the total expenses of the fund's Initial shares were below the Expense Groups 1 and 2 medians and the Expense Universe median total expenses, and the total expenses of the fund's Service shares were below the Expense Group 1 median, above to the Expense Group 2 median and above the Expense Universe median total expenses.

Representatives of the Adviser stated that the Adviser has contractually agreed, until April 30, 2022, to waive receipt of its fees and/or assume the direct expenses of the fund so that the direct expenses of none of the fund's classes (excluding Rule 12b-1 fees, shareholder services fees, taxes, interest, brokerage commissions, commitment fees on borrowings and extraordinary expenses) exceed 0.70% of the fund's average daily net assets.

Representatives of the Adviser reviewed with the Board the management or investment advisory fees paid by the one fund advised or administered by the Adviser that is in the same Lipper category as the fund (the "Similar Fund"), and explained the nature of the Similar Fund. They discussed differences in fees paid and the relationship of the fees paid in light of any differences in the services provided and other relevant factors. The Board considered the relevance of the fee information provided for the Similar Fund to evaluate the appropriateness of the fund's management fee. Representatives of the Adviser noted that there were no separate accounts and/or other types of client portfolios advised by the Adviser or the Sub-adviser that are considered to have similar investment strategies and policies as the fund.

The Board considered the fee payable to the Sub-adviser in relation to the fee payable to the Adviser by the fund and the respective services provided by the Sub-adviser and the Adviser. The Board also took into consideration that the Sub-adviser's fee is paid by the Adviser, out of its fee from the fund, and not the fund.

Analysis of Profitability and Economies of Scale. Representatives of the Adviser reviewed the expenses allocated and profit received by the Adviser and its affiliates and the resulting profitability percentage for managing the fund and the aggregate profitability percentage to the Adviser and its affiliates for managing the funds in the BNY Mellon fund complex, and the method used to determine the expenses and profit. The Board concluded that the profitability results were not excessive, given the services rendered and service levels provided by the Adviser and its affiliates. The Board also had been provided with information prepared by an independent consulting firm regarding the Adviser's approach to allocating costs to, and determining the profitability of, individual funds and the entire BNY Mellon fund complex. The consulting firm also had analyzed where any economies of scale might emerge in connection with the management of a fund.

The Board considered, on the advice of its counsel, the profitability analysis (1) as part of its evaluation of whether the fees under the Agreements, considered in relation to the mix of services provided by the Adviser and the Sub-adviser, including the nature, extent and quality of such services, supported the renewal of the Agreements and (2) in

light of the relevant circumstances for the fund and the extent to which economies of scale would be realized if the fund grows and whether fee levels reflect these economies of scale for the benefit of fund shareholders. Since the Adviser, and not the fund, pays the Sub-adviser pursuant to the Sub-Investment Advisory Agreement, the Board did not consider the Sub-adviser's profitability to be relevant to its deliberations. Representatives of the Adviser also stated that, as a result of shared and allocated costs among funds in the BNY Mellon fund complex, the extent of economies of scale could depend substantially on the level of assets in the complex as a whole, so that increases and decreases in complex-wide assets can affect potential economies of scale in a manner that is disproportionate to, or even in the opposite direction from, changes in the fund's asset level. The Board also considered potential benefits to the Adviser and the Sub-adviser from acting as investment adviser and sub-investment adviser, respectively, and took into consideration that there were no soft dollar arrangements in effect for trading the fund's investments.

At the conclusion of these discussions, the Board agreed that it had been furnished with sufficient information to make an informed business decision with respect to the renewal of the Agreements. Based on the discussions and considerations as described above, the Board concluded and determined as follows.

- The Board concluded that the nature, extent and quality of the services provided by the Adviser and the Sub-adviser are adequate and appropriate.
- The Board was satisfied with the fund's performance and determined to approve renewal of the Agreements.
- The Board concluded that the fees paid to the Adviser and the Sub-adviser continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above, subject to review no later than the next renewal consideration.
- The Board determined that the economies of scale which may accrue to the Adviser and its affiliates in connection with the management of the fund had been adequately considered by the Adviser in connection with the fee rate charged to the fund pursuant to the Management Agreement and that, to the extent in the future it were determined that material economies of scale had not been shared with the fund, the Board would seek to have those economies of scale shared with the fund.

In evaluating the Agreements, the Board considered these conclusions and determinations and also relied on its previous knowledge, gained through meetings and other interactions with the Adviser and its affiliates and the Sub-adviser, of the Adviser and the Sub-adviser and the services provided to the fund by the Adviser and the Sub-adviser. The Board also relied on information received on a routine and regular basis throughout the year relating to the operations of the fund and the investment management and other services provided under the Agreements, including information on the investment performance of the fund in comparison to similar mutual funds and

benchmark performance indices; general market outlook as applicable to the fund; and compliance reports. In addition, the Board's consideration of the contractual fee arrangements for the fund had the benefit of a number of years of reviews of the Agreements for the fund, or substantially similar agreements for other BNY Mellon funds that the Board oversees, during which lengthy discussions took place between the Board and representatives of the Adviser. Certain aspects of the arrangements may receive greater scrutiny in some years than in others, and the Board's conclusions may be based, in part, on their consideration of the fund's arrangements, or substantially similar arrangements for other BNY Mellon funds that the Board oversees, in prior years. The Board determined to renew the Agreements.

BOARD MEMBERS INFORMATION (Unaudited)

Independent Board Members

Joseph S. DiMartino (78)
Chairman of the Board (1995)

Principal Occupation During Past 5 Years:

- Director or Trustee of funds in the BNY Mellon Family of Funds and certain other entities (as described in the fund's Statement of Additional Information) (1995-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (1997-Present)

No. of Portfolios for which Board Member Serves: 96

Francine J. Bovich (70)
Board Member (2015)

Principal Occupation During Past 5 Years:

- The Bradley Trusts, private trust funds, *Trustee* (2011-Present)

Other Public Company Board Memberships During Past 5 Years:

- Annaly Capital Management, Inc., a real estate investment trust, *Director* (2014-Present)

No. of Portfolios for which Board Member Serves: 54

J. Charles Cardona (66)
Board Member (2014)

Principal Occupation During Past 5 Years:

- President and Director of the Adviser (2008-2016)
- Chief Executive Officer of Dreyfus Cash Investment Strategies, a division of the Adviser (2009-2016)
- Chairman of the Distributor (2013–2016)

Other Public Company Board Memberships During Past 5 Years:

- BNY Mellon ETF Trust, *Chairman and Trustee* (2020-Present)
- BNY Mellon Liquidity Funds, *Director* (2004-Present) and *Chairman* (2019-2021)

No. of Portfolios for which Board Member Serves: 35

Andrew J. Donohue (71)
Board Member (2019)

Principal Occupation During Past 5 Years:

- Attorney, Solo Law Practice (2019-Present)
- Shearman & Sterling LLP, a law firm, Of Counsel (2017-2019)
- Chief of Staff to the Chair of the SEC (2015-2017)

Other Public Company Board Memberships During Past 5 Years:

- Oppenheimer Funds (58 funds), *Director* (2017-2019)

No. of Portfolios for which Board Member Serves: 44

Isabel P. Dunst (74)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Hogan Lovells LLP, a law firm, Retired (2019-Present); Senior Counsel (2018-2019); Of Counsel (2015-2018); Partner (1990-2014)
- Hebrew Union College Jewish Institute of Religion, *Member of the Board of Governors* (2015-Present)
- Bend the ARC, a civil rights organization, *Board Member* (2016-Present)

No. of Portfolios for which Board Member Serves: 22

Nathan Leventhal (78)
Board Member (2009)

Principal Occupation During Past 5 Years:

- Lincoln Center for the Performing Arts, *President Emeritus* (2001-Present)
- Palm Beach Opera, *President* (2016-Present)

Other Public Company Board Memberships During Past 5 Years:

- Movado Group, Inc., a public company that designs, sources, markets and distributes watches *Director* (2003-2020)

No. of Portfolios for which Board Member Serves: 32

Robin A. Melvin (58)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Westover School, a private girls' boarding school in Middlebury, Connecticut, *Trustee* (2019-Present)
- Mentor Illinois, a non-profit organization dedicated to increasing the quality of mentoring services in Illinois, *Co-Chair* (2014-2020); *Board Member*, Mentor Illinois (2013-2020)
- *JDRF, a non-profit juvenile diabetes research foundation, Board Member (June 2021-Present)*

Other Public Company Board Memberships During Past 5 Years:

- *HPS Corporate Lending Fund, a closed-end management investment company regulated as a business development company, Trustee (August 2021-Present)*

No. of Portfolios for which Board Member Serves: 74

Roslyn M. Watson (72)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Watson Ventures, Inc., a real estate investment company. *Principal* (1993-Present)

Other Public Company Board Memberships During Past 5 Years:

- American Express Bank, FSB, *Director* (1993-2018)

No. of Portfolios for which Board Member Serves: 44

Benaree Pratt Wiley (75)
Board Member (2009)

Principal Occupation During Past 5 Years:

- The Wiley Group, a firm specializing in strategy and business development, *Principal* (2005-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (2008-Present)
- Blue Cross Blue Shield of Massachusetts, *Director* (2004-2020)

No. of Portfolios for which Board Member Serves: 62

Tamara Belinfanti (46)
Advisory Board Member (2021)

Principal Occupation During Past 5 Years:

- New York Law School, Lester Martin Professor of Law (2009-Present)

No. of Portfolios for which Advisory Board Member Serves: 22

Gordon J. Davis (80)
Advisory Board Member (2021)

Principal Occupation During Past 5 Years:

- Venable LLP, a law firm Partner (2012-Present)

No. of Portfolios for which Advisory Board Member Serves: 40

Once elected all Board Members serve for an indefinite term, but achieve Emeritus status upon reaching age 80. The address of the Board Members and Officers is c/o BNY Mellon Investment Adviser, Inc. 240 Greenwich Street, New York, New York 10286. Additional information about the Board Members is available in the fund's Statement of Additional Information which can be obtained from the Adviser free of charge by calling this toll free number: 1-800-373-9387.

Clifford L. Alexander, Jr., Emeritus Board Member
Whitney I. Gerard, Emeritus Board Member
George L. Perry, Emeritus Board Member

OFFICERS OF THE FUND (Unaudited)

DAVID DIPETRILLO, President since January 2021.

Vice President and Director of the Adviser since February 2021; Head of North America Product, BNY Mellon Investment Management since January 2018; Director of Product Strategy, BNY Mellon Investment Management from January 2016 to December 2017. He is an officer of 56 investment companies (comprised of 109 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 43 years old and has been an employee of BNY Mellon since 2005.

JAMES WINDELS, Treasurer since November 2001.

Vice President of the Adviser since September 2020; Director–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 63 years old and has been an employee of the Adviser since April 1985.

PETER M. SULLIVAN, Chief Legal Officer since July 2021 and Vice President and Assistant Secretary since March 2019.

Chief Legal Officer of the Adviser and Associate General Counsel of BNY Mellon since July 2021; Senior Managing Counsel of BNY Mellon from December 2020 to July 2021; Managing Counsel of BNY Mellon from March 2009 to December 2020, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of BNY Mellon since April 2004.

JAMES BITETTO, Vice President since August 2005 and Secretary since February 2018.

Senior Managing Counsel of BNY Mellon since December 2019; Managing Counsel of BNY Mellon from April 2014 to December 2019; Secretary of the Adviser, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 55 years old and has been an employee of the Adviser since December 1996.

DEIRDRE CUNNANE, Vice President and Assistant Secretary since March 2019.

Managing Counsel of BNY Mellon since December 2021, Counsel of BNY Mellon from August 2018 to December 2021; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from February 2016 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 31 years old and has been an employee of the Adviser since August 2018.

SARAH S. KELLEHER, Vice President and Assistant Secretary since April 2014.

Vice President of BNY Mellon ETF Investment Adviser; LLC since February 2020; Senior Managing Counsel of BNY Mellon since September 2021; Managing Counsel of BNY Mellon from December 2017 to September 2021; and Senior Counsel of BNY Mellon from March 2013 to December 2017. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 46 years old and has been an employee of the Adviser since March 2013.

JEFF PRUSNOFSKY, Vice President and Assistant Secretary since August 2005.

Senior Managing Counsel of BNY Mellon, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 56 years old and has been an employee of the Adviser since October 1990.

AMANDA QUINN, Vice President and Assistant Secretary since March 2020.

Counsel of BNY Mellon since June 2019; Regulatory Administration Manager at BNY Mellon Investment Management Services from September 2018 to May 2019; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from April 2015 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of the Adviser since June 2019.

NATALYA ZELENSKY, Vice President and Assistant Secretary since March 2017.

Chief Compliance Officer since August 2021 and Vice President since February 2020 of BNY Mellon ETF Investment Adviser, LLC; Chief Compliance Officer since August 2021 and Vice President and Assistant Secretary since February 2020 of BNY Mellon ETF Trust; Managing Counsel of BNY Mellon from December 2019 to August 2021; Counsel of BNY Mellon from May 2016 to December 2019; Assistant Secretary of the Adviser from April 2018 to August 2021. She is an officer of 56 investment companies (comprised of 129 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of BNY Mellon since May 2016.

GAVIN C. REILLY, Assistant Treasurer since December 2005.

Tax Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of the Adviser since April 1991.

ROBERT SALVIOLO, Assistant Treasurer since July 2007.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since June 1989.

ROBERT SVAGNA, Assistant Treasurer since December 2002.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since November 1990.

JOSEPH W. CONNOLLY, Chief Compliance Officer since October 2004.

Chief Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust since 2004; Chief Compliance Officer of the Adviser from 2004 until June 2021. He is an officer of 56 investment companies (comprised of 117 portfolios) managed by the Adviser. He is 64 years old.

CARIDAD M. CAROSELLA, Anti-Money Laundering Compliance Officer since January 2016.

Anti-Money Laundering Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust. She is an officer of 49 investment companies (comprised of 122 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 53 years old and has been an employee of the Distributor since 1997.

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For More Information

BNY Mellon Sustainable U.S. Equity Portfolio, Inc.

240 Greenwich Street
New York, NY 10286

Adviser

BNY Mellon Investment Adviser, Inc.
240 Greenwich Street
New York, NY 10286

Sub-Adviser

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160 Queen Victoria Street
London, EC4V, 4LA, UK

Custodian

The Bank of New York Mellon
240 Greenwich Street
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Transfer Agent & Dividend Disbursing Agent

BNY Mellon Transfer, Inc.
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New York, NY 10286

Distributor

BNY Mellon Securities Corporation
240 Greenwich Street
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Telephone 1-800-258-4260 or 1-800-258-4261

Mail The BNY Mellon Family of Funds, 144 Glenn Curtiss Boulevard, Uniondale, NY 11556-0144 Attn: Institutional Services Department

E-mail Send your request to info@bnymellon.com

Internet Information can be viewed online or downloaded at www.im.bnymellon.com

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-PORT. The fund's Forms N-PORT are available on the SEC's website at www.sec.gov.

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the fund voted these proxies for the most recent 12-month period ended June 30 is available at www.im.bnymellon.com and on the SEC's website at www.sec.gov and without charge, upon request, by calling 1-800-373-9387.



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BNY MELLON
INVESTMENT MANAGEMENT

Calvert

Calvert
VP SRI Mid Cap Portfolio

Annual Report

December 31, 2021

Eaton Vance

Commodity Futures Trading Commission Registration. The Commodity Futures Trading Commission ("CFTC") has adopted regulations that subject registered investment companies and advisers to regulation by the CFTC if a fund invests more than a prescribed level of its assets in certain CFTC-regulated instruments (including futures, certain options and swap agreements) or markets itself as providing investment exposure to such instruments. The adviser has claimed an exclusion from the definition of "commodity pool operator" under the Commodity Exchange Act with respect to its management of the Fund and the other funds it manages. Accordingly, neither the Fund nor the adviser is subject to CFTC regulation.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

This report must be preceded or accompanied by a current summary prospectus or prospectus. Before investing, investors should consider carefully the investment objective, risks, and charges and expenses of a mutual fund. This and other important information is contained in the summary prospectus and prospectus, which can be obtained from a financial intermediary. Prospective investors should read the prospectus carefully before investing. For further information, please call 1-800-368-2745.

Annual Report December 31, 2021

Calvert
VP SRI Mid Cap Portfolio

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Management's Discussion of Fund Performance†

Economic and Market Conditions

The 12-month period starting January 1, 2021, was notable for a U.S. equity rally that lasted for most of the period and resulted in U.S. stocks outperforming most other stock markets in developed economies. Except for temporary retreats in September and November, broad-market indexes generally posted strong returns during the period. Investors cheered the reopening of businesses that had been affected by the pandemic and the rollout of several highly effective COVID-19 vaccines.

COVID-19, however, continued to have a firm grip on the U.S. economy. Disease rates advanced and declined with second, third, and fourth waves of infections. Worker shortages led to global supply-chain disruptions. From computer chips to shipping containers, scarcities of key items led to temporary factory shutdowns and empty store shelves. Those shortages — combined with high demand from consumers eager to spend money saved earlier in the pandemic — led to higher year-over-year inflation than the U.S. had seen in decades.

Still, investor optimism about a recovering economy drove stock prices up during most of the period. A significant pullback, however, occurred in September 2021 when virtually every major U.S. stock index reported negative returns. Unexpectedly weak job creation in August and the U.S. Federal Reserve's (the Fed's) announcement that it might soon begin tapering its monthly bond purchases — which had stimulated the economy earlier — combined to drive stocks into negative territory. Rising COVID-19 infections also weighed on equity performance in September.

In the final quarter of 2021, however, stock prices came roaring back. Even the late-November news of a new and more transmissible COVID-19 variant — Omicron — caused only a temporary market retreat. The Fed's actions to tamp down inflation were applauded by investors, with stocks gaining ground after the central bank announced that tapering would be accelerated and that three possible interest rate hikes were forecast for 2022. Just two trading days before year-end, the S&P 500® Index closed at its 70th new all-time high for the period, and the Dow Jones Industrial Average® (DJIA) closed at an all-time high as well.

For the period as a whole, the broad-market S&P 500® Index returned 28.71%; the blue-chip DJIA was up 20.95%; and the technology-laden Nasdaq Composite Index rose 22.18%. Large-cap U.S. stocks, as measured by the Russell 1000® Index, outperformed their small-cap counterparts, as measured by the Russell 2000® Index. In the large-cap space, growth stocks modestly outperformed value stocks, but in the small-cap space, value stocks strongly outperformed growth stocks during the period.

Fund Performance

For the 12-month period ended December 31, 2021, Calvert VP SRI Mid Cap Portfolio (the Fund) returned 15.03% at net asset value (NAV), underperforming its benchmark, the Russell Midcap® Index (the Index), which returned 22.58%.

Stock selections overall detracted from performance relative to the Index during the period. Selections in the health care, materials, and energy sectors especially weighed on relative performance. An underweight exposure to the energy sector, the strongest-performing sector within the Index, further detracted from relative returns. Stock selections in the communication services and real estate sectors contributed to relative performance during the period.

WEX, Inc. (WEX), a provider of payment and information management services to vehicle fleets, was one of the largest detractors from returns during the period. WEX's stock price fell on investor concerns that new, venture-capital backed financial technology companies might siphon off WEX's business.

Haemonetics Corp. (Haemonetics), a provider of blood and plasma products and services, was a significant detractor from returns relative to the Index during the period. Haemonetics' stock price fell after CSL Plasma informed the company that it would discontinue use of its PCS2 plasma collection system devices, the source of about 12% of Haemonetics' revenue. CSL Plasma said it planned to shift its business to Haemonetics' competitor, Terumo, and ultimately bring the business in-house. By period-end, Haemonetics was sold from the Fund.

Teleflex, Inc. (Teleflex), a medical device manufacturer, detracted from relative performance during the period. Its stock price declined as rolling waves of COVID-19 infections slowed a resurgence of elective procedures. In addition, a change in reimbursement rates for Teleflex's UroLift product — making its use less profitable for doctors — reduced demand for the product during the period.

In contrast, Bill.com Holdings, Inc. (Bill.com), a provider of cloud-based payment systems, was among the strongest contributors to Fund performance during the period. Bill.com's stock price rose as the company's revenue growth accelerated for four consecutive quarters, culminating in fourth-quarter year-over-year growth of 152%. The company benefited from accelerated customer growth as well as the trend shifting away from automated clearing house and check payments to other methods, like virtual cards and cross-border payments. Bill.com further benefited from two acquisitions that helped it compete in its market.

Mid-America Apartment Communities, Inc. (Mid-America) contributed to returns relative to the Index. Mid-America's stock price outperformed other REITS as the company benefited from recent population shifts from large coastal cities toward the Sunbelt, where Mid-America is focused.

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or offering price (as applicable) with all distributions reinvested. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance for periods less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return.

Management's Discussion of Fund Performance† — continued

Tradeweb Market, Inc. (Tradeweb), a provider of electronic over-the-counter marketplaces for fixed-income and other investment products, also contributed to returns relative to the Index. Tradeweb's stock price rose as the company gained significant market share in the trading of high-grade and high yield bonds. Investors also drove Tradeweb's stock price up in anticipation of higher interest rates, which could accelerate trading activities.

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Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or offering price (as applicable) with all distributions reinvested. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance for periods less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return.

Calvert
VP SRI Mid Cap Portfolio
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Performance

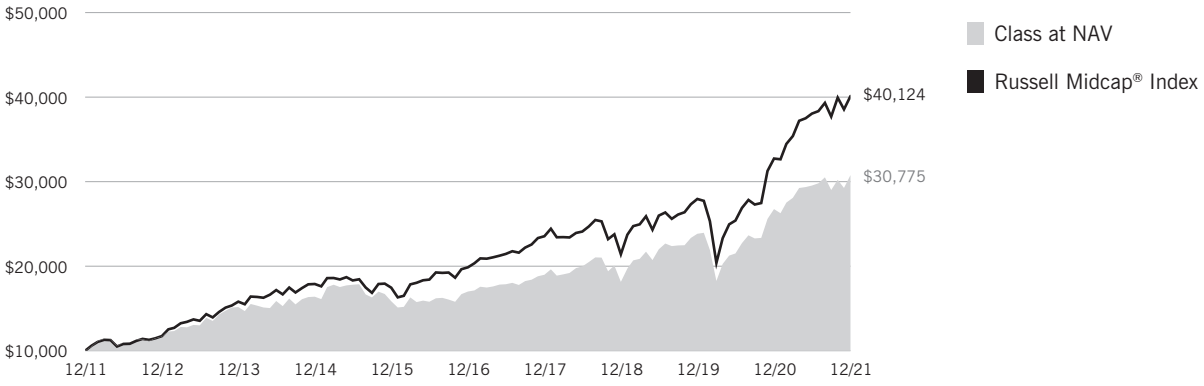
Portfolio Manager(s) Charles B. Gaffney of Calvert Research and Management

% Average Annual Total Returns[1,2]	Inception Date	Performance Inception Date	One Year	Five Years	Ten Years
Fund at NAV	07/16/1991	07/16/1991	15.03%	12.59%	11.89%
Russell Midcap® Index	—	—	22.58%	15.09%	14.89%

% Total Annual Operating Expense Ratios[3]	
	0.99%

Growth of $10,000

This graph shows the change in value of a hypothetical investment of $10,000 in the Fund for the period indicated. For comparison, the same investment is shown in the indicated index.



See Endnotes and Additional Disclosures in this report.

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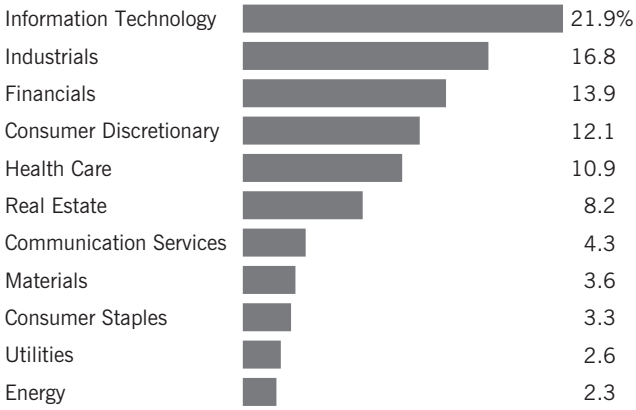
Calvert
VP SRI Mid Cap Portfolio
December 31, 2021

Fund Profile

Sector Allocation (% of net assets)*



* Excludes cash and cash equivalents.

Top 10 Holdings (% of net assets)*

Motorola Solutions, Inc.	2.4%
ANSYS, Inc.	2.3
Mid-America Apartment Communities, Inc.	2.3
Black Knight, Inc.	2.3
Baker Hughes Co.	2.3
Lamar Advertising Co., Class A	2.2
Morningstar, Inc.	2.2
Aptiv PLC	2.2
Verisk Analytics, Inc.	2.1
Broadridge Financial Solutions, Inc.	2.1
Total	**22.4%**

* Excludes cash and cash equivalents.

Endnotes and Additional Disclosures

† The views expressed in this report are those of the portfolio manager(s) and are current only through the date stated at the top of this page. These views are subject to change at any time based upon market or other conditions, and Calvert and the Fund(s) disclaim any responsibility to update such views. These views may not be relied upon as investment advice and, because investment decisions are based on many factors, may not be relied upon as an indication of trading intent on behalf of any Calvert fund. This commentary may contain statements that are not historical facts, referred to as "forward-looking statements." The Fund's actual future results may differ significantly from those stated in any forward-looking statement, depending on factors such as changes in securities or financial markets or general economic conditions, the volume of sales and purchases of Fund shares, the continuation of investment advisory, administrative and service contracts, and other risks discussed from time to time in the Fund's filings with the Securities and Exchange Commission.

1 Russell Midcap® Index is an unmanaged index of U.S. mid-cap stocks. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index.

2 There is no sales charge. Insurance-related charges are not included in the calculation of returns. If such charges were reflected, the returns would be lower. Please refer to the report for your insurance contract for performance data reflecting insurance-related charges.

Calvert Research and Management became the investment adviser to the Fund on December 31, 2016. Performance reflected prior to such date is that of the Fund's former investment adviser.

3 Source: Fund prospectus. The expense ratios for the current reporting period can be found in the Financial Highlights section of this report.

Fund profile subject to change due to active management.

Additional Information

S&P 500® Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance. Dow Jones Industrial Average® is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. S&P Dow Jones Indices are a product of S&P Dow Jones Indices LLC ("S&P DJI") and have been licensed for use. S&P® and S&P 500® are registered trademarks of S&P DJI; Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); S&P DJI, Dow Jones and their respective affiliates do not sponsor, endorse, sell or promote the Fund, will not have any liability with respect thereto and do not have any liability for any errors, omissions, or interruptions of the S&P Dow Jones Indices. Nasdaq Composite Index is a market capitalization-weighted index of all domestic and international securities listed on Nasdaq. Source: Nasdaq, Inc. The information is provided by Nasdaq (with its affiliates, are referred to as the "Corporations") and Nasdaq's third party licensors on an "as is" basis and the Corporations make no guarantees and bear no liability of any kind with respect to the information or the Fund. Russell 1000® Index is an unmanaged index of 1,000 U.S. large- cap stocks. Russell 2000® Index is an unmanaged index of 2,000 U.S. small-cap stocks.

Fund Expenses

Example

As a Fund shareholder, you incur ongoing costs, including management fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of Fund investing and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the actual Fund expense ratio and an assumed rate of return of 5% per year (before expenses), which is not the actual Fund 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 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 expenses and charges which are, or may be imposed under the variable annuity contract or variable life insurance policy (variable contracts) (if applicable) or qualified pension or retirement plans (Qualified Plans) through which your investment in the Fund is made. Therefore, the second line of the table is useful in comparing ongoing costs associated with an investment in vehicles which fund benefits under variable contracts and Qualified Plans, and will not help you determine the relative total costs of investing in the Fund through variable contracts or Qualified Plans. In addition, if these expenses and charges imposed under the variable contracts or Qualified Plans were included, your costs would have been higher.

	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period* (7/1/21 – 12/31/21)	Annualized Expense Ratio
Actual	$1,000.00	$1,041.80	$4.94	0.96%
Hypothetical (5% return per year before expenses)	$1,000.00	$1,020.37	$4.89	0.96%

* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). The Example assumes that the $1,000 was invested at the net asset value per share determined at the close of business on June 30, 2021. Expenses shown do not include insurance-related charges or direct expenses of Qualified Plans.

Calvert
VP SRI Mid Cap Portfolio
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Schedule of Investments

Common Stocks — 99.9%

Security	Shares	Value
Auto Components — 2.2%		
Aptiv PLC[1]	4,895	$ 807,430
		$ 807,430
Banks — 3.2%		
Commerce Bancshares, Inc.	6,847	$ 470,663
KeyCorp	31,175	721,078
		$ 1,191,741
Beverages — 1.7%		
Coca-Cola Europacific Partners PLC	11,480	$ 642,076
		$ 642,076
Biotechnology — 1.2%		
Neurocrine Biosciences, Inc.[1]	5,226	$ 445,098
		$ 445,098
Building Products — 2.0%		
AZEK Co., Inc. (The)[1]	9,493	$ 438,956
Trex Co., Inc.[1]	2,256	304,628
		$ 743,584
Capital Markets — 4.3%		
Morningstar, Inc.	2,361	$ 807,438
Tradeweb Markets, Inc., Class A	7,692	770,277
		$ 1,577,715
Commercial Services & Supplies — 3.0%		
GFL Environmental, Inc.	13,146	$ 497,074
Tetra Tech, Inc.	3,659	621,298
		$ 1,118,372
Communications Equipment — 3.7%		
F5, Inc.[1]	1,983	$ 485,260
Motorola Solutions, Inc.	3,297	895,795
		$ 1,381,055
Consumer Finance — 1.9%		
Ally Financial, Inc.	14,862	$ 707,580
		$ 707,580
Containers & Packaging — 2.5%		
AptarGroup, Inc.	5,902	$ 722,877
Packaging Corp. of America	1,529	208,173
		$ 931,050
Diversified Consumer Services — 2.1%		
Bright Horizons Family Solutions, Inc.[1]	2,982	$ 375,374
Terminix Global Holdings, Inc.[1]	8,834	399,562
		$ 774,936
Electric Utilities — 1.6%		
Xcel Energy, Inc.	8,570	$ 580,189
		$ 580,189
Electrical Equipment — 1.9%		
AMETEK, Inc.	4,878	$ 717,261
		$ 717,261
Electronic Equipment, Instruments & Components — 3.4%		
TE Connectivity, Ltd.	4,808	$ 775,723
Zebra Technologies Corp., Class A[1]	791	470,803
		$ 1,246,526
Energy Equipment & Services — 2.3%		
Baker Hughes Co.	34,696	$ 834,786
		$ 834,786
Entertainment — 1.4%		
Electronic Arts, Inc.	4,029	$ 531,425
		$ 531,425
Equity Real Estate Investment Trusts (REITs) — 8.2%		
EastGroup Properties, Inc.	2,963	$ 675,120
Healthpeak Properties, Inc.	19,294	696,320
Lamar Advertising Co., Class A	6,693	811,861
Mid-America Apartment Communities, Inc.	3,694	847,551
		$ 3,030,852
Food & Staples Retailing — 1.6%		
Performance Food Group Co.[1]	12,759	$ 585,511
		$ 585,511
Health Care Equipment & Supplies — 2.6%		
Envista Holdings Corp.[1]	9,564	$ 430,954
Teleflex, Inc.	1,630	535,422
		$ 966,376
Health Care Providers & Services — 1.7%		
R1 RCM, Inc.[1]	24,259	$ 618,362
		$ 618,362

See Notes to Financial Statements.

Schedule of Investments — continued

Security	Shares	Value
Hotels, Restaurants & Leisure — 1.7%		
Wyndham Hotels & Resorts, Inc.	6,915	$ 619,930
		$ 619,930
Independent Power and Renewable Electricity Producers — 1.1%		
NextEra Energy Partners, L.P.	4,571	$ 385,792
		$ 385,792
Insurance — 4.5%		
Assurant, Inc.	4,560	$ 710,721
Primerica, Inc.	2,573	394,364
Travelers Cos., Inc. (The)	3,574	559,081
		$ 1,664,166
Interactive Media & Services — 2.8%		
CarGurus, Inc.[1]	15,118	$ 508,570
Match Group, Inc.[1]	4,081	539,712
		$ 1,048,282
IT Services — 5.3%		
Broadridge Financial Solutions, Inc.	4,300	$ 786,126
Euronet Worldwide, Inc.[1]	5,426	646,616
Flywire Corp.[1]	4,366	166,170
WEX, Inc.[1]	2,632	369,507
		$ 1,968,419
Life Sciences Tools & Services — 5.4%		
Agilent Technologies, Inc.	3,240	$ 517,266
Avantor, Inc.[1]	11,243	473,780
PerkinElmer, Inc.	2,337	469,877
Waters Corp.[1]	1,463	545,114
		$ 2,006,037
Machinery — 5.0%		
Colfax Corp.[1]	11,740	$ 539,688
Stanley Black & Decker, Inc.	3,415	644,137
Westinghouse Air Brake Technologies Corp.	7,048	649,191
		$ 1,833,016
Metals & Mining — 1.1%		
Steel Dynamics, Inc.	6,345	$ 393,834
		$ 393,834
Professional Services — 4.9%		
Booz Allen Hamilton Holding Corp.	4,589	$ 389,101
Clarivate PLC[1]	26,807	630,501
Professional Services (continued)		
Verisk Analytics, Inc.	3,463	$ 792,092
		$ 1,811,694
Semiconductors & Semiconductor Equipment — 3.4%		
Entegris, Inc.	1,776	$ 246,118
ON Semiconductor Corp.[1]	4,357	295,928
Teradyne, Inc.	4,244	694,021
		$ 1,236,067
Software — 6.1%		
ANSYS, Inc.[1]	2,116	$ 848,770
Bill.com Holdings, Inc.[1]	2,280	568,062
Black Knight, Inc.[1]	10,088	836,194
		$ 2,253,026
Specialty Retail — 5.1%		
Bath & Body Works, Inc.	7,244	$ 505,559
National Vision Holdings, Inc.[1]	8,925	428,311
Ross Stores, Inc.	4,270	487,975
Ulta Beauty, Inc.[1]	1,138	469,243
		$ 1,891,088
Textiles, Apparel & Luxury Goods — 1.0%		
Deckers Outdoor Corp.[1]	1,050	$ 384,626
		$ 384,626
Total Common Stocks (identified cost $28,784,443)		**$36,927,902**

Short-Term Investments — 0.1%

Description	Units	Value
Calvert Cash Reserves Fund, LLC, 0.06%[2]	26,304	$ 26,304
Total Short-Term Investments (identified cost $26,304)		**$ 26,304**
Total Investments — 100.0% (identified cost $28,810,747)		**$36,954,206**
Other Assets, Less Liabilities — 0.0%[3]		**$ 17,382**
Net Assets — 100.0%		**$36,971,588**

See Notes to Financial Statements.

Schedule of Investments — continued

The percentage shown for each investment category in the Schedule of Investments is based on net assets.

(1) Non-income producing security.

(2) Affiliated investment company, available to Calvert portfolios and funds, which invests in high quality, U.S. dollar denominated money market instruments. The rate shown is the annualized seven-day yield as of December 31, 2021.

(3) Amount is less than 0.05%.

See Notes to Financial Statements.

Calvert
VP SRI Mid Cap Portfolio
December 31, 2021

Statement of Assets and Liabilities

Assets	December 31, 2021
Investments in securities of unaffiliated issuers, at value (identified cost $28,784,443)	$36,927,902
Investments in securities of affiliated issuers, at value (identified cost $26,304)	26,304
Receivable for capital shares sold	59,403
Dividends receivable	15,821
Securities lending income receivable	4
Directors' deferred compensation plan	9,367
Total assets	**$37,038,801**

Liabilities	
Payable for capital shares redeemed	$ 951
Payable to affiliates:	
Investment advisory fee	20,009
Administrative fee	3,694
Sub-transfer agency fee	90
Directors' deferred compensation plan	9,367
Accrued expenses	33,102
Total liabilities	**$ 67,213**
Net Assets	**$36,971,588**

Sources of Net Assets	
Paid-in capital	$22,972,984
Distributable earnings	13,998,604
Net Assets	**$36,971,588**

Net Assets	$36,971,588
Shares Outstanding	986,572
Net Asset Value, Offering Price and Redemption Price Per Share (net assets ÷ shares of beneficial interest outstanding)	$ 37.47

See Notes to Financial Statements.

Statement of Operations

Investment Income	Year Ended December 31, 2021
Dividend income (net of foreign taxes withheld of $660)	$ 320,486
Dividend income - affiliated issuers	119
Securities lending income, net	584
Total investment income	**$ 321,189**
Expenses	
Investment advisory fee	$ 239,706
Administrative fee	44,254
Directors' fees and expenses	1,447
Custodian fees	4,888
Transfer agency fees and expenses	21,186
Accounting fees	8,330
Professional fees	25,694
Reports to shareholders	2,117
Miscellaneous	5,879
Total expenses	**$ 353,501**
Net investment loss	**$ (32,312)**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss):	
Investment securities	$5,968,032
Investment securities - affiliated issuers	(7)
Foreign currency transactions	(316)
Net realized gain	**$5,967,709**
Change in unrealized appreciation (depreciation):	
Investment securities	$ (827,487)
Net change in unrealized appreciation (depreciation)	**$ (827,487)**
Net realized and unrealized gain	**$5,140,222**
Net increase in net assets from operations	**$5,107,910**

See Notes to Financial Statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Year Ended December 31, 2021	2020
From operations:		
Net investment income (loss)	$ (32,312)	$ 84,852
Net realized gain	5,967,709	1,524,988
Net change in unrealized appreciation (depreciation)	(827,487)	2,076,521
Net increase in net assets from operations	**$ 5,107,910**	**$ 3,686,361**
Distributions to shareholders	**$ (1,642,396)**	**$ (2,484,214)**
Net decrease in net assets from capital share transactions	**$ (2,366,746)**	**$ (1,395,328)**
Net increase (decrease) in net assets	**$ 1,098,768**	**$ (193,181)**
Net Assets		
At beginning of year	$35,872,820	$36,066,001
At end of year	**$36,971,588**	**$35,872,820**

See Notes to Financial Statements.

Financial Highlights

	Year Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Net asset value — Beginning of year	$ 34.10	$ 32.89	$ 27.48	$ 31.96	$ 28.82
Income (Loss) From Operations					
Net investment income (loss)[1]	$ (0.03)	$ 0.08	$ 0.14	$ 0.15	$ 0.15
Net realized and unrealized gain (loss)	5.07	3.63	8.21	(1.09)	3.20
Total income (loss) from operations	**$ 5.04**	**$ 3.71**	**$ 8.35**	**$ (0.94)**	**$ 3.35**
Less Distributions					
From net investment income	$ (0.07)	$ (0.14)	$ (0.15)	$ (0.18)	$ (0.21)
From net realized gain	(1.60)	(2.36)	(2.79)	(3.36)	—
Total distributions	**$ (1.67)**	**$ (2.50)**	**$ (2.94)**	**$ (3.54)**	**$ (0.21)**
Net asset value — End of year	**$ 37.47**	**$ 34.10**	**$ 32.89**	**$ 27.48**	**$ 31.96**
Total Return[2]	**15.03%**	**12.24%**	**31.36%**	**(4.43)%**	**11.65%**
Ratios/Supplemental Data					
Net assets, end of year (000's omitted)	$36,972	$35,873	$36,066	$31,929	$41,239
Ratios (as a percentage of average daily net assets):[3]					
Total expenses	0.96%	0.99%	1.00%	1.01%	1.04%
Net expenses	0.96%	0.99%	0.99%	0.99%	0.99%
Net investment income (loss)	(0.09)%	0.26%	0.44%	0.46%	0.49%
Portfolio Turnover	74%	82%	72%	62%	159%

[1] Computed using average shares outstanding.

[2] Returns are historical and are calculated by determining the percentage change in net asset value with all distributions reinvested and do not reflect fees and expenses imposed by variable annuity contracts or variable life insurance policies. If included, total return would be lower.

[3] Total expenses do not reflect amounts reimbursed and/or waived by the adviser and certain of its affiliates, if applicable. Net expenses are net of all reductions and represent the net expenses paid by the Fund.

See Notes to Financial Statements.

Notes to Financial Statements

1 Significant Accounting Policies

Calvert VP SRI Mid Cap Portfolio (the Fund) is a diversified series of Calvert Variable Series, Inc. (the Corporation). The Corporation is a Maryland corporation registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company. The investment objective of the Fund is to seek to provide long-term capital appreciation by investing primarily in a portfolio of the equity securities of mid-sized companies that are undervalued but demonstrate a potential for growth.

Shares of the Fund are sold without sales charge to insurance companies for allocation to certain of their variable separate accounts and to qualified pension and retirement plans and other eligible investors.

The Fund applies the accounting and reporting guidance in the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946, *Financial Services – Investment Companies* (ASC 946). Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements.

A Investment Valuation — Net asset value per share is determined every business day as of the close of the regular session of the New York Stock Exchange (generally 4:00 p.m. Eastern time). The Fund uses independent pricing services approved by the Board of Directors (the Board) to value its investments wherever possible. Investments for which market quotations are not available or deemed not reliable are fair valued in good faith under the direction of the Board.

U.S. generally accepted accounting principles (U.S. GAAP) establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

Level 1 - quoted prices in active markets for identical securities

Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 - significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

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

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity Securities. Equity securities (including warrants and rights) listed on a U.S. securities exchange generally are valued at the last sale or closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Equity securities listed on the NASDAQ National Market System are valued at the NASDAQ official closing price and are categorized as Level 1 in the hierarchy. Unlisted or listed securities for which closing sales prices or closing quotations are not available are valued at the mean between the latest available bid and ask prices and are categorized as Level 2 in the hierarchy.

Affiliated Fund. The Fund may invest in Calvert Cash Reserves Fund, LLC (Cash Reserves Fund), an affiliated investment company managed by Calvert Research and Management (CRM). While Cash Reserves Fund is not a registered money market mutual fund, it conducts all of its investment activities in accordance with the requirements of Rule 2a-7 under the 1940 Act. Investments in Cash Reserves Fund are valued at the closing net asset value per unit on the valuation day and are categorized as Level 2 in the hierarchy. Cash Reserves Fund generally values its investment securities based on available market quotations provided by a third party pricing service.

Fair Valuation. If a market value cannot be determined for a security using the methodologies described above, or if, in the good faith opinion of the Fund's adviser, the market value does not constitute a readily available market quotation, or if a significant event has occurred that would materially affect the value of the security, the security will be fair valued as determined in good faith by or at the direction of the Board in a manner that most fairly reflects the security's "fair value", which is the amount that the Fund might reasonably expect to receive for the security upon its current sale in the ordinary course. Each such determination is based on a consideration of relevant factors, which are likely to vary from one pricing context to another. These factors may include, but are not limited to, the type of security, the existence of any contractual restrictions on the security's disposition, the price and extent of public trading in similar securities of the issuer or of comparable companies or entities, quotations or relevant information obtained from broker/dealers or other market participants, information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities), an analysis of the company's or entity's financial statements, and an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold.

The values assigned to fair value investments are based on available information and do not necessarily represent amounts that might ultimately be realized. Further, due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed, and the differences could be material.

Notes to Financial Statements — continued

The following table summarizes the market value of the Fund's holdings as of December 31, 2021, based on the inputs used to value them:

Asset Description	Level 1	Level 2	Level 3	Total
Common Stocks	$36,927,902[1]	$ —	$ —	$36,927,902
Short-Term Investments	—	26,304	—	26,304
Total Investments	**$36,927,902**	**$26,304**	**$ —**	**$36,954,206**

[1] The level classification by major category of investments is the same as the category presentation in the Schedule of Investments.

B Investment Transactions and Income — Investment transactions for financial statement purposes are accounted for on trade date. Realized gains and losses are recorded on an identified cost basis and may include proceeds from litigation. Dividend income is recorded on the ex-dividend date for dividends received in cash and/or securities or, in the case of dividends on certain foreign securities, as soon as the Fund is informed of the ex-dividend date. Non-cash dividends are recorded at the fair value of the securities received. Withholding taxes on foreign dividends, if any, have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates. Distributions received that represent a return of capital are recorded as a reduction of cost of investments. Distributions received that represent a capital gain are recorded as a realized gain. Interest income is accrued as earned.

C Foreign Currency Transactions — The Fund's accounting records are maintained in U.S. dollars. For valuation of assets and liabilities on each date of net asset value determination, foreign denominations are converted into U.S. dollars using the current exchange rate. Security transactions, income and expenses are translated at the prevailing rate of exchange on the date of the event. Recognized gains or losses on investment transactions attributable to changes in foreign currency exchange rates are recorded for financial statement purposes as net realized gains and losses on investments. That portion of unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed.

D Distributions to Shareholders — Distributions to shareholders are recorded by the Fund on ex-dividend date. The Fund distributes any net investment income and net realized capital gains at least annually. Both types of distributions are made in shares of the Fund unless an election is made on behalf of a separate account to receive some or all of the distributions in cash. Distributions are determined in accordance with income tax regulations, which may differ from U.S. GAAP; accordingly, periodic reclassifications are made within the Fund's capital accounts to reflect income and gains available for distribution under income tax regulations.

E 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.

F Indemnifications — The Corporation's By-Laws provide for indemnification for Directors or officers of the Corporation and certain other parties, to the fullest extent permitted by Maryland law and the 1940 Act, provided certain conditions are met. Additionally, in the normal course of business, the Fund enters into agreements with service providers that may contain indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred.

G Federal Income Taxes — No provision for federal income or excise tax is required since the Fund intends to continue to qualify as a regulated investment company under the Internal Revenue Code and to distribute substantially all of its taxable earnings.

Management has analyzed the Fund's tax positions taken for all open federal income tax years and has concluded that no provision for federal income tax is required in the Fund's financial statements. A Fund's federal tax return is subject to examination by the Internal Revenue Service for a period of three years from the date of filing.

2 Related Party Transactions

The investment advisory fee is earned by CRM as compensation for investment advisory services rendered to the Fund. On March 1, 2021, Morgan Stanley acquired Eaton Vance Corp. (the "Transaction") and CRM became an indirect, wholly-owned subsidiary of Morgan Stanley. In connection with the Transaction, the Fund entered into a new investment advisory agreement (the "New Agreement") with CRM, which took effect on March 1, 2021. Pursuant to the New Agreement (and the Fund's investment advisory agreement with CRM in effect prior to March 1, 2021), the fee is computed at the annual rate of 0.65% of the Fund's average daily net assets and is payable monthly. For the year ended December 31, 2021, the investment advisory fee amounted to $239,706. The Fund may invest its cash in Cash Reserves Fund. CRM does not currently receive a fee for advisory services provided to Cash Reserves Fund.

The administrative fee is earned by CRM as compensation for administrative services rendered to the Fund. The fee is computed at an annual rate of 0.12% of the Fund's average daily net assets and is payable monthly. For the year ended December 31, 2021, CRM was paid administrative fees of $44,254.

Notes to Financial Statements — continued

Eaton Vance Management (EVM), an affiliate of CRM, provides sub-transfer agency and related services to the Fund pursuant to a Sub-Transfer Agency Support Services Agreement. For the year ended December 31, 2021, sub-transfer agency fees and expenses incurred to EVM amounted to $375 and are included in transfer agency fees and expenses on the Statement of Operations.

Each Director of the Fund who is not an employee of CRM or its affiliates receives an annual fee of $154,000 ($214,000 effective January 1, 2022), plus an annual Committee fee ranging from $8,500 to $16,500 depending on the Committee. The Board chair receives an additional $30,000 annual fee, Committee chairs receive an additional $6,000 annual fee and the special equities liaison receives an additional $2,500 annual fee. Eligible Directors may participate in a Deferred Compensation Plan (the Plan). Amounts deferred under the Plan are treated as though equal dollar amounts had been invested in shares of the Fund or other Calvert funds selected by the Directors. The Fund purchases shares of the funds selected equal to the dollar amounts deferred under the Plan, resulting in an asset equal to the deferred compensation liability. Obligations of the Plan are paid solely from the Fund's assets. Directors' fees are allocated to each of the Calvert funds served. Salaries and fees of officers and Directors of the Fund who are employees of CRM or its affiliates are paid by CRM.

3 Shareholder Servicing Plan

The Corporation, on behalf of the Fund, has adopted a Shareholder Servicing Plan (Servicing Plan), which permits the Fund to enter into shareholder servicing agreements with intermediaries that maintain accounts in the Fund for the benefit of shareholders. These services may include, but are not limited to, processing purchase and redemption requests, processing dividend payments, and providing account information to shareholders. Under the Servicing Plan, the Fund may make payments at an annual rate of up to 0.11% of its average daily net assets. For the year ended December 31, 2021, expenses incurred under the Servicing Plan amounted to $20,466 and are included in transfer agency fees and expenses on the Statement of Operations.

4 Investment Activity

During the year ended December 31, 2021, the cost of purchases and proceeds from sales of investments, other than short-term securities, were $27,032,909 and $30,998,284, respectively.

5 Distributions to Shareholders and Income Tax Information

The tax character of distributions declared for the years ended December 31, 2021 and December 31, 2020 was as follows:

	Year Ended December 31,	
	2021	**2020**
Ordinary income	$ 72,800	$ 229,081
Long-term capital gains	$1,569,596	$2,255,133

As of December 31, 2021, the components of distributable earnings (accumulated loss) on a tax basis were as follows:

Undistributed ordinary income	$ 857,502
Undistributed long-term capital gains	5,065,795
Net unrealized appreciation	8,075,306
Distributable earnings	**$13,998,603**

The cost and unrealized appreciation (depreciation) of investments of the Fund at December 31, 2021, as determined on a federal income tax basis, were as follows:

Aggregate cost	**$28,878,900**
Gross unrealized appreciation	$ 8,408,143
Gross unrealized depreciation	(332,837)
Net unrealized appreciation	**$ 8,075,306**

Notes to Financial Statements — continued

6 Securities Lending

To generate additional income, the Fund may lend its securities pursuant to a securities lending agency agreement with State Street Bank and Trust Company (SSBT), the securities lending agent. Security loans are subject to termination by the Fund at any time and, therefore, are not considered illiquid investments. The Fund requires that the loan be continuously collateralized by either cash or securities in an amount at least equal to the market value of the securities on loan. The market value of securities loaned is determined daily and any additional required collateral is delivered to the Fund on the next business day. Cash collateral is generally invested in a money market fund registered under the 1940 Act that is managed by an affiliate of SSBT. Any gain or loss in the market price of the loaned securities that might occur and any interest earned or dividends declared during the term of the loan would accrue to the account of the Fund. Income earned on the investment of collateral, net of broker rebates and other expenses incurred by the securities lending agent, is split between the Fund and the securities lending agent based on agreed upon contractual terms. Non-cash collateral, if any, is held by the lending agent on behalf of the Fund and cannot be sold or re-pledged by the Fund; accordingly, such collateral is not reflected in the Statement of Assets and Liabilities.

The risks associated with lending portfolio securities include, but are not limited to, possible delays in receiving additional collateral or in the recovery of the loaned securities, possible loss of rights to the collateral should the borrower fail financially, as well as risk of loss in the value of the collateral or the value of the investments made with the collateral. The securities lending agent shall indemnify the Fund in the case of default of any securities borrower.

The Fund did not have any securities on loan at December 31, 2021.

7 Line of Credit

The Fund participates with other portfolios and funds managed by EVM and its affiliates, including CRM, in an $800 million unsecured line of credit with a group of banks, which is in effect through October 25, 2022. Borrowings are made by the Fund solely for temporary purposes related to redemptions and other short-term cash needs. Interest is charged to the Fund based on its borrowings at an amount above either the Secured Overnight Financing Rate (SOFR) or Federal Funds rate. In addition, a fee computed at an annual rate of 0.15% on the daily unused portion of the line of credit is allocated among the participating portfolios and funds at the end of each quarter. In connection with the renewal of the agreement in October 2021, an arrangement fee of $150,000 was incurred that was allocated to the participating portfolios and funds. Because the line of credit is not available exclusively to the Fund, it may be unable to borrow some or all of its requested amounts at any particular time.

The Fund had no borrowings outstanding pursuant to its line of credit at December 31, 2021. The Fund did not have any significant borrowings or allocated fees during the year ended December 31, 2021.

8 Affiliated Funds

At December 31, 2021, the value of the Fund's investment in affiliated funds was $26,304, which represents 0.1% of the Fund's net assets. Transactions in affiliated funds by the Fund for the year ended December 31, 2021 were as follows:

Name	Value, beginning of period	Purchases	Sales proceeds	Net realized gain (loss)	Change in unrealized appreciation (depreciation)	Value, end of period	Dividend income	Units, end of period
Short-Term Investments								
Calvert Cash Reserves Fund, LLC	$118,053	$6,540,480	$(6,632,222)	$(7)	$ —	$26,304	$119	26,304

9 Capital Shares

The Corporation may issue its shares in one or more series (such as the Fund). The authorized shares of the Fund consist of 1,000,000,000 common shares, $0.01 par value.

Transactions in capital shares for the years ended December 31, 2021 and December 31, 2020 were as follows:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
	Shares	**Amount**	**Shares**	**Amount**
Shares sold	58,905	$ 2,163,794	60,897	$ 1,863,023
Reinvestment of distributions	45,813	1,642,396	82,150	2,484,214
Shares redeemed	(170,099)	(6,172,936)	(187,494)	(5,742,565)
Net decrease	**(65,381)**	**$(2,366,746)**	**(44,447)**	**$(1,395,328)**

At December 31, 2021, separate accounts of four insurance companies each owned more than 10% of the value of the outstanding shares of the Fund, aggregating 84.9%.

10 Risks and Uncertainties

Pandemic Risk

An outbreak of respiratory disease caused by a novel coronavirus was first detected in China in late 2019 and subsequently spread internationally. This coronavirus has resulted in closing borders, enhanced health screenings, changes to healthcare service preparation and delivery, quarantines, cancellations, disruptions to supply chains and customer activity, as well as general concern and uncertainty. Health crises caused by outbreaks, such as the coronavirus outbreak, may exacerbate other pre-existing political, social and economic risks and disrupt normal market conditions and operations. The impact of this outbreak has negatively affected the worldwide economy, the economies of individual countries, individual companies, and the market in general, and may continue to do so in significant and unforeseen ways, as may other epidemics and pandemics that may arise in the future. Any such impact could adversely affect the Fund's performance, or the performance of the securities in which the Fund invests.

11 Change in Independent Registered Public Accounting Firm

On July 30, 2021, KPMG LLP ("KPMG") informed the Audit Committee and Board of the Corporation that it was resigning as the independent registered public accounting firm to the Corporation, as upon Morgan Stanley's acquisition of Eaton Vance Corp., the parent company of CRM (the investment adviser to each series of the Corporation), KPMG would no longer be independent of the Corporation. The Audit Committee of the Board and the Board approved the selection of Deloitte & Touche LLP ("Deloitte") as the independent registered public accounting firm for the funds that are series of the Corporation (the "Funds") for the fiscal year ending December 31, 2021 to be effective upon KPMG's resignation and Deloitte's acceptance of the engagement which became effective July 30, 2021.

KPMG's reports on the financial statements for the Funds for the fiscal periods ended December 31, 2019 and December 31, 2020 contained no adverse opinion or disclaimer of opinion nor were they qualified or modified as to uncertainty, audit scope or accounting principles. During the fiscal periods ended December 31, 2019 and December 31, 2020, and during the subsequent interim period through July 30, 2021: (i) there were no disagreements with KPMG on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of KPMG, would have caused KPMG to make reference to the subject matter of the disagreements in connection with its reports on the Funds' financial statements for such periods; and (ii) there were no "reportable events" of the kind described in Item 304(a)(1)(v) of Regulation S-K under the Securities Exchange Act of 1934, as amended.

During the fiscal periods ended December 31, 2019 and December 31, 2020, and during the subsequent interim period through July 30, 2021: neither the Funds, nor anyone on their behalf, consulted with Deloitte on items which: (i) concerned the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Funds' financial statements; or (ii) concerned the subject of a disagreement (as defined in paragraph (a)(1)(iv) of Item 304 of Regulation S-K) or reportable events (as described in paragraph (a)(1)(v) of Item 304).

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Calvert Variable Series, Inc. and Shareholders of Calvert VP SRI Mid Cap Portfolio:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Calvert VP SRI Mid Cap Portfolio (the "Fund") (one of the funds constituting Calvert Variable Series, Inc.), including the schedule of investments, as of December 31, 2021, the related statements of operations, changes in net assets, and the financial highlights for the year then ended, and the related notes. 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, 2021, and the results of its operations, changes in its net assets, and the financial highlights for the year then ended in conformity with accounting principles generally accepted in the United States of America. The statement of changes in net assets for the year ended December 31, 2020, and the financial highlights for the years ended December 31, 2020, 2019, 2018, and 2017 were audited by other auditors whose report, dated February 18, 2021, expressed an unqualified opinion on that financial statement and those financial highlights.

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 the Fund's financial statements and financial highlights based on our audit. 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 audit 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. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit 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. Our audit 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP
Boston, Massachusetts
February 18, 2022

We have served as the auditor of one or more Calvert investment companies since 2021.

Federal Tax Information (Unaudited)

As required by the Internal Revenue Code and/or regulations, shareholders must be notified regarding the status of the dividends received deduction for corporations and capital gains dividends.

Dividends Received Deduction. Corporate shareholders are generally entitled to take the dividends received deduction on the portion of the Fund's dividend distribution that qualifies under tax law. For the Fund's fiscal 2021 ordinary income dividends, 99.93% qualifies for the corporate dividends received deduction.

Capital Gains Dividends. The Fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2021, $5,065,825 or, if subsequently determined to be different, the net capital gain of such year.

Management and Organization

Fund Management. The Directors of Calvert Variable Series, Inc. (the Corporation) are responsible for the overall management and supervision of the affairs of the Corporation. The Board members and officers of the Corporation are listed below. Except as indicated, each individual has held the office shown or other offices in the same company for the last five years. Board members hold indefinite terms of office. Each Board member holds office until his or her successor is elected and qualified, or until his or her earlier death, resignation, retirement, removal or disqualification. Under the terms of the Fund's current Board member retirement policy, an Independent Board member must retire at the end of the calendar year in which he or she turns 75. However, if such retirement would cause the Fund to be out of compliance with Section 16 of the 1940 Act or any other regulations or guidance of the SEC, then such retirement will not become effective until such time as action has been taken for the Fund to be in compliance therewith. The "noninterested Directors" consist of those Directors who are not "interested persons" of the Corporation, as that term is defined under the 1940 Act. The business address of each Board member and the Chief Compliance Officer is 1825 Connecticut Avenue, NW, Suite 400, Washington, DC 20009 and the business address of the Secretary, Vice President and Chief Legal Officer and the Treasurer is Two International Place, Boston, Massachusetts 02110. As used below, "CRM" refers to Calvert Research and Management and "Eaton Vance" refers to Eaton Vance Management. Each Director oversees 39 funds in the Calvert fund complex. Effective March 1, 2021, each of Eaton Vance and CRM are indirect, wholly-owned subsidiaries of Morgan Stanley. Each officer affiliated with CRM may hold a position with other CRM affiliates that is comparable to his or her position with CRM listed below.

Name and Year of Birth	Corporation Position(s)	Length of Service	Principal Occupation(s) and Other Directorships During Past Five Years and Other Relevant Experience
Interested Director			
John H. Streur[1] 1960	Director and President	Since 2015	President and Chief Executive Officer of CRM (since December 31, 2016). President and Chief Executive Officer of Calvert Investments, Inc. (January 2015 - December 2016); Chief Executive Officer of Calvert Investment Distributors, Inc. (August 2015 - December 2016); Chief Compliance Officer of Calvert Investment Management, Inc. (August 2015 - April 2016); President and Director, Portfolio 21 Investments, Inc. (through October 2014); President, Chief Executive Officer and Director, Managers Investment Group LLC (through January 2012); President and Director, The Managers Funds and Managers AMG Funds (through January 2012). **Other Directorships.** Portfolio 21 Investments, Inc. (asset management) (through October 2014); Managers Investment Group LLC (asset management) (through January 2012); The Managers Funds (asset management) (through January 2012); Managers AMG Funds (asset management) (through January 2012); Calvert Impact Capital, Inc.
Noninterested Directors			
Richard L. Baird, Jr. 1948	Director	Since 2016	Regional Disaster Recovery Lead, American Red Cross of Greater Pennsylvania (since 2017). Volunteer, American Red Cross (since 2015). Former President and CEO of Adagio Health Inc. (retired in 2014) in Pittsburgh, PA. **Other Directorships.** None.
Alice Gresham Bullock 1950	Chair and Director	Since 2016 (Chair); Since 2008 (Director)	Professor Emerita at Howard University School of Law. Dean Emerita of Howard University School of Law and Deputy Director of the Association of American Law Schools (1992-1994). **Other Directorships.** None.
Cari M. Dominguez 1949	Director	Since 2016	Former Chair of the U.S. Equal Employment Opportunity Commission. **Other Directorships.** ManpowerGroup Inc. (workforce solutions company); Triple S Management Corporation (managed care); National Association of Corporate Directors.
John G. Guffey, Jr. 1948	Director	Since 2016	President of Aurora Press Inc., a privately held publisher of trade paperbacks (since January 1997). **Other Directorships.** Calvert Impact Capital, Inc. (through December 31, 2018); Calvert Ventures, LLC.
Miles D. Harper, III 1962	Director	Since 2016	Partner, Carr Riggs & Ingram (public accounting firm) since October 2014. Partner, Gainer Donnelly & Desroches (public accounting firm) (now Carr Riggs & Ingram) (November 1999 - September 2014). **Other Directorships.** Bridgeway Funds (9) (asset management).
Joy V. Jones 1950	Director	Since 2016	Attorney. **Other Directorships.** Palm Management Corporation.

Management and Organization — continued

Name and Year of Birth	Corporation Position(s)	Length of Service	Principal Occupation(s) and Other Directorships During Past Five Years and Other Relevant Experience
Noninterested Directors (continued)			
Anthony A. Williams 1951	Director	Since 2016	CEO and Executive Director of the Federal City Council (July 2012 to present); Senior Adviser and Independent Consultant for King and Spalding LLP (September 2015 to present); Executive Director of Global Government Practice at the Corporate Executive Board (January 2010 to January 2012). **Other Directorships.** Freddie Mac; Evoq Properties/Meruelo Maddux Properties, Inc. (real estate management); Weston Solutions, Inc. (environmental services); Bipartisan Policy Center's Debt Reduction Task Force; Chesapeake Bay Foundation; Catholic University of America; Urban Institute (research organization); The Howard Hughes Corporation (real estate development).

Name and Year of Birth	Corporation Position(s)	Length of Service	Principal Occupation(s) During Past Five Years
Principal Officers who are not Directors			
Hope L. Brown 1973	Chief Compliance Officer	Since 2014	Chief Compliance Officer of 39 registered investment companies advised by CRM (since 2014). Vice President and Chief Compliance Officer, Wilmington Funds (2012-2014).
Deidre E. Walsh 1971	Secretary, Vice President and Chief Legal Officer	Since 2021	Vice President of CRM and officer of 39 registered investment companies advised by CRM (since 2021). Also Vice President of Eaton Vance and certain of its affiliates and officer of 138 registered investment companies advised or administered by Eaton Vance.
James F. Kirchner 1967	Treasurer	Since 2016	Vice President of CRM and officer of 39 registered investment companies advised by CRM (since 2016). Also Vice President of Eaton Vance and certain of its affiliates and officer of 138 registered investment companies advised or administered by Eaton Vance.

(1) Mr. Streur is an interested person of the Fund because of his positions with the Fund's adviser and certain affiliates.

The SAI for the Fund includes additional information about the Directors and officers of the Fund and can be obtained without charge on Calvert's website at www.calvert.com or by calling 1-800-368-2745.

Privacy Notice April 2021

FACTS	WHAT DOES EATON VANCE DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: ▪ Social Security number and income ▪ investment experience and risk tolerance ▪ checking account number and wire transfer instructions
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Eaton Vance chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Eaton Vance share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our investment management affiliates' everyday business purposes — information about your transactions, experiences, and creditworthiness	Yes	Yes
For our affiliates' everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness	No	We don't share
For our investment management affiliates to market to you	Yes	Yes
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

To limit our sharing	Call toll-free 1-800-368-2745 or email: CRMPrivacy@calvert.com **Please note:** If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.
Questions?	Call toll-free 1-800-368-2745 or email: CRMPrivacy@calvert.com

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Who we are	
Who is providing this notice?	Eaton Vance Management, Eaton Vance Distributors, Inc., Eaton Vance Trust Company, Eaton Vance Management (International) Limited, Eaton Vance Advisers International Ltd., Eaton Vance Global Advisors Limited, Eaton Vance Management's Real Estate Investment Group, Boston Management and Research, Calvert Research and Management, Eaton Vance and Calvert Fund Families and our investment advisory affiliates ("Eaton Vance") (see Investment Management Affiliates definition below)
What we do	
How does Eaton Vance protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We have policies governing the proper handling of customer information by personnel and requiring third parties that provide support to adhere to appropriate security standards with respect to such information.
How does Eaton Vance collect my personal information?	We collect your personal information, for example, when you ▪ open an account or make deposits or withdrawals from your account ▪ buy securities from us or make a wire transfer ▪ give us your contact information We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ▪ sharing for affiliates' everyday business purposes — information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
Definitions	
Investment Management Affiliates	Eaton Vance Investment Management Affiliates include registered investment advisers, registered broker-dealers, and registered and unregistered funds. Investment Management Affiliates does not include entities associated with Morgan Stanley Wealth Management, such as Morgan Stanley Smith Barney LLC and Morgan Stanley & Co.
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. ▪ *Our affiliates include companies with a Morgan Stanley name and financial companies such as Morgan Stanley Smith Barney LLC and Morgan Stanley & Co.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. ▪ *Eaton Vance does not share with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ▪ *Eaton Vance doesn't jointly market.*

Other important information

Vermont: Except as permitted by law, we will not share personal information we collect about Vermont residents with Nonaffiliates unless you provide us with your written consent to share such information.

California: Except as permitted by law, we will not share personal information we collect about California residents with Nonaffiliates and we will limit sharing such personal information with our Affiliates to comply with California privacy laws that apply to us.

IMPORTANT NOTICES

Delivery of Shareholder Documents. The Securities and Exchange Commission (SEC) permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. This practice is often called "householding" and it helps eliminate duplicate mailings to shareholders. *Calvert funds, or your financial intermediary, may household the mailing of your documents indefinitely unless you instruct Calvert funds, or your financial intermediary, otherwise.* If you would prefer that your Calvert fund documents not be householded, please contact Calvert funds at 1-800-368-2745, or contact your financial intermediary. Your instructions that householding not apply to delivery of your Calvert fund documents will typically be effective within 30 days of receipt by Calvert funds or your financial intermediary. Separate statements will be generated for each separate account and will be householded as described above.

Portfolio Holdings. Each Calvert fund files a schedule of portfolio holdings on Part F to Form N-PORT with the SEC. Certain information filed on Form N-PORT may be viewed on the Calvert website at www.calvert.com, by calling Calvert at 1-800-368-2745 or in the EDGAR database on the SEC's website at www.sec.gov.

Proxy Voting. The Proxy Voting Guidelines that each Calvert fund uses to determine how to vote proxies relating to portfolio securities is provided as an Appendix to the fund's Statement of Additional Information. The Statement of Additional Information can be obtained free of charge by calling the Calvert funds at 1-800-368-2745, by visiting the Calvert funds' website at www.calvert.com or visiting the SEC's website at www.sec.gov. Information regarding how a Calvert fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available by calling Calvert funds, by visiting the Calvert funds' website at www.calvert.com or by visiting the SEC's website at www.sec.gov.

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Washington, DC 20009

* **FINRA BrokerCheck.** Investors may check the background of their Investment Professional by contacting the Financial Industry Regulatory Authority (FINRA). FINRA BrokerCheck is a free tool to help investors check the professional background of current and former FINRA-registered securities firms and brokers. FINRA BrokerCheck is available by calling 1-800-289-9999 and at www.FINRA.org. The FINRA BrokerCheck brochure describing this program is available to investors at www.FINRA.org.

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December 31, 2021

Annual Report

Deutsche DWS Variable Series I

DWS Core Equity VIP

DWS

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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Stocks may decline in value. Fund management could be wrong in its analysis of industries, companies, economic trends and favor a security that underperforms the market. The Fund may lend securities to approved institutions. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

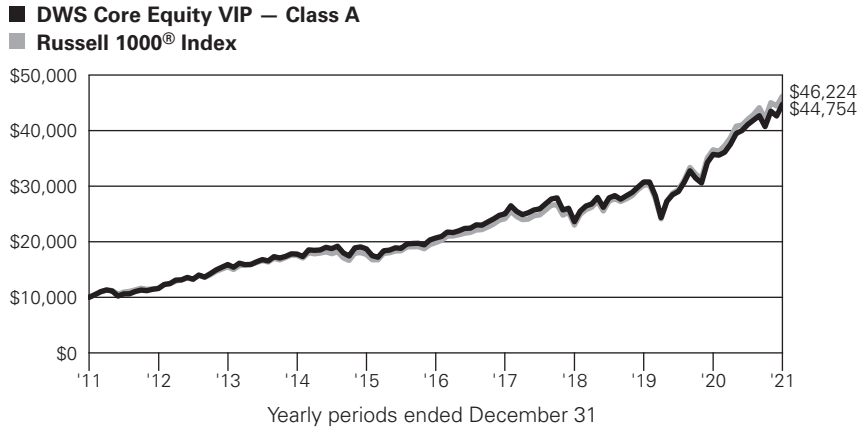
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.62% and 0.94% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



The Russell 1000® Index is an unmanaged index that measures the performance of the 1,000 largest companies in the Russell 3000® Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS Core Equity VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,530	$18,961	$21,642	$44,754
	Average annual total return	25.30%	23.77%	16.70%	16.17%
Russell 1000® Index	Growth of $10,000	$12,645	$20,103	$23,293	$46,224
	Average annual total return	26.45%	26.21%	18.43%	16.54%

DWS Core Equity VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,494	$18,775	$21,294	$43,458
	Average annual total return	24.94%	23.37%	16.32%	15.83%
Russell 1000® Index	Growth of $10,000	$12,645	$20,103	$23,293	$46,224
	Average annual total return	26.45%	26.21%	18.43%	16.54%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

Stocks performed well in 2021 thanks in part to the rollout of COVID-19 vaccines and the gradual re-opening of the economy that followed. Economic growth and corporate earnings came in well above expectations in the first half of the year as a result, propelling the market higher. U.S. Federal Reserve (Fed) policy was also supportive for most of the year, with near-zero interest rates and the continuation of the stimulative quantitative easing program. A series of fiscal stimulus packages enacted by the U.S. government provided additional momentum for both economic growth and investor sentiment. In combination, these developments helped investors look beyond risk factors such as rising inflation, worries about China's economy, and the emergence of new variants of COVID-19.

The Fund returned 25.30% (Class A shares, unadjusted for contract charges), underperforming the 26.45% return of the Russell 1000® Index. After performing in line its benchmark in the first half of the year, the Fund lagged thereafter. We believe a key reason for this shortfall was that macroeconomic factors — rather the company-specific fundamentals — became the most important driver of market performance as the second half of the year progressed. This phenomenon largely reflected investors' struggle to assess the shift from an environment of strong growth and an accommodative Fed toward one possibly characterized by slowing growth, higher inflation, and tighter monetary policy. We expect that as investors adjust to the new set of circumstances, fundamentals will eventually move back to the forefront – a potential tailwind for the Fund given the nature of our approach.

The Fund's stock selection in the consumer discretionary sector was a key detractor from performance in 2021. Peloton Interactive, Inc., which lost ground due to concerns about rising competition, weaker-than-expected earnings, and the broader sell-off in former "pandemic winners," was the primary reason for the shortfall. We were also hurt by having an overweight position in Amazon.com, Inc. — which lagged after a strong showing during the lockdowns of 2020 — and a zero weighting in Tesla, Inc. Health care was another area of weakness. Although we benefited from holdings in insurance stocks, which outpaced their sector peers by a wide margin, the contribution was outweighed by overweights in Pfizer, Inc.* and Amgen, Inc. Communication services was another challenging area in 2021, with Roku, Inc. and T-Mobile US, Inc. representing the largest detractors.

On the positive side, our positioning in information technology made a sizable contribution. Most notably, we benefited from holding large overweights in the two industry heavyweights: Apple, Inc. and Microsoft Corp. Both outperformed the broader market by a wide margin as investors gravitated toward mega-cap stocks seen as having the most reliable growth characteristics. Advanced Micro Devices, Inc. and Oracle Corp. were notable contributors in technology, as well. Real estate, though a small portion of the portfolio, was nonetheless another source of positive performance. Prologis, Inc., as a data-center real estate investment trust, was positioned to benefit from the growing demand for data usage, storage, and connectivity brought about by the shift toward more people working off-site. Similarly, Iron Mountain, Inc. benefited from its move to a business model focused on data storage. Outside of these sectors, Marathon Petroleum Corp.* — a refining stock that was well situated to take advantage of rising gasoline prices — was the leading contributor.

We continue to maintain discipline through all market conditions. We seek to optimize the portfolio by emphasizing stocks with the most favorable combination of individual factors, rather than relying on a single factor — such as value or growth — to drive performance. In our view, this approach has enabled us to build a portfolio designed to navigate uncertain conditions and rapid shifts in market leadership. We believe the merits of this strategy may become increasingly evident as investors struggle to assess a shifting investment backdrop in the year ahead.

Pankaj Bhatnagar, PhD, Head of Investment Strategy Equity
Di Kumble, CFA, Senior Portfolio Manager Equity
Arno V. Puskar, Senior Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

Russell 1000 Index is an unmanaged index that measures the performance of the 1,000 largest companies in the Russell 3000® Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index.

Contribution and **detraction** incorporate both an investment's total return and its weighting in the Fund.

Overweight means that a fund holds a higher weighting in a given sector compared with its benchmark index. **Underweight** means that a fund holds a lower weighting.

* Not held at December 31, 2021

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	99%
Cash Equivalents	1%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Information Technology	29%	27%
Health Care	13%	14%
Consumer Discretionary	13%	13%
Financials	11%	10%
Industrials	9%	9%
Communication Services	9%	11%
Consumer Staples	5%	6%
Real Estate	4%	3%
Energy	3%	2%
Utilities	2%	3%
Materials	2%	2%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.2%		
Communication Services 8.6%		
Entertainment 2.6%		
Activision Blizzard, Inc.	7,822	520,398
Electronic Arts, Inc.	3,228	425,773
Netflix, Inc.*	1,510	909,685
Roku, Inc.*	4,974	1,135,067
Walt Disney Co.*	1,598	247,514
		3,238,437
Interactive Media & Services 4.9%		
Alphabet, Inc. "A"*	821	2,378,470
Alphabet, Inc. "C"*	1,299	3,758,773
		6,137,243
Wireless Telecommunication Services 1.1%		
T-Mobile U.S., Inc.*	11,996	**1,391,296**
Consumer Discretionary 13.1%		
Auto Components 1.1%		
BorgWarner, Inc.	9,023	406,667
Lear Corp.	5,498	1,005,859
		1,412,526
Automobiles 0.5%		
Ford Motor Co.	29,897	**620,961**
Distributors 0.3%		
Pool Corp.	602	**340,732**
Diversified Consumer Services 1.0%		
Terminix Global Holdings, Inc.*	26,269	**1,188,147**
Hotels, Restaurants & Leisure 2.8%		
Churchill Downs, Inc.	2,134	514,081
Darden Restaurants, Inc.	3,225	485,814
Hilton Worldwide Holdings, Inc.*	3,810	594,322
Vail Resorts, Inc.	1,325	434,467
Wyndham Hotels & Resorts, Inc.	15,894	1,424,897
		3,453,581
Household Durables 0.7%		
Mohawk Industries, Inc.*	2,990	544,718
Newell Brands, Inc.	16,839	367,764
		912,482
Internet & Direct Marketing Retail 4.3%		
Amazon.com, Inc.*	1,616	**5,388,293**
Leisure Products 0.6%		
Peloton Interactive, Inc. "A"* (a)	20,960	**749,530**
Specialty Retail 0.6%		
Five Below, Inc.*	2,023	418,539
RH*	680	364,439
		782,978
Textiles, Apparel & Luxury Goods 1.2%		
NIKE, Inc. "B"	8,974	**1,495,696**
Consumer Staples 5.3%		
Beverages 2.9%		
Coca-Cola Co.	24,629	1,458,283
PepsiCo, Inc.	12,255	2,128,816
		3,587,099
Food & Staples Retailing 1.5%		
Beyond Meat, Inc.* (a)	2,943	191,766
Costco Wholesale Corp.	1,819	1,032,646
Kroger Co.	13,302	602,049
		1,826,461
Personal Products 0.3%		
Estee Lauder Companies, Inc. "A"	1,092	**404,259**
Tobacco 0.6%		
Altria Group, Inc.	15,524	**735,682**
Energy 2.5%		
Oil, Gas & Consumable Fuels		
Cheniere Energy, Inc.	4,254	431,441
Devon Energy Corp.	23,984	1,056,495
Hess Corp.	9,153	677,596
Occidental Petroleum Corp.	20,692	599,861
Valero Energy Corp.	4,552	341,901
		3,107,294
Financials 10.4%		
Banks 3.9%		
Bank of America Corp.	21,201	943,232
JPMorgan Chase & Co.	18,573	2,941,035
Wells Fargo & Co.	20,800	997,984
		4,882,251
Capital Markets 4.8%		
Ameriprise Financial, Inc.	3,639	1,097,740
Apollo Global Management, Inc. (a)	8,174	592,043
Carlyle Group, Inc.	18,030	989,847
Intercontinental Exchange, Inc.	3,921	536,275
MSCI, Inc.	2,809	1,721,046
T. Rowe Price Group, Inc.	3,175	624,332
Tradeweb Markets, Inc. "A"	4,191	419,687
		5,980,970
Insurance 1.7%		
Everest Re Group Ltd.	1,692	463,473

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Hartford Financial Services Group, Inc.	6,686	461,601
MetLife, Inc.	18,281	1,142,380
		2,067,454
Health Care 13.3%		
Biotechnology 2.7%		
AbbVie, Inc.	8,604	1,164,982
Amgen, Inc.	5,868	1,320,124
Biogen, Inc.*	3,363	806,851
		3,291,957
Health Care Equipment & Supplies 0.2%		
Danaher Corp.	924	**304,005**
Health Care Providers & Services 7.4%		
Anthem, Inc.	6,133	2,842,891
Centene Corp.*	19,199	1,581,997
Cigna Corp.	1,354	310,919
DaVita, Inc.*	6,580	748,541
HCA Healthcare, Inc.	3,540	909,497
McKesson Corp.	5,928	1,473,523
Molina Healthcare, Inc.*	4,092	1,301,583
		9,168,951
Pharmaceuticals 3.0%		
AstraZeneca PLC (ADR)	7,096	413,342
Bristol-Myers Squibb Co.	14,398	897,715
Johnson & Johnson	8,512	1,456,148
Viatris, Inc.	31,378	424,544
Zoetis, Inc.	2,278	555,901
		3,747,650
Industrials 8.9%		
Aerospace & Defense 2.1%		
Howmet Aerospace, Inc.	20,987	668,016
Raytheon Technologies Corp.	4,421	380,472
Textron, Inc.	20,746	1,601,591
		2,650,079
Building Products 0.8%		
Owens Corning	11,340	**1,026,270**
Commercial Services & Supplies 2.3%		
Cintas Corp.	955	423,227
Republic Services, Inc.	2,703	376,933
Waste Management, Inc.	12,674	2,115,291
		2,915,451
Electrical Equipment 0.4%		
Emerson Electric Co.	4,917	**457,133**
Industrial Conglomerates 0.3%		
3M Co.	2,385	**423,648**
Machinery 1.9%		
AGCO Corp.	5,368	622,795
Cummins, Inc.	2,014	439,334
Ingersoll Rand, Inc.*	8,248	510,304
Oshkosh Corp.	2,656	299,358
Parker-Hannifin Corp.	1,443	459,047
		2,330,838
Professional Services 0.5%		
TransUnion	2,526	299,533
Verisk Analytics, Inc.	1,354	309,701
		609,234
Road & Rail 0.6%		
Norfolk Southern Corp.	2,347	**698,725**
Information Technology 28.9%		
Communications Equipment 1.0%		
Cisco Systems, Inc.	19,485	**1,234,764**
IT Services 2.6%		
Accenture PLC "A"	1,664	689,811
DXC Technology Co.*	15,590	501,842
Visa, Inc. "A" (a)	9,543	2,068,064
		3,259,717
Semiconductors & Semiconductor Equipment 5.6%		
Advanced Micro Devices, Inc.*	9,003	1,295,532
Intel Corp.	27,893	1,436,489
NVIDIA Corp.	6,582	1,935,832
QUALCOMM, Inc.	12,349	2,258,262
		6,926,115
Software 11.4%		
Dynatrace, Inc.*	8,953	540,314
Intuit, Inc.	725	466,335
Microsoft Corp.	27,493	9,246,446
Oracle Corp.	27,597	2,406,734
salesforce.com, Inc.*	3,438	873,699
Synopsys, Inc.*	1,813	668,090
		14,201,618
Technology Hardware, Storage & Peripherals 8.3%		
Apple, Inc.	58,298	**10,351,976**
Materials 2.3%		
Chemicals 1.3%		
DuPont de Nemours, Inc.	5,824	470,463
Linde PLC*	1,635	566,413
The Mosaic Co.	13,946	547,938
		1,584,814
Metals & Mining 1.0%		
Arconic Corp.*	17,289	570,710
Newmont Corp.	6,745	418,325
United States Steel Corp.	10,729	255,457
		1,244,492
Real Estate 3.6%		
Equity Real Estate Investment Trusts (REITs)		
AvalonBay Communities, Inc.	5,215	1,317,257

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Iron Mountain, Inc.	29,868	1,562,992
Prologis, Inc.	9,709	1,634,607
		4,514,856
Utilities 2.3%		
Electric Utilities 0.7%		
NextEra Energy, Inc.	9,752	**910,447**
Multi-Utilities 0.6%		
Public Service Enterprise Group, Inc.	10,514	**701,599**
Water Utilities 1.0%		
American Water Works Co., Inc.	6,628	**1,251,764**
Total Common Stocks (Cost $67,650,972)		**123,509,475**

	Shares	Value ($)
Cash Equivalents 0.9%		
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $1,168,134)	1,168,134	**1,168,134**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $71,869,341)	102.6	**127,727,844**
Other Assets and Liabilities, Net	(2.6)	**(3,268,126)**
Net Assets	100.0	**124,459,718**

Securities Lending Collateral 2.5%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $3,050,235)	3,050,235	**3,050,235**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 2.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
3,846,941	—	796,706 (d)	—	—	5,349	—	3,050,235	3,050,235
Cash Equivalents 0.9%								
DWS Central Cash Management Government Fund, 0.05% (b)								
740,536	13,844,138	13,416,540	—	—	198	—	1,168,134	1,168,134
4,587,477	**13,844,138**	**14,213,246**	**—**	**—**	**5,547**	**—**	**4,218,369**	**4,218,369**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $2,960,674, which is 2.4% of net assets.

(b) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(c) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

ADR: American Depositary Receipt

The accompanying notes are an integral part of the financial statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 123,509,475	$ —	$ —	$ 123,509,475
Short-Term Investments (a)	4,218,369	—	—	4,218,369
Total	**$ 127,727,844**	**$ —**	**$ —**	**$ 127,727,844**

(a) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $67,650,972) — including $2,960,674 of securities loaned	$ 123,509,475
Investment in DWS Government & Agency Securities Portfolio (cost $3,050,235)*	3,050,235
Investment in DWS Central Cash Management Government Fund (cost $1,168,134)	1,168,134
Cash	14,504
Receivable for Fund shares sold	628
Dividends receivable	64,389
Interest receivable	898
Other assets	2,037
Total assets	127,810,300
Liabilities	
Payable upon return of securities loaned	3,050,235
Payable for Fund shares redeemed	165,150
Accrued management fee	40,594
Accrued Trustees' fees	1,460
Other accrued expenses and payables	93,143
Total liabilities	3,350,582
Net assets, at value	**$ 124,459,718**
Net Assets Consist of	
Distributable earnings (loss)	71,549,863
Paid-in capital	52,909,855
Net assets, at value	**$ 124,459,718**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($120,821,967 ÷ 8,323,929 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 14.52**
Class B	
Net Asset Value, offering and redemption price per share ($3,637,751 ÷ 251,030 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 14.49**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends	$ 1,471,312
Income distributions — DWS Central Cash Management Government Fund	198
Securities lending income, net of borrower rebates	5,349
Total income	1,476,859
Expenses:	
Management fee	460,464
Administration fee	114,526
Services to shareholders	1,294
Record keeping fee (Class B)	2,219
Distribution service fee (Class B)	8,651
Custodian fee	5,432
Audit fee	53,933
Legal fees	16,334
Tax fees	8,316
Reports to shareholders	25,578
Trustees' fees and expenses	5,868
Other	5,813
Total expenses	708,428
Net investment income	**768,431**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	15,286,776
Payments by affiliates (see Note F)	2,512
	15,289,288
Change in net unrealized appreciation (depreciation) on investments	10,515,608
Net gain (loss)	**25,804,896**
Net increase (decrease) in net assets resulting from operations	**$26,573,327**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 768,431	$ 997,393
Net realized gain (loss)	15,289,288	5,117,424
Change in net unrealized appreciation (depreciation)	10,515,608	8,536,882
Net increase (decrease) in net assets resulting from operations	26,573,327	14,651,699
Distributions to shareholders:		
Class A	(6,046,519)	(5,813,005)
Class B	(170,977)	(175,513)
Total distributions	(6,217,496)	(5,988,518)
Fund share transactions:		
Class A		
Proceeds from shares sold	5,044,139	2,502,706
Reinvestment of distributions	6,046,519	5,813,005
Payments for shares redeemed	(17,124,502)	(16,323,485)
Net increase (decrease) in net assets from Class A share transactions	(6,033,844)	(8,007,774)
Class B		
Proceeds from shares sold	141,029	141,998
Reinvestment of distributions	170,977	175,513
Payments for shares redeemed	(790,942)	(428,535)
Net increase (decrease) in net assets from Class B share transactions	(478,936)	(111,024)
Increase (decrease) in net assets	13,843,051	544,383
Net assets at beginning of period	110,616,667	110,072,284
Net assets at end of period	**$124,459,718**	**$110,616,667**
Other Information		
Class A		
Shares outstanding at beginning of period	8,760,193	9,438,162
Shares sold	376,354	240,122
Shares issued to shareholders in reinvestment of distributions	469,450	652,414
Shares redeemed	(1,282,068)	(1,570,505)
Net increase (decrease) in Class A shares	(436,264)	(677,969)
Shares outstanding at end of period	**8,323,929**	**8,760,193**
Class B		
Shares outstanding at beginning of period	288,118	295,485
Shares sold	10,402	12,670
Shares issued to shareholders in reinvestment of distributions	13,265	19,676
Shares redeemed	(60,755)	(39,713)
Net increase (decrease) in Class B shares	(37,088)	(7,367)
Shares outstanding at end of period	**251,030**	**288,118**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Core Equity VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$12.23**	**$11.31**	**$9.83**	**$14.64**	**$13.16**
Income (loss) from investment operations:					
Net investment income[a]	.09	.11	.14	.14	.17
Net realized and unrealized gain (loss)	2.91	1.47	2.70	(.71)	2.44
Total from investment operations	3.00	1.58	2.84	(.57)	2.61
Less distributions from:					
Net investment income	(.10)	(.15)	(.12)	(.27)	(.17)
Net realized gains	(.61)	(.51)	(1.24)	(3.97)	(.96)
Total distributions	(.71)	(.66)	(1.36)	(4.24)	(1.13)
Net asset value, end of period	**$14.52**	**$12.23**	**$11.31**	**$9.83**	**$14.64**
Total Return (%)	25.30	16.13	30.30	(5.69)	21.02
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	121	107	107	92	105
Ratio of expenses (%)[b]	.59	.62	.62	.61	.57
Ratio of net investment income (%)	.66	1.01	1.32	1.14	1.22
Portfolio turnover rate (%)	34	45	40	43	39

[a] Based on average shares outstanding during the period.

[b] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

DWS Core Equity VIP — Class B

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$12.21**	**$11.29**	**$9.81**	**$14.62**	**$13.14**
Income (loss) from investment operations:					
Net investment income[a]	.05	.07	.11	.10	.13
Net realized and unrealized gain (loss)	2.90	1.48	2.70	(.72)	2.44
Total from investment operations	2.95	1.55	2.81	(.62)	2.57
Less distributions from:					
Net investment income	(.06)	(.12)	(.09)	(.22)	(.13)
Net realized gains	(.61)	(.51)	(1.24)	(3.97)	(.96)
Total distributions	(.67)	(.63)	(1.33)	(4.19)	(1.09)
Net asset value, end of period	**$14.49**	**$12.21**	**$11.29**	**$9.81**	**$14.62**
Total Return (%)	24.94	15.67	29.92	(6.02)	20.68
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	4	4	3	3	3
Ratio of expenses (%)[b]	.91	.94	.94	.93	.86
Ratio of net investment income (%)	.34	.69	1.00	.82	.94
Portfolio turnover rate (%)	34	45	40	43	39

[a] Based on average shares outstanding during the period.

[b] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Variable Series I (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust. The Trust consists of four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS Core Equity VIP. The Trust is intended to be the underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Federal Income Taxes. The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code, as amended. It is the Fund's policy to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss. As a result,

net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 1,802,142
Undistributed long-term capital gains	$ 14,184,889
Net unrealized appreciation (depreciation) on investments	$ 55,544,264

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $72,183,580. The net unrealized appreciation for all investments based on tax cost was $55,544,264. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $57,617,557 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,073,293.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 904,846	$ 1,359,627
Distributions from long-term capital gains	$ 5,312,650	$ 4,628,891

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $39,126,611 and $51,047,924, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million of average daily net assets	.390%
Next $750 million of average daily net assets	.365%
Over $1 billion of average daily net assets	.340%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.39% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.72%
Class B	1.04%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.66%
Class B	.98%

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $114,526, of which $10,096 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 763	$ 128
Class B	158	27
	$ 921	**$ 155**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trust's Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $8,651, of which $759 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $932, of which $80 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the

extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $403.

D. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 50% and 16%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 49% and 36%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Payments by Affiliates

During the year ended December 31, 2021, the Advisor agreed to reimburse the Fund $2,512 for commission costs incurred in connection with purchases and sales of portfolio assets. The amount reimbursed was less than 0.01% of the Fund's average net assets, thus having no impact on the Fund's total return.

G. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS Core Equity VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Core Equity VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,089.30	$ 1,087.00
Expenses Paid per $1,000*	$ 3.05	$ 4.73

Hypothetical 5% Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,022.28	$ 1,020.67
Expenses Paid per $1,000*	$ 2.96	$ 4.58

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	Class A	Class B
Deutsche DWS Variable Series I — DWS Core Equity VIP	.58%	.90%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid distributions of $0.61 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $15,647,970 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 100% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Core Equity VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 3rd quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the

one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

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December 31, 2021

Annual Report

Deutsche DWS Variable Series I

DWS CROCI® International VIP

DWS

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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Investing in foreign securities, presents certain risks, such as currency fluctuations, political and economic changes, and market risks. Stocks may decline in value. The Fund will be managed on the premise that stocks with lower CROCI® Economic P/E Ratios may outperform stocks with higher CROCI® Economic P/E Ratios over time. This premise may not always be correct and prospective investors should evaluate this assumption prior to investing in the Fund. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

On January 31, 2020, the United Kingdom officially withdrew from the European Union (EU) pursuant to a withdrawal agreement, providing for a transition period in which the United Kingdom negotiated and finalized a trade deal with the EU, the EU-UK Trade and Cooperation Agreement, provisionally applied effective January 1, 2021. As a result, as of January 1, 2021 the United Kingdom is no longer part of the EU customs union and single market, nor is it subject to EU policies and international agreements. The long-term impact of the United Kingdom's withdrawal from the EU is still unknown and could have adverse economic and political effects on the United Kingdom, the EU and its member countries, and the global economy, including financial markets and asset valuations.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

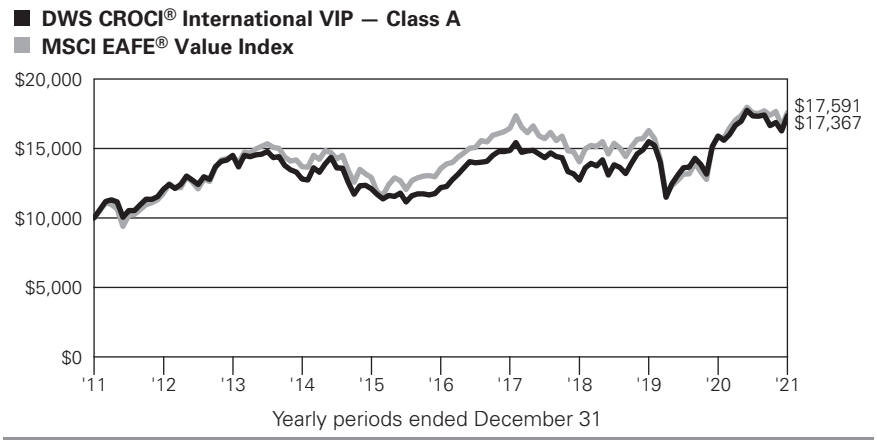
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.99% and 1.27% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



MSCI EAFE (Europe, Australasia and the Far East) Value Index captures large and mid-capitalization securities exhibiting overall value style characteristics across developed markets countries around the world, excluding the U.S. and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS CROCI® International VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$10,924	$13,650	$14,251	$17,367
	Average annual total return	9.24%	10.93%	7.34%	5.67%
MSCI EAFE Value Index	Growth of $10,000	$11,089	$12,535	$12,973	$17,591
	Average annual total return	10.89%	7.82%	5.34%	5.81%

DWS CROCI® International VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,894	$13,537	$14,081	$16,929
	Average annual total return	8.94%	10.62%	7.09%	5.41%
MSCI EAFE Value Index	Growth of $10,000	$11,089	$12,535	$12,973	$17,591
	Average annual total return	10.89%	7.82%	5.34%	5.81%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund returned 9.24% (Class A Shares, unadjusted for contract charges) in 2021 and underperformed the 10.89% return of its benchmark, the MSCI EAFE Value Index.

International equities performed very well in the annual period, as the gradual lifting of virus-related restrictions contributed to a surge in economic growth and corporate earnings. Monetary policy was also supportive for the majority of the year, with most central banks holding interest rates near zero and maintaining stimulative quantitative easing programs. Although concerns about new variants of the coronavirus, rising inflation, and the possibility of higher interest rates caused some volatility near year-end, the index nonetheless delivered a double-digit return. Value stocks performed largely in line with the overall market in 2021, as gauged by the 11.26% return for the MSCI EAFE Index.

The Fund underperformed somewhat in 2021, but it's important to keep in mind that our investment strategy leads to a portfolio that is quite different in comparison to the broad-based indexes. The types of lower-beta stocks in which we invest have been out of fashion since the lows of early 2020, as investors have scrambled to keep up with the market's impressive recovery. We may have begun to see the beginnings of a potential shift in this trend in December, when the possibility of tighter central bank policy depressed investor risk appetites and led to a sudden reversal of fortune for lower-beta dividend payers. With this as background, we believe the Fund offers a compelling option for investors who want a way to balance their portfolios through exposure to undervalued, more defensive companies.

While stock selection had a positive effect on Fund performance in the annual period, the benefit was outweighed by the negative impact from sector allocations. The majority of the shortfall stemmed from a sizable overweight position in health care. The sector, while posting a positive return, was the worst performer of the eleven sectors in the index due in part to the larger rotation away from defensive areas of the market. A zero weighting in energy, which rallied on the strength of rising oil prices, also detracted. On the positive side, an overweight in information technology and underweights in real estate and utilities contributed.

With respect to stock selection, we delivered the best results in the industrials sector. The maritime shipping company AP Moller - Maersk AS, which benefited from a substantial gain in the rates it can charge its customers, was the top contributor. Health care was our second-strongest sector thanks to positions in two European stocks. The German life sciences company Merck KGaA* gained ground on the strength of its attractive growth profile, while the Danish multinational pharmaceutical company Novo Nordisk AS* rallied after management raised its earnings guidance. The consumer discretionary and financial sectors were also areas of strength for the Fund in 2021. Tokyo Electron Ltd., which benefited from the general uptrends across the semiconductor industry, was the leading individual contributor for the year.

On the other hand, stock selection in materials was a meaningful detractor. Shares of the mining stock BHP Group Ltd. declined sharply in the latter half of the year due in part to concerns about the demand outlook in China. A position in the Swiss building materials company Holcim Ltd., which suffered from both rising input costs and worries about a possible slowdown in the European housing market, was another key detractor in materials. Nintendo, Ltd.,* which was pressured by weaker sales due to lack of major new game titles, was the Fund's largest overall detractor for the year.

International equities lagged the United States for the fourth consecutive year in 2021. One of the most important reasons for the persistent disparity has been the ongoing outperformance for mega-cap U.S. technology stocks. Although this trend has proven enduring, we also think that it creates the potential for the international markets to demonstrate improved relative performance if this narrow group of leaders begins to lose steam.

Di Kumble, CFA, Senior Portfolio Manager Equity

John Moody, Portfolio Manager Equity

Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

MSCI EAFE Value Index captures large and mid-capitalization securities exhibiting overall value style characteristics across developed markets countries around the world, excluding the U.S. and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

MSCI EAFE Index is an unmanaged equity index which captures large and mid-capitalization representation across 21 developed markets countries around the world, excluding the U.S. and Canada. It covers approximately 85% of the free float-adjusted market capitalization in each country.

Beta measures a security's sensitivity to the movements of the fund's benchmark or the market as a whole.

Contributors and **detractors** incorporate both a stock's return and its weight. If two stocks have the same return but one has a larger weighting in the Fund, it will have a larger contribution to return in the period.

Consumer discretionary represents industries that produce goods and services that are not necessities in everyday life.

Overweight means the Fund holds a higher weighting in a given sector or security than the benchmark. **Underweight** means the Fund holds a lower weighting.

* Not held at December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	97%
Cash Equivalents	1%	0%
Preferred Stocks	—	3%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Health Care	19%	20%
Financials	19%	15%
Industrials	15%	8%
Materials	13%	12%
Consumer Discretionary	9%	16%
Consumer Staples	9%	11%
Information Technology	9%	10%
Communication Services	5%	5%
Utilities	2%	3%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Japan	27%	27%
United Kingdom	14%	14%
Switzerland	13%	10%
France	10%	13%
Australia	10%	8%
Germany	7%	10%
Netherlands	5%	3%
Denmark	4%	3%
Belgium	3%	2%
Spain	2%	—
Finland	2%	1%
Singapore	—	3%
Italy	—	3%
Sweden	—	2%
Other	3%	1%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 98.9%		
Australia 9.7%		
Australia & New Zealand Banking Group Ltd.	84,558	1,692,456
BHP Group Ltd. (a)	106,025	3,205,303
BlueScope Steel Ltd.	18,267	278,217
Commonwealth Bank of Australia	4,883	358,692
National Australia Bank Ltd.	63,855	1,339,399
Sonic Healthcare Ltd.	37,000	1,256,895
(Cost $6,578,489)		**8,130,962**
Belgium 3.1%		
Solvay SA	4,135	480,232
UCB SA	18,773	2,148,675
(Cost $2,722,346)		**2,628,907**
Denmark 4.4%		
AP Moller - Maersk AS "B"	896	3,214,461
Pandora A/S	3,404	423,861
(Cost $2,011,880)		**3,638,322**
Finland 1.8%		
Nokia Oyj* (Cost $943,520)	235,625	**1,485,329**
France 10.3%		
BNP Paribas SA	54,732	3,785,632
Credit Agricole SA	124,264	1,775,345
Engie SA	82,054	1,215,170
Kering SA	488	392,680
Television Francaise 1	142,971	1,421,702
(Cost $6,614,770)		**8,590,529**
Germany 7.2%		
Bayer AG (Registered)	21,659	1,159,268
Beiersdorf AG	15,671	1,611,849
Deutsche Boerse AG	1,603	268,033
Deutsche Post AG (Registered)	30,613	1,964,083
Fresenius SE & Co. KGaA	15,080	606,563
HeidelbergCement AG	5,781	392,003
(Cost $5,996,822)		**6,001,799**
Hong Kong 0.9%		
Hong Kong & China Gas Co., Ltd. (Cost $717,433)	468,000	**729,427**
Ireland 0.8%		
CRH PLC (Cost $426,464)	12,532	**665,017**
Japan 27.1%		
Astellas Pharma, Inc.	56,600	920,788
Dentsu Group, Inc.	14,500	516,919
ITOCHU Corp.	25,500	780,405
KDDI Corp.	20,700	604,214
Mitsubishi UFJ Financial Group, Inc.	113,200	613,958
Murata Manufacturing Co., Ltd.	10,100	802,595
NEC Corp.	4,900	226,302
Nitto Denko Corp.	8,700	671,338
Otsuka Holdings Co., Ltd.	31,000	1,122,732
Sekisui House Ltd.	99,000	2,124,178
Seven & i Holdings Co., Ltd.	10,500	461,468
Shin-Etsu Chemical Co., Ltd.	6,509	1,126,186
Sony Group Corp.	8,000	1,007,309
Sumitomo Chemical Co., Ltd.	56,600	266,857
Sumitomo Mitsui Financial Group, Inc.	113,356	3,879,297
Takeda Pharmaceutical Co., Ltd.	31,200	851,363
Tokyo Electron Ltd.	5,600	3,213,215
Toyota Industries Corp.	42,332	3,383,610
(Cost $20,176,666)		**22,572,734**
Luxembourg 0.6%		
ArcelorMittal SA (Cost $533,332)	15,862	**507,575**
Netherlands 5.0%		
Koninklijke Ahold Delhaize NV	73,374	2,514,810
Koninklijke KPN NV	366,394	1,138,879
PostNL NV	113,371	495,483
(Cost $3,245,120)		**4,149,172**
Spain 2.0%		
Banco Bilbao Vizcaya Argentaria SA	88,018	522,631
Banco Santander SA	348,429	1,161,524
(Cost $1,547,630)		**1,684,155**
Switzerland 12.4%		
Holcim Ltd.	33,724	1,723,586
Logitech International SA (Registered)	14,782	1,231,134
Novartis AG (Registered)	35,650	3,131,176
Roche Holding AG (Genusschein)	10,298	4,279,926
(Cost $10,069,810)		**10,365,822**
United Kingdom 13.6%		
AstraZeneca PLC	2,310	270,533
BAE Systems PLC	93,963	698,459
Barratt Developments PLC	65,050	657,604
British American Tobacco PLC	44,438	1,649,007
Bunzl PLC	23,229	907,560
Ferguson PLC	3,598	637,215
Imperial Brands PLC	58,326	1,274,986
ITV PLC*	248,992	365,545
Kingfisher PLC	155,410	712,040
Persimmon PLC	53,615	2,071,526
Rio Tinto PLC	21,000	1,392,951

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Royal Mail PLC	47,523	325,939
Taylor Wimpey PLC	160,115	379,522
(Cost $9,268,582)		**11,342,887**
Total Common Stocks (Cost $70,852,864)		**82,492,637**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $74,785,834)	103.7	**86,425,607**
Other Assets and Liabilities, Net	(3.7)	**(3,043,793)**
Net Assets	100.0	**83,381,814**

Securities Lending Collateral 4.0%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $3,317,912)	3,317,912	**3,317,912**

Cash Equivalents 0.8%

DWS Central Cash Management Government Fund, 0.05% (b) (Cost $615,058)	615,058	**615,058**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 4.0%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
—	3,317,912 (d)	—	—	—	18,296	—	3,317,912	3,317,912
Cash Equivalents 0.8%								
DWS Central Cash Management Government Fund, 0.05% (b)								
249,295	7,576,820	7,211,057	—	—	191	—	615,058	615,058
249,295	**10,894,732**	**7,211,057**	**—**	**—**	**18,487**	**—**	**3,932,970**	**3,932,970**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $3,173,230, which is 3.8% of net assets.

(b) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(c) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

The accompanying notes are an integral part of the financial statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks				
Australia	$ —	$ 8,130,962	$ —	$ 8,130,962
Belgium	—	2,628,907	—	2,628,907
Denmark	—	3,638,322	—	3,638,322
Finland	—	1,485,329	—	1,485,329
France	—	8,590,529	—	8,590,529
Germany	—	6,001,799	—	6,001,799
Hong Kong	—	729,427	—	729,427
Ireland	—	665,017	—	665,017
Japan	—	22,572,734	—	22,572,734
Luxembourg	—	507,575	—	507,575
Netherlands	—	4,149,172	—	4,149,172
Spain	—	1,684,155	—	1,684,155
Switzerland	—	10,365,822	—	10,365,822
United Kingdom	—	11,342,887	—	11,342,887
Short-Term Investments (a)	3,932,970	—	—	3,932,970
Total	**$3,932,970**	**$82,492,637**	**$ —**	**$86,425,607**

(a) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $70,852,864) — including $3,173,230 of securities loaned	$ 82,492,637
Investment in DWS Government & Agency Securities Portfolio (cost $3,317,912)*	3,317,912
Investment in DWS Central Cash Management Government Fund (cost $615,058)	615,058
Cash	217
Foreign currency, at value (cost $64,578)	65,212
Receivable for Fund shares sold	18,836
Dividends receivable	111,514
Interest receivable	1,249
Foreign taxes recoverable	266,205
Other assets	1,677
Total assets	86,890,517
Liabilities	
Payable upon return of securities loaned	3,317,912
Payable for Fund shares redeemed	35,328
Accrued management fee	46,882
Accrued Trustees' fees	1,565
Other accrued expenses and payables	107,016
Total liabilities	3,508,703
Net assets, at value	**$ 83,381,814**
Net Assets Consist of	
Distributable earnings (loss)	(17,337,760)
Paid-in capital	100,719,574
Net assets, at value	**$ 83,381,814**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($82,998,978 ÷ 10,751,199 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 7.72**
Class B	
Net Asset Value, offering and redemption price per share ($382,836 ÷ 49,491 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 7.74**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $220,284)	$ 3,000,400
Income distributions — DWS Central Cash Management Government Fund	191
Securities lending income, net of borrower rebates	18,296
Total income	3,018,887
Expenses:	
Management fee	540,178
Administration fee	80,611
Services to shareholders	228
Distribution service fee (Class B)	942
Custodian fee	14,866
Audit fee	59,924
Legal fees	14,875
Tax fees	7,206
Reports to shareholders	41,754
Trustees' fees and expenses	4,413
Other	9,033
Total expenses before expense reductions	774,030
Expense reductions	(48,531)
Total expenses after expense reductions	725,499
Net investment income	**2,293,388**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	6,071,662
Foreign currency	(17,173)
	6,054,489
Change in net unrealized appreciation (depreciation) on:	
Investments	(1,162,011)
Foreign currency	(17,833)
	(1,179,844)
Net gain (loss)	**4,874,645**
Net increase (decrease) in net assets resulting from operations	**$ 7,168,033**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 2,293,388	$ 1,344,811
Net realized gain (loss)	6,054,489	(5,460,872)
Change in net unrealized appreciation (depreciation)	(1,179,844)	5,820,367
Net increase (decrease) in net assets resulting from operations	7,168,033	1,704,306
Distributions to shareholders:		
Class A	(2,001,186)	(2,471,928)
Class B	(8,123)	(9,620)
Total distributions	(2,009,309)	(2,481,548)
Fund share transactions:		
Class A		
Proceeds from shares sold	5,592,996	3,807,686
Reinvestment of distributions	2,001,186	2,471,928
Payments for shares redeemed	(8,759,770)	(7,817,535)
Net increase (decrease) in net assets from Class A share transactions	(1,165,588)	(1,537,921)
Class B		
Proceeds from shares sold	20,913	32,846
Reinvestment of distributions	8,123	9,620
Payments for shares redeemed	(27,757)	(17,279)
Net increase (decrease) in net assets from Class B share transactions	1,279	25,187
Increase (decrease) in net assets	3,994,415	(2,289,976)
Net assets at beginning of period	79,387,399	81,677,375
Net assets at end of period	**$83,381,814**	**$79,387,399**
Other Information		
Class A		
Shares outstanding at beginning of period	10,909,190	11,073,845
Shares sold	734,747	608,760
Shares issued to shareholders in reinvestment of distributions	263,661	453,565
Shares redeemed	(1,156,399)	(1,226,980)
Net increase (decrease) in Class A shares	(157,991)	(164,655)
Shares outstanding at end of period	**10,751,199**	**10,909,190**
Class B		
Shares outstanding at beginning of period	49,324	45,067
Shares sold	2,757	5,148
Shares issued to shareholders in reinvestment of distributions	1,066	1,759
Shares redeemed	(3,656)	(2,650)
Net increase (decrease) in Class B shares	167	4,257
Shares outstanding at end of period	**49,491**	**49,324**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS CROCI® International VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$7.24**	**$7.35**	**$6.22**	**$7.34**	**$6.47**
Income (loss) from investment operations:					
Net investment income[a]	.21	.12	.22	.20	.16
Net realized and unrealized gain (loss)	.46	.00*	1.11	(1.25)	1.21
Total from investment operations	.67	.12	1.33	(1.05)	1.37
Less distributions from:					
Net investment income	(.19)	(.23)	(.20)	(.07)	(.50)
Net asset value, end of period	**$7.72**	**$7.24**	**$7.35**	**$6.22**	**$7.34**
Total Return (%)[b]	9.24	2.61	21.77	(14.39)	21.96
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	83	79	81	72	92
Ratio of expenses before expense reductions (%)[c]	.93	.99	1.11	1.13	1.10
Ratio of expenses after expense reductions (%)[c]	.87	.87	.87	.87	.84
Ratio of net investment income (%)	2.76	1.88	3.22	2.78	2.24
Portfolio turnover rate (%)	66	67	101	59	73

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

* Amount is less than $.005.

The accompanying notes are an integral part of the financial statements.

DWS CROCI® International VIP — Class B

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$7.26**	**$7.36**	**$6.24**	**$7.36**	**$6.48**
Income (loss) from investment operations:					
Net investment income[a]	.19	.10	.20	.18	.13
Net realized and unrealized gain (loss)	.46	.01	1.11	(1.24)	1.23
Total from investment operations	.65	.11	1.31	(1.06)	1.36
Less distributions from:					
Net investment income	(.17)	(.21)	(.19)	(.06)	(.48)
Net asset value, end of period	**$7.74**	**$7.26**	**$7.36**	**$6.24**	**$7.36**
Total Return (%)[b]	8.94	2.49	21.24	(14.57)	21.76
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.38	.36	.33	.28	.33
Ratio of expenses before expense reductions (%)[c]	1.21	1.27	1.39	1.41	1.38
Ratio of expenses after expense reductions (%)[c]	1.13	1.12	1.12	1.12	1.09
Ratio of net investment income (%)	2.50	1.62	2.96	2.54	1.86
Portfolio turnover rate (%)	66	67	101	59	73

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Variable Series I (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust. The Trust consists of four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS CROCI® International VIP. The Trust is intended to be the underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1. For certain international equity securities, in order to adjust for events which may occur between the close of the foreign exchanges and the close of the New York Stock Exchange, a fair valuation model may be used. This fair valuation model takes into account comparisons to the valuation of American Depository Receipts (ADRs), exchange-traded funds, futures contracts and certain indices and these securities are categorized as Level 2.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which

the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Brown Brothers Harriman & Co., as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements were overnight and continuous.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Taxes. The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code, as amended. It is the Fund's policy to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

Additionally, the Fund may be subject to taxes imposed by the governments of countries in which it invests and are generally based on income and/or capital gains earned or repatriated, a portion of which may be recoverable. Based upon the current interpretation of the tax rules and regulations, estimated tax liabilities and recoveries on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized gain/loss on investments. Tax liabilities realized as a result of security sales are reflected as a component of net realized gain/loss on investments.

At December 31, 2021, the Fund had net tax basis capital loss carryforwards of approximately $30,408,000, including short-term losses ($10,049,000) and long-term losses ($20,359,000), which may be applied against realized net taxable capital gains indefinitely.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provisions for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to investments in foreign denominated investments, passive foreign investment companies and certain securities sold at a loss. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 2,253,771
Capital loss carryforwards	$ (30,408,000)
Net unrealized appreciation (depreciation) on investments	$ 10,814,496

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $75,611,111. The net unrealized appreciation for all investments based on tax cost was $10,814,496. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $13,088,878 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,274,382.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 2,009,309	$ 2,481,548

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific Fund are allocated to that Fund. Other Trust expenses which cannot be directly attributed to a Fund are apportioned among the Funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis net of foreign withholding taxes. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Certain dividends from foreign securities may be recorded subsequent to the ex-dividend date as soon as the Fund is informed of such dividends. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $53,859,294 and $55,180,061, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $500 million of average daily net assets	.650%
Over $500 million of average daily net assets	.600%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.65% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.87%
Class B	1.12%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.88%
Class B	1.13%

Effective October 1, 2021 through September 30, 2022 (through April 30, 2022 for Class B shares), the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.86%
Class B	1.13%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 48,232
Class B	299
	$ 48,531

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $80,611, of which $6,678 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 802	$ 136
Class B	103	17
	$ 905	**$ 153**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trusts' Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $942, of which $79 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,432, of which $580 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

D. Ownership of the Fund

At December 31, 2021, four participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 28%, 17%, 12% and 12%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 87% and 10%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and

costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS CROCI® International VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS CROCI® International VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,001.30	$ 1,001.30
Expenses Paid per $1,000*	$ 4.39	$ 5.70

Hypothetical 5% Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,020.82	$ 1,019.51
Expenses Paid per $1,000*	$ 4.43	$ 5.75

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	Class A	Class B
Deutsche DWS Variable Series I — DWS CROCI® International VIP	.87%	1.13%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid foreign taxes of $181,797 and earned $2,291,219 of foreign source income during the year ended December 31, 2021. Pursuant to Section 853 of the Internal Revenue Code, the Fund designates $0.02 per share as foreign taxes paid and $0.21 per share as income earned from foreign sources for the year ended December 31, 2021.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS CROCI® International VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile, 1st quartile and 1st quartile, respectively, of the applicable Morningstar universe (the 1st quartile

being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one-, three-, and five-year periods ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (2nd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that, effective October 1, 2019, in connection with the 2019 contract renewal process, DIMA agreed to reduce the Fund's contractual management fee at each breakpoint by 0.14% and 0.04%, respectively. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board noted that DIMA pays a licensing fee to an affiliate related to the Fund's use of the CROCI® strategy. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

Notes

December 31, 2021

Annual Report

Deutsche DWS Variable Series II

DWS CROCI® U.S. VIP

DWS

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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Stocks may decline in value. The Fund will be managed using the CROCI® Investment Process which is based on portfolio management's belief that, over time, stocks which display more favorable financial metrics (for example, the CROCI® Economic P/E Ratio) as generated by this process may outperform stocks which display less favorable metrics. This premise may not prove to be correct and prospective investors should evaluate this assumption prior to investing in the Fund. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

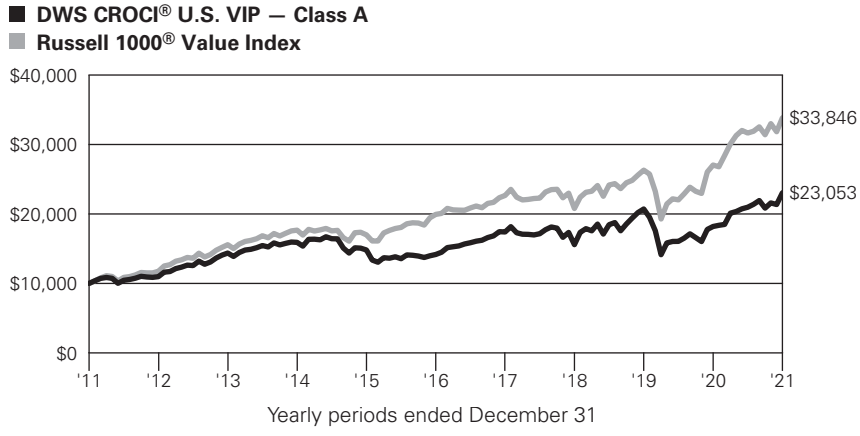
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.80% and 1.12% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



Russell 1000® Value Index is an unmanaged market capitalization-weighted index of value-oriented stocks of the largest U.S. domiciled companies that are included in the Russell 1000 Index. Value-oriented stocks tend to have lower price-to-book ratios and lower forecasted growth values. Russell 1000 Index is an unmanaged price-only index of the 1,000 largest capitalized companies that are domiciled in the U.S. and whose common stocks are traded.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Prior to May 1, 2017, the Fund operated with a different investment strategy. Prior to October 3, 2016, the Fund had a team that operated with a different investment strategy. Performance would have been different if the Fund's current strategy had been in effect.

Comparative Results

DWS CROCI® U.S. VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,669	$14,795	$16,272	$23,053
	Average annual total return	26.69%	13.95%	10.23%	8.71%
Russell 1000® Value Index	Growth of $10,000	$12,516	$16,281	$16,976	$33,846
	Average annual total return	25.16%	17.64%	11.16%	12.97%

DWS CROCI® U.S. VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,627	$14,652	$16,021	$22,364
	Average annual total return	26.27%	13.58%	9.88%	8.38%
Russell 1000® Value Index	Growth of $10,000	$12,516	$16,281	$16,976	$33,846
	Average annual total return	25.16%	17.64%	11.16%	12.97%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund produced a robust gain of 26.69% (Class A shares, unadjusted for contract charges) in 2021 and outperformed the 25.16% return of its benchmark, the Russell 1000® Value Index.

Stocks performed well in 2021 thanks in part to the rollout of COVID-19 vaccines and the gradual re-opening of the economy that followed. Economic growth and corporate earnings came in well above expectations in the first half of the year as a result, propelling the market higher. U.S. Federal Reserve (Fed) policy was also supportive for most of the year, with near-zero interest rates and the continuation of the stimulative quantitative easing program. A series of fiscal stimulus packages enacted by the U.S. government provided additional momentum for both economic growth and investor sentiment. In combination, these developments helped investors look beyond risk factors such as rising inflation, worries about China's economy, and the emergence of new variants of COVID-19. Value stocks slightly underperformed growth, largely as a result of the strong showing for a narrow group of mega-cap U.S. technology-related companies.

Our strategy tends to favor defensive companies and tilt away from those that are higher-beta and/or more economically sensitive. While this approach would typically be expected to weigh on relative performance during a year in which the market posted a double-digit gain, the Fund in fact outpaced the benchmark on the strength of individual stock selection. The Fund delivered its strongest results in information technology, where holdings in a number of semiconductor companies logged returns well in excess of both their sector peers and the market as a whole. Among these were Broadcom, Inc., QUALCOMM, Inc., KLA Corp., and Micron Technology, Inc. Positions in Cisco Systems, Inc. and Oracle Corp. added value, as well. Selection was also positive in communications services, with the largest contribution coming from an overweight position in Discovery, Inc.* The stock rebounded from its pandemic-driven sell-off of 2020 behind a robust recovery in advertising revenues. Consumer discretionary was another area of strength for the Fund, led by AutoZone, Inc., the homebuilder D.R. Horton, Inc., and eBay, Inc.

On the other hand, the health care company Viatris, Inc.* was the largest detractor. The stock suffered negative returns due to the combination of lower guidance, increased costs, and concerns that the company may have to reduce its dividend payment. The Fund lost ground through positions in a number of food producers, including Campbell Soup Co.* and Conagra Brands, Inc.,* that were pressured by worries that rising input costs will compel them either to raise prices or suffer a hit to their profit margins.

Sector allocation was a net detractor for the year, reducing the positive impact from stock selection. The Fund was hurt by its overweight position in the defensive consumer staples sector, as well as its underweights in energy and financials. The two sectors were the best and third-best sector performers, respectively, in 2021. A zero weighting in real estate, which finished with the second-best return, also detracted from results.

We adjusted our approach during the course of the year. While in the past we sought to maintain approximately equal weightings in all of the portfolio's holdings, we have introduced a new portfolio optimization process. The goal of this shift was to preserve the potential benefit from stock selection, while using more disciplined risk controls to reduce performance divergences in relation to the benchmark. One result of this process is that the portfolio's sector weightings moved closer to those of the index.

The outlook for economic growth, corporate earnings, and global central bank policy, after supporting market performance for an extended period, became more murky late in 2021. Together with the emergence of new risk factors and valuations that are above the historical average, these factors indicate that broad-based market strength may no longer act as the proverbial rising tide that lifts all boats. Instead, we believe investors will start to place a greater emphasis on the fundamentals and valuations of individual companies — a trend we think could work in favor of the types of stocks we hold in the Fund.

Di Kumble, CFA, Senior Portfolio Manager Equity
John Moody, Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

Russell 1000 Value Index is an unmanaged market capitalization-weighted index of value-oriented stocks of the largest U.S. domiciled companies that are included in the Russell 1000® Index. Value-oriented stocks tend to have lower price-to-book ratios and lower forecasted growth values. Russell 1000 Index is an unmanaged price-only index of the 1,000 largest capitalized companies that are domiciled in the U.S. and whose common stocks are traded.

Stock selection refers to the performance of the Fund's holdings in a given sector relative to the sector as a whole.

Contribution and **detraction** incorporate both a stock's total return and its weighting in the index.

Overweight means the Fund holds a higher weighting in a given sector or security than the benchmark. **Underweight** means the Fund holds a lower weighting.

* Not held at December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	100%	100%
Cash Equivalents	0%	0%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Information Technology	30%	16%
Health Care	23%	25%
Financials	12%	5%
Consumer Discretionary	10%	12%
Consumer Staples	9%	24%
Communication Services	8%	11%
Industrials	5%	7%
Materials	2%	—
Energy	1%	—
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.7%		
Communication Services 8.0%		
Interactive Media & Services 6.5%		
Alphabet, Inc. "A"*	1,124	3,256,273
Meta Platforms, Inc. "A"*	19,802	6,660,402
		9,916,675
Media 1.5%		
Fox Corp. "A"	50,549	1,865,258
ViacomCBS, Inc. "B"	12,365	373,176
		2,238,434
Consumer Discretionary 9.7%		
Hotels, Restaurants & Leisure 0.6%		
Boyd Gaming Corp.*	12,776	**837,722**
Household Durables 2.1%		
D.R. Horton, Inc.	30,125	**3,267,056**
Internet & Direct Marketing Retail 1.1%		
eBay, Inc.	26,072	**1,733,788**
Multiline Retail 2.4%		
Dollar General Corp.	15,554	**3,668,100**
Specialty Retail 3.3%		
AutoNation, Inc.*	7,795	910,846
AutoZone, Inc.*	679	1,423,449
Bath & Body Works, Inc.	6,423	448,261
Lowe's Companies, Inc.	8,352	2,158,825
		4,941,381
Textiles, Apparel & Luxury Goods 0.2%		
Tapestry, Inc.	8,994	**365,157**
Consumer Staples 8.6%		
Beverages 1.0%		
Constellation Brands, Inc. "A"	5,923	**1,486,495**
Food & Staples Retailing 1.9%		
Kroger Co.	64,487	**2,918,682**
Food Products 2.8%		
J M Smucker Co.	20,998	2,851,948
Tyson Foods, Inc. "A"	15,839	1,380,527
		4,232,475
Tobacco 2.9%		
Altria Group, Inc.	38,535	1,826,174
Philip Morris International, Inc.	27,933	2,653,635
		4,479,809
Energy 1.1%		
Oil, Gas & Consumable Fuels		
ONEOK, Inc.	7,191	422,543
Pioneer Natural Resources Co.	4,415	803,000
Williams Companies, Inc.	15,462	402,631
		1,628,174
Financials 11.7%		
Banks 4.8%		
Bank of America Corp.	40,852	1,817,506
Citigroup, Inc.	9,940	600,277
JPMorgan Chase & Co.	15,921	2,521,090
U.S. Bancorp.	41,154	2,311,620
		7,250,493
Capital Markets 3.6%		
Bank of New York Mellon Corp.	46,427	2,696,480
Northern Trust Corp.	4,231	506,070
State Street Corp.	24,340	2,263,620
		5,466,170
Consumer Finance 3.3%		
Capital One Financial Corp.	16,486	2,391,954
Discover Financial Services	9,269	1,071,125
Synchrony Financial	33,928	1,573,920
		5,036,999
Health Care 22.6%		
Biotechnology 5.9%		
AbbVie, Inc.	30,388	4,114,535
Biogen, Inc.*	2,683	643,705
Gilead Sciences, Inc.	5,503	399,573
Regeneron Pharmaceuticals, Inc.*	6,043	3,816,276
		8,974,089
Health Care Providers & Services 5.4%		
HCA Healthcare, Inc.	5,979	1,536,125
Laboratory Corp. of America Holdings*	8,248	2,591,604
McKesson Corp.	5,709	1,419,086
Quest Diagnostics, Inc.	12,881	2,228,542
Tenet Healthcare Corp.*	5,124	418,579
		8,193,936
Pharmaceuticals 11.3%		
Bristol-Myers Squibb Co.	96,976	6,046,454
Johnson & Johnson	37,643	6,439,588
Pfizer, Inc.	80,568	4,757,540
		17,243,582
Industrials 5.3%		
Air Freight & Logistics 3.0%		
Expeditors International of Washington, Inc. (a)	33,824	**4,542,225**
Industrial Conglomerates 1.5%		
3M Co.	12,910	**2,293,203**
Machinery 0.6%		
Stanley Black & Decker, Inc.	4,597	**867,086**
Professional Services 0.2%		
ManpowerGroup, Inc.	4,015	**390,780**

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Information Technology 30.3%		
Communications Equipment 2.1%		
Cisco Systems, Inc.	50,043	**3,171,225**
Electronic Equipment, Instruments & Components 1.1%		
Flex Ltd.*	22,165	406,284
Jabil, Inc.	18,934	1,332,007
		1,738,291
IT Services 6.3%		
Amdocs Ltd.	41,485	3,104,738
Cognizant Technology Solutions Corp. "A"	35,264	3,128,622
International Business Machines Corp.	24,735	3,306,080
		9,539,440
Semiconductors & Semiconductor Equipment 10.4%		
Applied Materials, Inc.	17,129	2,695,420
Broadcom, Inc.	6,213	4,134,192
KLA Corp.	3,245	1,395,707
Lam Research Corp.	1,936	1,392,274
Micron Technology, Inc.	18,307	1,705,297
QUALCOMM, Inc.	12,430	2,273,074
Skyworks Solutions, Inc.	9,769	1,515,563
Teradyne, Inc.	4,564	746,351
		15,857,878
Software 7.2%		
Microsoft Corp.	2,798	941,023
Oracle Corp.	29,990	2,615,428
SS&C Technologies Holdings, Inc.	89,666	7,350,819
		10,907,270
Technology Hardware, Storage & Peripherals 3.2%		
Apple, Inc.	21,453	3,809,409
Hewlett Packard Enterprise Co.	25,227	397,830
HP, Inc.	15,605	587,840
		4,795,079
Materials 2.4%		
Chemicals 0.6%		
Olin Corp.	16,421	**944,536**
Containers & Packaging 0.6%		
Amcor PLC	44,845	538,588
Westrock Co.	8,677	384,912
		923,500
Metals & Mining 1.2%		
Nucor Corp.	15,138	**1,728,003**
Total Common Stocks (Cost $130,981,233)		**151,577,733**
Securities Lending Collateral 0.5%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $763,000)	763,000	**763,000**
Cash Equivalents 0.4%		
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $572,173)	572,173	**572,173**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $132,316,406)	100.6	**152,912,906**
Other Assets and Liabilities, Net	(0.6)	**(900,307)**
Net Assets	100.0	**152,012,599**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 0.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
4,309,705	—	3,546,705 (d)	—	—	1,268	—	763,000	763,000
Cash Equivalents 0.4%								
DWS Central Cash Management Government Fund, 0.05% (b)								
621,226	13,463,621	13,512,674	—	—	255	—	572,173	572,173
4,930,931	**13,463,621**	**17,059,379**	**—**	**—**	**1,523**	**—**	**1,335,173**	**1,335,173**

* Non-income producing security.

The accompanying notes are an integral part of the financial statements.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $752,024, which is 0.5% of net assets.

(b) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(c) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 151,577,733	$ —	$ —	$ 151,577,733
Short-Term Investments (a)	1,335,173	—	—	1,335,173
Total	**$ 152,912,906**	**$ —**	**$ —**	**$ 152,912,906**

(a) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $130,981,233) — including $752,024 of securities loaned	$ 151,577,733
Investment in DWS Government & Agency Securities Portfolio (cost $763,000)*	763,000
Investment in DWS Central Cash Management Government Fund (cost $572,173)	572,173
Cash	18,543
Receivable for Fund shares sold	2,959
Dividends receivable	152,685
Interest receivable	60
Other assets	3,017
Total assets	153,090,170

Liabilities	
Payable upon return of securities loaned	763,000
Payable for Fund shares redeemed	158,352
Accrued management fee	59,285
Accrued Trustees' fees	2,145
Other accrued expenses and payables	94,789
Total liabilities	1,077,571
Net assets, at value	**$ 152,012,599**

Net Assets Consist of	
Distributable earnings (loss)	24,696,553
Paid-in capital	127,316,046
Net assets, at value	**$ 152,012,599**

Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($148,770,985 ÷ 9,269,906 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 16.05**
Class B	
Net Asset Value, offering and redemption price per share ($3,241,614 ÷ 201,242 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 16.11**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends	$ 3,388,418
Income distributions — DWS Central Cash Management Government Fund	255
Securities lending income, net of borrower rebates	1,268
Total income	3,389,941
Expenses:	
Management fee	873,762
Administration fee	141,258
Record keeping fee (Class B)	1,994
Distribution service fee (Class B)	8,229
Custodian fee	4,004
Professional fees	75,842
Reports to shareholders	28,782
Trustees' fees and expenses	5,961
Other	6,428
Total expenses before expense reductions	1,146,260
Expense reductions	(108,496)
Total expenses after expense reductions	1,037,764
Net investment income	**2,352,177**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from investments	18,442,647
Change in net unrealized appreciation (depreciation) on investments	13,221,244
Net gain (loss)	**31,663,891**
Net increase (decrease) in net assets resulting from operations	**$34,016,068**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 2,352,177	$ 2,848,860
Net realized gain (loss)	18,442,647	(16,282,685)
Change in net unrealized appreciation (depreciation)	13,221,244	(5,587,930)
Net increase (decrease) in net assets resulting from operations	34,016,068	(19,021,755)
Distributions to shareholders:		
Class A	(2,764,720)	(9,467,191)
Class B	(57,047)	(221,204)
Total distributions	(2,821,767)	(9,688,395)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,809,896	6,978,119
Reinvestment of distributions	2,764,720	9,467,191
Payments for shares redeemed	(16,851,304)	(11,817,632)
Net increase (decrease) in net assets from Class A share transactions	(11,276,688)	4,627,678
Class B		
Proceeds from shares sold	275,751	784,815
Reinvestment of distributions	57,047	221,204
Payments for shares redeemed	(927,960)	(873,871)
Net increase (decrease) in net assets from Class B share transactions	(595,162)	132,148
Increase (decrease) in net assets	19,322,451	(23,950,324)
Net assets at beginning of period	132,690,148	156,640,472
Net assets at end of period	**$152,012,599**	**$132,690,148**
Other Information		
Class A		
Shares outstanding at beginning of period	10,025,875	9,489,452
Shares sold	195,672	567,975
Shares issued to shareholders in reinvestment of distributions	194,562	895,666
Shares redeemed	(1,146,203)	(927,218)
Net increase (decrease) in Class A shares	(755,969)	536,423
Shares outstanding at end of period	**9,269,906**	**10,025,875**
Class B		
Shares outstanding at beginning of period	240,926	226,957
Shares sold	19,004	65,344
Shares issued to shareholders in reinvestment of distributions	3,989	20,809
Shares redeemed	(62,677)	(72,184)
Net increase (decrease) in Class B shares	(39,684)	13,969
Shares outstanding at end of period	**201,242**	**240,926**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS CROCI® U.S. VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$12.92**	**$16.12**	**$13.46**	**$16.64**	**$13.75**
Income (loss) from investment operations:					
Net investment income[a]	.24	.28	.31	.29	.24
Net realized and unrealized gain (loss)	3.17	(2.47)	3.92	(1.89)	2.88
Total from investment operations	3.41	(2.19)	4.23	(1.60)	3.12
Less distributions from:					
Net investment income	(.28)	(.31)	(.30)	(.41)	(.23)
Net realized gains	—	(.70)	(1.27)	(1.17)	—
Total distributions	(.28)	(1.01)	(1.57)	(1.58)	(.23)
Net asset value, end of period	**$16.05**	**$12.92**	**$16.12**	**$13.46**	**$16.64**
Total Return (%)[b]	26.69	(12.16)	32.95	(10.50)	22.88[c]
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	149	130	153	125	153
Ratio of expenses before expense reductions (%)[d]	.78	.84	.84	.84	.82
Ratio of expenses after expense reductions (%)[d]	.71	.69	.70	.72	.72
Ratio of net investment income (%)	1.62	2.28	2.13	1.89	1.59
Portfolio turnover rate (%)	99	122	111	100	97

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] The Fund's total return includes a reimbursement by the Adviser for commission costs incurred in connection with purchases and sales of portfolio assets due to the change in investment strategy, which otherwise would have reduced total return by 0.03%.

[d] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

DWS CROCI® U.S. VIP — Class B

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$12.97**	**$16.17**	**$13.50**	**$16.67**	**$13.78**
Income (loss) from investment operations:					
Net investment income[a]	.19	.24	.27	.24	.20
Net realized and unrealized gain (loss)	3.19	(2.47)	3.92	(1.88)	2.87
Total from investment operations	3.38	(2.23)	4.19	(1.64)	3.07
Less distributions from:					
Net investment income	(.24)	(.27)	(.25)	(.36)	(.18)
Net realized gains	—	(.70)	(1.27)	(1.17)	—
Total distributions	(.24)	(.97)	(1.52)	(1.53)	(.18)
Net asset value, end of period	**$16.11**	**$12.97**	**$16.17**	**$13.50**	**$16.67**
Total Return (%)[b]	26.27	(12.41)	32.49	(10.71)	22.45[c]
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	3	3	4	3	4
Ratio of expenses before expense reductions (%)[d]	1.10	1.16	1.16	1.16	1.15
Ratio of expenses after expense reductions (%)[d]	1.02	1.00	1.02	1.04	1.03
Ratio of net investment income (%)	1.33	1.96	1.82	1.55	1.31
Portfolio turnover rate (%)	99	122	111	100	97

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] The Fund's total return includes a reimbursement by the Adviser for commission costs incurred in connection with purchases and sales of portfolio assets due to the change in investment strategy, which otherwise would have reduced total return by 0.03%.

[d] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS CROCI® U.S. VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at

the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements were overnight and continuous.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 2,815,712
Undistributed long-term capital gains	$ 1,418,022
Net unrealized appreciation (depreciation) on investments	$ 20,462,819

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $132,450,087. The net unrealized appreciation for all investments based on tax cost was $20,462,819. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $22,153,749 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $1,690,930.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 2,821,767	$ 9,688,395

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $142,481,030 and $153,084,438, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.600%
Next $750 million	.575%
Next $1.5 billion	.550%
Next $2.5 billion	.525%
Next $2.5 billion	.500%
Next $2.5 billion	.475%
Next $2.5 billion	.450%
Over $12.5 billion	.425%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.60% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.69%
Class B	1.00%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.75%
Class B	1.06%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.65%
Class B	.97%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 105,833
Class B	2,663
	$ 108,496

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $141,258, of which $12,244 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the

shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 497	$ 83
Class B	300	50
	$ 797	**$ 133**

Distribution Service Agreement. Under the Fund's Class B 12b-1 plan, DWS Distributors, Inc. ("DDI") received a fee ("Distribution Service Fee") of up to 0.25% of average daily net assets of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $8,229, of which $673 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,244, of which $362 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $95.

D. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 58% and 37%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 54% and 19%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low

vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS CROCI® U.S. VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS CROCI® U.S. VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,099.30	$ 1,097.40
Expenses Paid per $1,000*	$ 3.70	$ 5.39

Hypothetical 5% Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.68	$ 1,020.06
Expenses Paid per $1,000*	$ 3.57	$ 5.19

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	Class A	Class B
Deutsche DWS Variable Series II — DWS CROCI® U.S. VIP	.70%	1.02%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

For corporate shareholders, 100% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $1,560,000 as capital gain dividends for its year ended December 31, 2021.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS CROCI® U.S. VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 4th quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the

one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board noted changes in the Fund's management process that were made effective May 25, 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (3rd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that, effective October 1, 2020, in connection with the 2020 contract renewal process, DIMA agreed to reduce the Fund's contractual management fee at each breakpoint by 0.05%. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board noted that DIMA pays a licensing fee to an affiliate related to the Fund's use of the CROCI® strategy. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public

relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

Notes

December 31, 2021

Annual Report

Deutsche DWS Investments VIT Funds

DWS Equity 500 Index VIP



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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Stocks may decline in value. Various factors, including costs, cash flows and security selection, may cause the Fund's performance to differ from that of the index. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

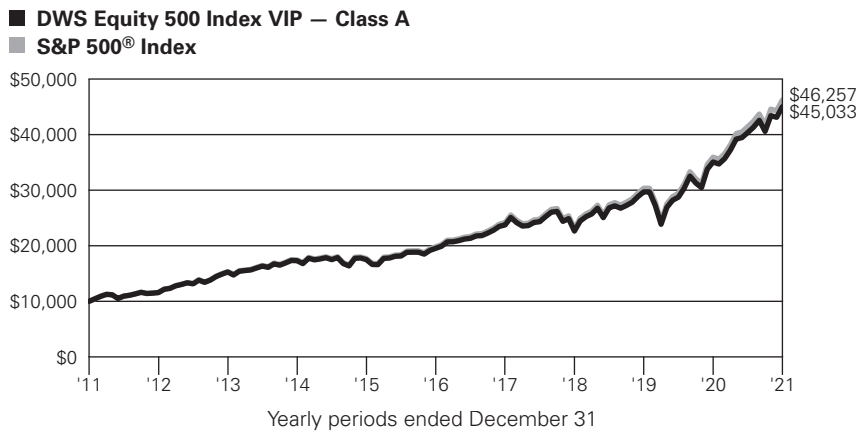
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance figures for Classes A, B and B2 differ because each class maintains a distinct expense structure. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.33%, 0.71% and 0.72% for Class A, Class B and Class B2 shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



S&P 500® Index is an unmanaged, capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,840	$19,892	$23,051	$45,033
	Average annual total return	28.40%	25.77%	18.18%	16.24%
S&P 500 Index	Growth of $10,000	$12,871	$20,037	$23,341	$46,257
	Average annual total return	28.71%	26.07%	18.47%	16.55%

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,791	$19,660	$22,626	$43,670
	Average annual total return	27.91%	25.27%	17.74%	15.88%
S&P 500 Index	Growth of $10,000	$12,871	$20,037	$23,341	$46,257
	Average annual total return	28.71%	26.07%	18.47%	16.55%

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class B2	Growth of $10,000	$12,786	$19,649	$22,598	$43,344
	Average annual total return	27.86%	25.25%	17.71%	15.80%
S&P 500 Index	Growth of $10,000	$12,871	$20,037	$23,341	$46,257
	Average annual total return	28.71%	26.07%	18.47%	16.55%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund returned 28.40% in 2021 (Class A shares, unadjusted for contract charges). Since the Fund's investment strategy is to replicate the performance of the S&P 500® Index, its return is normally close to that of the index. The difference in performance is typically driven by transaction costs and Fund expenses. The Fund periodically invested in equity index futures to keep the portfolio's exposures in line with those of the index. This strategy had a neutral impact on performance.

U.S. equities performed well in 2021 thanks in part to the rollout of COVID-19 vaccines and the gradual re-opening of the economy that followed. Economic growth and corporate earnings came in well above expectations in the first half of the year as a result, propelling stocks higher. U.S. Federal Reserve policy was also supportive for most of the period, with near-zero interest rates and the continuation of the stimulative quantitative easing program. A series of fiscal stimulus packages enacted by the U.S. government provided additional momentum for both economic growth and investor sentiment. In combination, these developments helped investors look beyond risk factors such as rising inflation, worries about China's economy, and the emergence of new variants of COVID-19.

While the index finished the year just short of the all-time closing high it had established on December 29, it registered 70 record highs in 2021 — the largest number since 1995.

Notably, 2021 was the seventeenth year of the past 19 in which the S&P 500 Index posted a gain, as well as the twelfth of the last 13. It also represented the third year in a row, and fifth of the last six, in which the index produced a double-digit return. As of December 31, 2021, its 10-year average annualized total return stood at a robust 16.55%. Naturally, past performance is no guarantee of future results.

The dominance of a few mega-cap growth companies was one of the key investment themes of 2021. In combination, just seven stocks — Apple, Inc., Microsoft Corp., Alphabet, Inc. (formerly Google), Meta Platforms, Inc. (formerly Facebook), Tesla, Inc., and NVIDIA Corp. — accounted for more than one-third of the return for the S&P 500 Index. These companies have a combined index weighting of more than 20%, so their sizable gains were an important engine of performance. This group of stocks benefited from investors' continued preference for companies seen as having the most reliable growth characteristics.

Stocks with above-average sensitivity to the reopening of the economy generally produced the best results in 2021. The energy sector, which gained nearly 50% as the revival in economic growth boosted demand for crude oil, was a prime beneficiary of this trend. The strong showing for energy stands in sharp contrast to 2020, when the sector suffered a loss in excess of 30%. Real estate was the second-best performing sector in 2021. The rally reflected healthy property market fundamentals and investors' ongoing demand for the above-average income provided by real estate investment trusts.

Information technology also outpaced the broader market. While Apple and Microsoft were the most important driver of returns, the sector gained an added boost from the sizable outperformance for the semiconductor industry. The improvement in global demand led to a shortage of chips, providing companies in the industry with an unprecedented degree of pricing power. Financials were another key beneficiary of the reopening. The sector was helped by a wide range of factors, including improving growth, rising real estate prices, and favorable interest-rate trends. The gains were broad-based across the category, with banks, insurers, asset managers, and credit-card companies all contributing to the positive performance.

The health care, materials, communication services, and industrials sectors all posted robust, 20%-plus gains, but they finished somewhat behind the index. Defensive investments also underperformed on a relative basis as investors clambered for opportunities in higher-risk stocks and those with the highest degree of economic sensitivity. These trends worked to the disadvantage of the consumer staples and utilities sectors. Although these were the weakest performing areas for the year, they still generated returns north of 17% - a testament to the highly positive nature of market conditions in 2021.

Brent Reeder
Senior Vice President, Northern Trust Investments, Inc., Subadvisor to the Fund
Portfolio Manager

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

The **S&P 500 Index** is an unmanaged, capitalization weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Contribution and **detraction** incorporate both a stock's total return and its weighting in the index.

The **consumer discretionary** sector represents industries that produce goods and services that are not necessities in everyday life.

Consumer staples are the industries that manufacture and sell products such as food and beverages, prescription drugs, and household products.

Futures contracts are contractual agreements to buy or sell a particular commodity or financial instrument at a predetermined price in the future.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	100%	99%
Cash Equivalents	0%	1%
Government & Agency Obligations	0%	0%
	100%	100%

Sector Diversification (As a % of Common Stocks)	**12/31/21**	**12/31/20**
Information Technology	29%	28%
Health Care	13%	13%
Consumer Discretionary	12%	13%
Financials	11%	10%
Communication Services	10%	11%
Industrials	8%	8%
Consumer Staples	6%	7%
Real Estate	3%	2%
Energy	3%	2%
Materials	3%	3%
Utilities	2%	3%
	100%	100%

Ten Largest Equity Holdings at December 31, 2021 (30.4% of Net Assets)

1	**Apple, Inc.** Designs, manufactures and markets personal computers and related computing and mobile-communication devices	**6.8%**
2	**Microsoft Corp.** Develops, manufactures, licenses, sells and supports software products	**6.2%**
3	**Alphabet, Inc.** Holding company with subsidiaries that provide Web-based search, maps, hardware products and various software applications	**4.1%**
4	**Amazon.com, Inc.** Online retailer offering a wide range of products	**3.6%**
5	**Tesla, Inc.** Designs,manufactures and sells high-perfomance electric vehicles and electric vehicle powertrain components	**2.1%**
6	**Meta Platforms, Inc.** Operator of social networking Web site	**2.0%**
7	**NVIDIA Corp.** Designs, develops and markets three dimensional (3D) graphic processors	**1.8%**
8	**Berkshire Hathaway, Inc.** Holding company of insurance business and a variety of other businesses	**1.4%**
9	**UnitedHealth Group, Inc.** Operator of organized health systems	**1.2%**
10	**JPMorgan Chase & Co.** Provider of global financial services	**1.2%**

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.6%		
Communication Services 10.1%		
Diversified Telecommunication Services 1.0%		
AT&T, Inc.	139,859	3,440,531
Lumen Technologies, Inc.	18,003	225,938
Verizon Communications, Inc.	81,062	4,211,981
		7,878,450
Entertainment 1.6%		
Activision Blizzard, Inc.	15,384	1,023,497
Electronic Arts, Inc.	5,532	729,671
Live Nation Entertainment, Inc.* (a)	2,601	311,314
Netflix, Inc.*	8,681	5,229,781
Take-Two Interactive Software, Inc.*	2,222	394,894
Walt Disney Co.*	35,592	5,512,845
		13,202,002
Interactive Media & Services 6.3%		
Alphabet, Inc. "A"*	5,891	17,066,463
Alphabet, Inc. "C"*	5,479	15,853,980
Match Group, Inc.*	5,602	740,864
Meta Platforms, Inc. "A"*	46,348	15,589,150
Twitter, Inc.*	15,788	682,357
		49,932,814
Media 1.0%		
Charter Communications, Inc. "A"* (a)	2,421	1,578,419
Comcast Corp. "A"	89,176	4,488,228
Discovery, Inc. "A"* (a)	3,535	83,214
Discovery, Inc. "C"*	5,921	135,591
DISH Network Corp. "A"*	5,011	162,557
Fox Corp. "A"	6,405	236,344
Fox Corp. "B"	2,731	93,591
Interpublic Group of Companies, Inc.	7,904	296,005
News Corp. "A"	7,863	175,424
News Corp. "B"	2,595	58,388
Omnicom Group, Inc.	4,090	299,674
ViacomCBS, Inc. "B"	11,965	361,104
		7,968,539
Wireless Telecommunication Services 0.2%		
T-Mobile U.S., Inc.*	11,465	**1,329,711**
Consumer Discretionary 12.5%		
Auto Components 0.1%		
Aptiv PLC*	5,255	866,812
BorgWarner, Inc.	4,811	216,832
		1,083,644
Automobiles 2.5%		
Ford Motor Co.	76,878	1,596,756
General Motors Co.*	28,406	1,665,444
Tesla, Inc.*	15,938	16,842,959
		20,105,159
Distributors 0.2%		
Genuine Parts Co.	2,815	394,663
LKQ Corp.	5,254	315,398
Pool Corp.	779	440,914
		1,150,975
Hotels, Restaurants & Leisure 1.9%		
Booking Holdings, Inc.*	804	1,928,981
Caesars Entertainment, Inc.*	4,176	390,581
Carnival Corp.* (a)	15,954	320,994
Chipotle Mexican Grill, Inc.*	547	956,293
Darden Restaurants, Inc.	2,507	377,654
Domino's Pizza, Inc.	704	397,288
Hilton Worldwide Holdings, Inc.*	5,464	852,329
Las Vegas Sands Corp.*	6,651	250,344
Marriott International, Inc. "A"*	5,337	881,886
McDonald's Corp.	14,619	3,918,915
MGM Resorts International	7,763	348,403
Norwegian Cruise Line Holdings Ltd.* (a)	7,394	153,352
Penn National Gaming, Inc.*	3,287	170,431
Royal Caribbean Cruises Ltd.*	4,394	337,899
Starbucks Corp.	23,183	2,711,716
Wynn Resorts Ltd.*	2,070	176,033
Yum! Brands, Inc.	5,766	800,667
		14,973,766
Household Durables 0.4%		
D.R. Horton, Inc.	6,425	696,791
Garmin Ltd.	3,030	412,595
Lennar Corp. "A"	5,363	622,966
Mohawk Industries, Inc.*	1,082	197,119
Newell Brands, Inc.	7,377	161,114
NVR, Inc.*	63	372,259
PulteGroup, Inc.	4,987	285,057
Whirlpool Corp.	1,178	276,429
		3,024,330
Internet & Direct Marketing Retail 3.8%		
Amazon.com, Inc.*	8,545	28,491,935
eBay, Inc.	12,234	813,561
Etsy, Inc.*	2,474	541,658
Expedia Group, Inc.*	2,845	514,148
		30,361,302
Leisure Products 0.0%		
Hasbro, Inc.	2,495	**253,941**
Multiline Retail 0.5%		
Dollar General Corp.	4,546	1,072,083

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Dollar Tree, Inc.*	4,414	620,255
Target Corp.	9,566	2,213,955
		3,906,293
Specialty Retail 2.4%		
Advance Auto Parts, Inc.	1,212	290,735
AutoZone, Inc.*	412	863,713
Bath & Body Works, Inc.	5,116	357,046
Best Buy Co., Inc.	4,401	447,142
CarMax, Inc.*	3,156	411,006
Home Depot, Inc.	20,684	8,584,067
Lowe's Companies, Inc.	13,571	3,507,832
O'Reilly Automotive, Inc.*	1,319	931,517
Ross Stores, Inc.	6,901	788,646
The Gap, Inc.	4,339	76,583
TJX Companies, Inc.	23,462	1,781,235
Tractor Supply Co.	2,228	531,601
Ulta Beauty, Inc.*	1,063	438,317
		19,009,440
Textiles, Apparel & Luxury Goods 0.7%		
NIKE, Inc. "B"	25,076	4,179,417
PVH Corp.	1,413	150,696
Ralph Lauren Corp.	946	112,442
Tapestry, Inc.	5,543	225,046
Under Armour, Inc. "A"*	3,505	74,271
Under Armour, Inc. "C"*	4,534	81,793
VF Corp. (a)	6,434	471,098
		5,294,763
Consumer Staples 5.9%		
Beverages 1.4%		
Brown-Forman Corp. "B"	3,637	264,992
Coca-Cola Co.	76,142	4,508,368
Constellation Brands, Inc. "A"	3,189	800,343
Molson Coors Beverage Co. "B" (a)	3,730	172,886
Monster Beverage Corp.*	7,406	711,272
PepsiCo, Inc.	27,109	4,709,104
		11,166,965
Food & Staples Retailing 1.4%		
Costco Wholesale Corp.	8,650	4,910,605
Kroger Co.	13,292	601,596
Sysco Corp.	10,098	793,198
Walgreens Boots Alliance, Inc.	14,175	739,368
Walmart, Inc.	27,857	4,030,629
		11,075,396
Food Products 0.9%		
Archer-Daniels-Midland Co.	10,973	741,665
Campbell Soup Co.	3,994	173,579
Conagra Brands, Inc.	9,211	314,556
General Mills, Inc.	11,962	806,000
Hormel Foods Corp.	5,599	273,287
J M Smucker Co.	2,084	283,049
Kellogg Co.	5,065	326,287
Kraft Heinz Co.	14,053	504,503
Lamb Weston Holdings, Inc.	2,909	184,372
McCormick & Co., Inc.	4,817	465,370
Mondelez International, Inc. "A"	27,304	1,810,528
The Hershey Co.	2,836	548,681
Tyson Foods, Inc. "A"	5,704	497,161
		6,929,038
Household Products 1.4%		
Church & Dwight Co., Inc.	4,746	486,465
Clorox Co.	2,438	425,090
Colgate-Palmolive Co.	16,479	1,406,318
Kimberly-Clark Corp.	6,645	949,703
Procter & Gamble Co.	47,431	7,758,763
		11,026,339
Personal Products 0.2%		
Estee Lauder Companies, Inc. "A"	4,541	**1,681,078**
Tobacco 0.6%		
Altria Group, Inc.	36,094	1,710,495
Philip Morris International, Inc.	30,523	2,899,685
		4,610,180
Energy 2.7%		
Energy Equipment & Services 0.2%		
Baker Hughes Co.	17,006	409,164
Halliburton Co.	17,768	406,354
Schlumberger NV	27,544	824,943
		1,640,461
Oil, Gas & Consumable Fuels 2.5%		
APA Corp.	6,847	184,116
Chevron Corp.	37,739	4,428,672
ConocoPhillips	25,736	1,857,624
Coterra Energy, Inc.	16,079	305,501
Devon Energy Corp.	12,453	548,555
Diamondback Energy, Inc.	3,379	364,425
EOG Resources, Inc.	11,471	1,018,969
Exxon Mobil Corp.	82,919	5,073,814
Hess Corp.	5,498	407,017
Kinder Morgan, Inc.	38,166	605,313
Marathon Oil Corp.	14,978	245,939
Marathon Petroleum Corp.	12,020	769,160
Occidental Petroleum Corp.	17,578	509,586
ONEOK, Inc.	8,619	506,452
Phillips 66	8,613	624,098
Pioneer Natural Resources Co.	4,479	814,640
Valero Energy Corp.	7,928	595,472
Williams Companies, Inc.	23,655	615,976
		19,475,329
Financials 10.6%		
Banks 3.9%		
Bank of America Corp.	141,256	6,284,479

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Citigroup, Inc.	38,874	2,347,601
Citizens Financial Group, Inc.	8,200	387,450
Comerica, Inc.	2,546	221,502
Fifth Third Bancorp.	13,369	582,220
First Republic Bank	3,542	731,458
Huntington Bancshares, Inc.	28,596	440,950
JPMorgan Chase & Co.	57,951	9,176,541
KeyCorp.	18,110	418,884
M&T Bank Corp.	2,564	393,779
People's United Financial, Inc.	8,345	148,708
PNC Financial Services Group, Inc.	8,246	1,653,488
Regions Financial Corp.	18,398	401,076
Signature Bank	1,192	385,576
SVB Financial Group*	1,157	784,724
Truist Financial Corp.	26,090	1,527,570
U.S. Bancorp.	26,323	1,478,563
Wells Fargo & Co.	78,165	3,750,357
Zions Bancorp. NA	2,972	187,712
		31,302,638
Capital Markets 3.0%		
Ameriprise Financial, Inc.	2,211	666,970
Bank of New York Mellon Corp.	14,837	861,733
BlackRock, Inc.	2,806	2,569,061
Cboe Global Markets, Inc.	2,033	265,103
Charles Schwab Corp.	29,456	2,477,250
CME Group, Inc.	7,044	1,609,272
FactSet Research Systems, Inc.	735	357,217
Franklin Resources, Inc.	5,380	180,176
Intercontinental Exchange, Inc.	11,040	1,509,941
Invesco Ltd.	6,730	154,925
MarketAxess Holdings, Inc.	761	312,977
Moody's Corp.	3,181	1,242,435
Morgan Stanley	28,130	2,761,241
MSCI, Inc.	1,607	984,593
Nasdaq, Inc.	2,301	483,233
Northern Trust Corp.	4,099	490,281
Raymond James Financial, Inc.	3,643	365,757
S&P Global, Inc. (a)	4,727	2,230,813
State Street Corp.	7,237	673,041
T. Rowe Price Group, Inc.	4,387	862,660
The Goldman Sachs Group, Inc.	6,659	2,547,401
		23,606,080
Consumer Finance 0.5%		
American Express Co.	12,276	2,008,353
Capital One Financial Corp.	8,330	1,208,600
Discover Financial Services	5,744	663,777
Synchrony Financial	10,652	494,146
		4,374,876
Diversified Financial Services 1.4%		
Berkshire Hathaway, Inc. "B"*	35,891	**10,731,409**
Insurance 1.8%		
Aflac, Inc.	11,868	692,972
Allstate Corp.	5,611	660,134
American International Group, Inc.	16,158	918,744
Aon PLC "A"	4,310	1,295,414
Arthur J. Gallagher & Co.	4,042	685,806
Assurant, Inc.	1,124	175,187
Brown & Brown, Inc.	4,524	317,947
Chubb Ltd.	8,427	1,629,023
Cincinnati Financial Corp.	2,999	341,676
Everest Re Group Ltd.	748	204,892
Globe Life, Inc.	1,763	165,228
Hartford Financial Services Group, Inc.	6,648	458,978
Lincoln National Corp.	3,273	223,415
Loews Corp.	4,020	232,195
Marsh & McLennan Companies, Inc.	9,906	1,721,861
MetLife, Inc.	14,024	876,360
Principal Financial Group, Inc.	4,918	355,719
Progressive Corp.	11,442	1,174,521
Prudential Financial, Inc.	7,386	799,461
Travelers Companies, Inc.	4,865	761,032
W.R. Berkley Corp.	2,760	227,396
Willis Towers Watson PLC	2,434	578,051
		14,496,012
Health Care 13.2%		
Biotechnology 1.8%		
AbbVie, Inc.	34,670	4,694,318
Amgen, Inc.	11,042	2,484,119
Biogen, Inc.*	2,867	687,851
Gilead Sciences, Inc.	24,485	1,777,856
Incyte Corp.*	3,724	273,342
Moderna, Inc.*	6,886	1,748,906
Regeneron Pharmaceuticals, Inc.*	2,071	1,307,878
Vertex Pharmaceuticals, Inc.*	5,006	1,099,317
		14,073,587
Health Care Equipment & Supplies 3.5%		
Abbott Laboratories	34,677	4,880,441
ABIOMED, Inc.*	902	323,971
Align Technology, Inc.*	1,429	939,110
Baxter International, Inc.	9,724	834,708
Becton, Dickinson & Co.	5,656	1,422,371
Boston Scientific Corp.*	28,095	1,193,476
Danaher Corp.	12,479	4,105,716
DENTSPLY SIRONA, Inc.	4,353	242,854
DexCom, Inc.*	1,888	1,013,762
Edwards Lifesciences Corp.*	12,291	1,592,299
Hologic, Inc.*	5,049	386,551
IDEXX Laboratories, Inc.*	1,658	1,091,727

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Intuitive Surgical, Inc.*	6,997	2,514,022
Medtronic PLC	26,314	2,722,183
ResMed, Inc.	2,878	749,662
STERIS PLC	1,957	476,353
Stryker Corp.	6,554	1,752,671
Teleflex, Inc.	933	306,472
The Cooper Companies, Inc.	947	396,736
West Pharmaceutical Services, Inc.	1,440	675,374
Zimmer Biomet Holdings, Inc.	4,044	513,750
		28,134,209
Health Care Providers & Services 2.7%		
AmerisourceBergen Corp.	2,949	391,893
Anthem, Inc.	4,745	2,199,497
Cardinal Health, Inc.	5,474	281,856
Centene Corp.*	11,512	948,589
Cigna Corp.	6,472	1,486,165
CVS Health Corp.	25,895	2,671,328
DaVita, Inc.*	1,289	146,637
HCA Healthcare, Inc.	4,684	1,203,413
Henry Schein, Inc.*	2,738	212,277
Humana, Inc.	2,517	1,167,536
Laboratory Corp. of America Holdings*	1,873	588,515
McKesson Corp.	2,981	740,987
Quest Diagnostics, Inc.	2,384	412,456
UnitedHealth Group, Inc.	18,463	9,271,011
Universal Health Services, Inc. "B"	1,388	179,968
		21,902,128
Health Care Technology 0.1%		
Cerner Corp.	5,711	**530,381**
Life Sciences Tools & Services 1.4%		
Agilent Technologies, Inc.	5,885	939,540
Bio-Rad Laboratories, Inc. "A"*	413	312,050
Bio-Techne Corp.	770	398,352
Charles River Laboratories International, Inc.*	969	365,100
Illumina, Inc.*	3,068	1,167,190
IQVIA Holdings, Inc.*	3,727	1,051,536
Mettler-Toledo International, Inc.*	446	756,956
PerkinElmer, Inc.	2,505	503,655
Thermo Fisher Scientific, Inc.	7,725	5,154,429
Waters Corp.*	1,203	448,238
		11,097,046
Pharmaceuticals 3.7%		
Bristol-Myers Squibb Co.	43,509	2,712,786
Catalent, Inc.*	3,312	424,035
Eli Lilly & Co.	15,578	4,302,955
Johnson & Johnson	51,543	8,817,461
Merck & Co., Inc.	49,445	3,789,465
Organon & Co.	4,972	151,398
Pfizer, Inc.	109,987	6,494,732
Viatris, Inc.	24,193	327,331
Zoetis, Inc.	9,295	2,268,259
		29,288,422

Industrials 7.7%

Aerospace & Defense 1.4%		
Boeing Co.*	10,859	2,186,134
General Dynamics Corp.	4,538	946,037
Howmet Aerospace, Inc.	7,738	246,300
Huntington Ingalls Industries, Inc.	782	146,031
L3Harris Technologies, Inc.	3,812	812,871
Lockheed Martin Corp.	4,827	1,715,564
Northrop Grumman Corp.	2,914	1,127,922
Raytheon Technologies Corp.	29,234	2,515,878
Textron, Inc.	4,257	328,640
TransDigm Group, Inc.*	1,015	645,824
		10,671,201
Air Freight & Logistics 0.6%		
C.H. Robinson Worldwide, Inc.	2,530	272,304
Expeditors International of Washington, Inc.	3,279	440,337
FedEx Corp.	4,760	1,231,126
United Parcel Service, Inc. "B"	14,305	3,066,134
		5,009,901
Airlines 0.2%		
Alaska Air Group, Inc.*	2,403	125,196
American Airlines Group, Inc.* (a)	12,696	228,020
Delta Air Lines, Inc.*	12,530	489,672
Southwest Airlines Co.*	11,496	492,489
United Airlines Holdings, Inc.*	6,474	283,432
		1,618,809
Building Products 0.5%		
A.O. Smith Corp.	2,645	227,073
Allegion PLC	1,811	239,849
Carrier Global Corp.	16,919	917,687
Fortune Brands Home & Security, Inc.	2,617	279,757
Johnson Controls International PLC	13,951	1,134,356
Masco Corp.	4,853	340,778
Trane Technologies PLC	4,645	938,429
		4,077,929
Commercial Services & Supplies 0.4%		
Cintas Corp.	1,737	769,786
Copart, Inc.*	4,194	635,894
Republic Services, Inc.	4,095	571,048
Rollins, Inc.	4,543	155,416
Waste Management, Inc.	7,493	1,250,582
		3,382,726
Construction & Engineering 0.0%		
Quanta Services, Inc.	2,792	**320,131**

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Electrical Equipment 0.6%		
AMETEK, Inc.	4,523	665,062
Eaton Corp. PLC	7,799	1,347,823
Emerson Electric Co.	11,679	1,085,797
Generac Holdings, Inc.*	1,226	431,454
Rockwell Automation, Inc.	2,293	799,913
		4,330,049
Industrial Conglomerates 1.0%		
3M Co.	11,251	1,998,515
General Electric Co.	21,512	2,032,239
Honeywell International, Inc.	13,451	2,804,668
Roper Technologies, Inc.	2,082	1,024,052
		7,859,474
Machinery 1.5%		
Caterpillar, Inc.	10,572	2,185,655
Cummins, Inc.	2,815	614,064
Deere & Co.	5,521	1,893,096
Dover Corp.	2,784	505,574
Fortive Corp.	7,066	539,065
IDEX Corp.	1,509	356,607
Illinois Tool Works, Inc.	5,612	1,385,042
Ingersoll Rand, Inc.	8,082	500,033
Otis Worldwide Corp.	8,259	719,111
PACCAR, Inc.	6,848	604,405
Parker-Hannifin Corp.	2,537	807,071
Pentair PLC	3,302	241,145
Snap-on, Inc.	1,021	219,903
Stanley Black & Decker, Inc.	3,231	609,431
Westinghouse Air Brake Technologies Corp.	3,724	343,018
Xylem, Inc.	3,483	417,681
		11,940,901
Professional Services 0.4%		
Equifax, Inc.	2,379	696,547
IHS Markit Ltd.	7,851	1,043,555
Jacobs Engineering Group, Inc.	2,590	360,606
Leidos Holdings, Inc.	2,700	240,030
Nielsen Holdings PLC	7,398	151,733
Robert Half International, Inc.	2,135	238,095
Verisk Analytics, Inc.	3,157	722,101
		3,452,667
Road & Rail 0.9%		
CSX Corp.	43,448	1,633,645
J.B. Hunt Transport Services, Inc.	1,663	339,917
Norfolk Southern Corp.	4,760	1,417,100
Old Dominion Freight Line, Inc.	1,822	652,968
Union Pacific Corp.	12,587	3,171,043
		7,214,673
Trading Companies & Distributors 0.2%		
Fastenal Co.	11,352	727,209
United Rentals, Inc.*	1,424	473,181
W.W. Grainger, Inc.	846	438,431
		1,638,821
Information Technology 29.0%		
Communications Equipment 0.9%		
Arista Networks, Inc.*	4,428	636,525
Cisco Systems, Inc.	82,524	5,229,546
F5, Inc.*	1,202	294,141
Juniper Networks, Inc.	6,233	222,581
Motorola Solutions, Inc.	3,292	894,436
		7,277,229
Electronic Equipment, Instruments & Components 0.7%		
Amphenol Corp. "A"	11,779	1,030,191
CDW Corp.	2,686	550,039
Corning, Inc.	14,883	554,094
IPG Photonics Corp.*	704	121,187
Keysight Technologies, Inc.*	3,611	745,708
TE Connectivity Ltd.	6,385	1,030,156
Teledyne Technologies, Inc.*	926	404,560
Trimble, Inc.*	4,832	421,302
Zebra Technologies Corp. "A"*	1,055	627,936
		5,485,173
IT Services 4.5%		
Accenture PLC "A"	12,361	5,124,253
Akamai Technologies, Inc.*	3,149	368,559
Automatic Data Processing, Inc.	8,285	2,042,915
Broadridge Financial Solutions, Inc.	2,315	423,228
Cognizant Technology Solutions Corp. "A"	10,237	908,227
DXC Technology Co.*	5,114	164,620
EPAM Systems, Inc.*	1,110	741,980
Fidelity National Information Services, Inc.	11,859	1,294,410
Fiserv, Inc.* (a)	11,617	1,205,728
FleetCor Technologies, Inc.*	1,555	348,071
Gartner, Inc.*	1,602	535,581
Global Payments, Inc.	5,700	770,526
International Business Machines Corp.	17,550	2,345,733
Jack Henry & Associates, Inc.	1,494	249,483
Mastercard, Inc. "A"	16,976	6,099,816
Paychex, Inc.	6,316	862,134
PayPal Holdings, Inc.*	23,036	4,344,129
VeriSign, Inc.*	1,910	484,796
Visa, Inc. "A"	32,821	7,112,639
		35,426,828
Semiconductors & Semiconductor Equipment 6.3%		
Advanced Micro Devices, Inc.*	23,673	3,406,545
Analog Devices, Inc.	10,555	1,855,252

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Applied Materials, Inc.	17,720	2,788,419
Broadcom, Inc.	8,077	5,374,517
Enphase Energy, Inc.*	2,620	479,303
Intel Corp.	79,568	4,097,752
KLA Corp.	2,957	1,271,835
Lam Research Corp.	2,765	1,988,450
Microchip Technology, Inc.	10,794	939,726
Micron Technology, Inc.	21,827	2,033,185
Monolithic Power Systems, Inc.	834	411,437
NVIDIA Corp.	48,996	14,410,214
NXP Semiconductors NV	5,188	1,181,723
Qorvo, Inc.*	2,161	337,959
QUALCOMM, Inc.	21,960	4,015,825
Skyworks Solutions, Inc.	3,261	505,911
SolarEdge Technologies, Inc.*	1,029	288,706
Teradyne, Inc.	3,171	518,554
Texas Instruments, Inc.	18,111	3,413,380
Xilinx, Inc.	4,849	1,028,133
		50,346,826
Software 9.5%		
Adobe, Inc.*	9,311	5,279,896
ANSYS, Inc.*	1,718	689,124
Autodesk, Inc.*	4,295	1,207,711
Cadence Design Systems, Inc.*	5,412	1,008,526
Ceridian HCM Holding, Inc.*	2,668	278,699
Citrix Systems, Inc.	2,445	231,273
Fortinet, Inc.*	2,677	962,114
Intuit, Inc.	5,554	3,572,444
Microsoft Corp.	147,088	49,468,636
NortonLifeLock, Inc.	11,679	303,420
Oracle Corp.	31,558	2,752,173
Paycom Software, Inc.*	952	395,261
PTC, Inc.*	2,099	254,294
salesforce.com, Inc.*	19,162	4,869,639
ServiceNow, Inc.*	3,905	2,534,774
Synopsys, Inc.*	3,008	1,108,448
Tyler Technologies, Inc.*	809	435,202
		75,351,634
Technology Hardware, Storage & Peripherals 7.1%		
Apple, Inc.	305,402	54,230,233
Hewlett Packard Enterprise Co.	25,390	400,400
HP, Inc.	22,640	852,849
NetApp, Inc.	4,460	410,276
Seagate Technology Holdings PLC	4,032	455,535
Western Digital Corp.*	6,111	398,498
		56,747,791
Materials 2.6%		
Chemicals 1.8%		
Air Products & Chemicals, Inc.	4,325	1,315,925
Albemarle Corp.	2,319	542,113
Celanese Corp.	2,155	362,169
CF Industries Holdings, Inc.	4,247	300,603
Corteva, Inc.	14,175	670,194
Dow, Inc.	14,349	813,875
DuPont de Nemours, Inc.	10,100	815,878
Eastman Chemical Co.	2,658	321,379
Ecolab, Inc.	4,914	1,152,775
FMC Corp.	2,510	275,824
International Flavors & Fragrances, Inc.	5,031	757,920
Linde PLC	10,019	3,470,882
LyondellBasell Industries NV "A"	5,065	467,145
PPG Industries, Inc.	4,689	808,571
Sherwin-Williams Co.	4,728	1,665,013
The Mosaic Co.	7,332	288,074
		14,028,340
Construction Materials 0.1%		
Martin Marietta Materials, Inc.	1,209	532,589
Vulcan Materials Co.	2,606	540,953
		1,073,542
Containers & Packaging 0.3%		
Amcor PLC	30,655	368,166
Avery Dennison Corp.	1,653	357,990
Ball Corp.	6,406	616,706
International Paper Co.	7,614	357,706
Packaging Corp. of America	1,882	256,234
Sealed Air Corp.	2,783	187,769
Westrock Co.	5,361	237,814
		2,382,385
Metals & Mining 0.4%		
Freeport-McMoRan, Inc.	28,590	1,193,061
Newmont Corp.	15,539	963,729
Nucor Corp.	5,626	642,208
		2,798,998
Real Estate 2.8%		
Equity Real Estate Investment Trusts (REITs) 2.7%		
Alexandria Real Estate Equities, Inc.	2,763	616,038
American Tower Corp.	8,945	2,616,412
AvalonBay Communities, Inc.	2,732	690,076
Boston Properties, Inc.	2,818	324,577
Crown Castle International Corp.	8,465	1,766,984
Digital Realty Trust, Inc.	5,569	984,989
Duke Realty Corp.	7,565	496,567
Equinix, Inc.	1,773	1,499,674
Equity Residential	6,681	604,631
Essex Property Trust, Inc.	1,260	443,810
Extra Space Storage, Inc.	2,593	587,911
Federal Realty Investment Trust	1,331	181,442

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Healthpeak Properties, Inc.	10,469	377,826
Host Hotels & Resorts, Inc.*	14,068	244,643
Iron Mountain, Inc.	5,705	298,543
Kimco Realty Corp.	12,068	297,476
Mid-America Apartment Communities, Inc.	2,221	509,586
Prologis, Inc.	14,530	2,446,271
Public Storage	2,998	1,122,931
Realty Income Corp.	11,126	796,510
Regency Centers Corp.	2,941	221,604
SBA Communications Corp.	2,110	820,832
Simon Property Group, Inc.	6,484	1,035,949
UDR, Inc.	5,770	346,142
Ventas, Inc.	7,789	398,174
Vornado Realty Trust	3,281	137,343
Welltower, Inc.	8,436	723,556
Weyerhaeuser Co.	14,629	602,422
		21,192,919
Real Estate Management & Development 0.1%		
CBRE Group, Inc. "A"*	6,545	**710,198**
Utilities 2.5%		
Electric Utilities 1.6%		
Alliant Energy Corp.	4,834	297,146
American Electric Power Co., Inc.	9,886	879,557
Duke Energy Corp.	15,059	1,579,689
Edison International	7,371	503,071
Entergy Corp.	3,871	436,068
Evergy, Inc.	4,597	315,400
Eversource Energy	6,775	616,389
Exelon Corp.	19,291	1,114,248
FirstEnergy Corp.	10,740	446,677
NextEra Energy, Inc.	38,498	3,594,173
NRG Energy, Inc.	4,826	207,904
Pinnacle West Capital Corp.	2,254	159,110
PPL Corp.	14,598	438,816
Southern Co.	20,720	1,420,978
Xcel Energy, Inc.	10,610	718,297
		12,727,523
Gas Utilities 0.0%		
Atmos Energy Corp.	2,617	**274,183**
Independent Power & Renewable Electricity Producers 0.1%		
AES Corp.	13,330	**323,919**
Multi-Utilities 0.7%		
Ameren Corp.	4,979	443,181
CenterPoint Energy, Inc.	12,206	340,669
CMS Energy Corp.	5,555	361,353
Consolidated Edison, Inc.	6,899	588,623
Dominion Energy, Inc.	15,966	1,254,289
DTE Energy Co.	3,859	461,305
NiSource, Inc.	7,963	219,858
Public Service Enterprise Group, Inc.	9,797	653,754
Sempra Energy	6,196	819,607
WEC Energy Group, Inc.	6,221	603,872
		5,746,511
Water Utilities 0.1%		
American Water Works Co., Inc.	3,574	**674,986**
Total Common Stocks (Cost $259,290,867)		**790,702,970**

	Principal Amount ($)	Value ($)
Government & Agency Obligations 0.1%		
U.S. Treasury Obligations		
U.S. Treasury Bills, 0.038% (b), 1/27/2022 (c) (Cost $924,975)	925,000	**924,983**

	Shares	Value ($)
Securities Lending Collateral 0.9%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", (d) (e) 0.01% (Cost $6,745,286)	6,745,286	**6,745,286**
Cash Equivalents 0.3%		
DWS Central Cash Management Government Fund, 0.05% (d) (Cost $2,447,900)	2,447,900	**2,447,900**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $269,409,028)	100.9	**800,821,139**
Other Assets and Liabilities, Net	(0.9)	**(6,764,453)**
Net Assets	100.0	**794,056,686**

The accompanying notes are an integral part of the financial statements.

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 0.9%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e)								
19,765,158	—	13,019,872 (f)	—	—	4,848	—	6,745,286	6,745,286
Cash Equivalents 0.3%								
DWS Central Cash Management Government Fund, 0.05% (d)								
6,798,528	62,121,910	66,472,538	—	—	1,788	—	2,447,900	2,447,900
26,563,686	**62,121,910**	**79,492,410**	**—**	**—**	**6,636**	**—**	**9,193,186**	**9,193,186**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $6,583,286, which is 0.8% of net assets.

(b) Annualized yield at time of purchase; not a coupon rate.

(c) At December 31, 2021, this security has been pledged, in whole or in part, to cover initial margin requirements for open futures contracts.

(d) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(e) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(f) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

S&P: Standard & Poor's

At December 31, 2021, open futures contracts purchased were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Appreciation ($)
S&P 500 E-Mini Index	USD	3/18/2022	15	3,464,691	3,568,875	**104,184**

Currency Abbreviation(s)

USD United States Dollar

For information on the Fund's policy and additional disclosures regarding futures contracts, please refer to the Derivatives section of Note B in the accompanying Notes to Financial Statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 790,702,970	$ —	$ —	$ 790,702,970
Government & Agency Obligations	—	924,983	—	924,983
Short-Term Investments (a)	9,193,186	—	—	9,193,186
Derivatives (b)				
Futures Contracts	104,184	—	—	104,184
Total	**$ 800,000,340**	**$924,983**	**$ —**	**$ 800,925,323**

(a) See Investment Portfolio for additional detailed categorizations.

(b) Derivatives include unrealized appreciation (depreciation) on open futures contracts.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $260,215,842) — including $6,583,286 of securities loaned	$ 791,627,953
Investment in DWS Government & Agency Securities Portfolio (cost $6,745,286)*	6,745,286
Investment in DWS Central Cash Management Government Fund (cost $2,447,900)	2,447,900
Cash	33,247
Receivable for Fund shares sold	149,110
Dividends receivable	475,782
Interest receivable	485
Other assets	12,749
Total assets	801,492,512
Liabilities	
Payable upon return of securities loaned	6,745,286
Payable for Fund shares redeemed	398,860
Payable for variation margin on futures contracts	10,274
Accrued management fee	89,664
Accrued Trustees' fees	6,258
Other accrued expenses and payables	185,484
Total liabilities	7,435,826
Net assets, at value	**$ 794,056,686**
Net Assets Consist of	
Distributable earnings (loss)	569,382,930
Paid-in capital	224,673,756
Net assets, at value	**$ 794,056,686**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($718,798,906 ÷ 23,787,108 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 30.22**
Class B	
Net Asset Value, offering and redemption price per share ($54,812,388 ÷ 1,814,686 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 30.20**
Class B2	
Net Asset Value, offering and redemption price per share ($20,445,392 ÷ 676,257 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 30.23**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $1,371)	$ 10,276,038
Interest	499
Income distributions — DWS Central Cash Management Government Fund	1,788
Securities lending income, net of borrower rebates	4,848
Total income	10,283,173
Expenses:	
Management fee	1,465,784
Administration fee	710,905
Services to shareholders	1,541
Record keeping fee (Class B and Class B-2)	93,240
Distribution service fees (Class B and Class B-2)	169,695
Custodian fee	13,639
Professional fees	69,403
Reports to shareholders	48,034
Trustees' fees and expenses	25,680
Other	34,284
Total expenses before expense reductions	2,632,205
Expense reductions	(463,645)
Total expenses after expense reductions	2,168,560
Net investment income	**8,114,613**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	37,186,349
Futures	1,788,248
	38,974,597
Change in net unrealized appreciation (depreciation) on:	
Investments	135,200,368
Futures	(82,208)
	135,118,160
Net gain (loss)	**174,092,757**
Net increase (decrease) in net assets resulting from operations	**$182,207,370**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 8,114,613	$ 8,923,631
Net realized gain (loss)	38,974,597	31,108,402
Change in net unrealized appreciation (depreciation)	135,118,160	61,784,594
Net increase (decrease) in net assets resulting from operations	182,207,370	101,816,627
Distributions to shareholders:		
Class A	(37,893,566)	(40,621,912)
Class B	(2,473,191)	(2,466,115)
Class B2	(1,024,797)	(1,183,053)
Total distributions	(41,391,554)	(44,271,080)
Fund share transactions:		
Class A		
Proceeds from shares sold	19,492,366	19,014,191
Reinvestment of distributions	37,893,566	40,621,912
Payments for shares redeemed	(73,018,437)	(66,299,729)
Net increase (decrease) in net assets from Class A share transactions	(15,632,505)	(6,663,626)
Class B		
Proceeds from shares sold	10,287,704	8,754,512
Reinvestment of distributions	2,473,191	2,466,115
Payments for shares redeemed	(9,108,205)	(6,399,660)
Net increase (decrease) in net assets from Class B share transactions	3,652,690	4,820,967
Class B2		
Proceeds from shares sold	23,964	198,779
Reinvestment of distributions	1,024,797	1,183,053
Payments for shares redeemed	(2,589,893)	(1,848,331)
Net increase (decrease) in net assets from Class B2 share transactions	(1,541,132)	(466,499)
Increase (decrease) in net assets	127,294,869	55,236,389
Net assets at beginning of period	666,761,817	611,525,428
Net assets at end of period	**$794,056,686**	**$666,761,817**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Other Information	Years Ended December 31, 2021	2020
Class A		
Shares outstanding at beginning of period	24,298,803	24,258,385
Shares sold	723,150	919,928
Shares issued to shareholders in reinvestment of distributions	1,439,178	2,207,713
Shares redeemed	(2,674,023)	(3,087,223)
Net increase (decrease) in Class A shares	(511,695)	40,418
Shares outstanding at end of period	**23,787,108**	**24,298,803**
Class B		
Shares outstanding at beginning of period	1,675,259	1,426,637
Shares sold	378,603	403,823
Shares issued to shareholders in reinvestment of distributions	93,717	133,737
Shares redeemed	(332,893)	(288,938)
Net increase (decrease) in Class B shares	139,427	248,622
Shares outstanding at end of period	**1,814,686**	**1,675,259**
Class B2		
Shares outstanding at beginning of period	730,615	742,685
Shares sold	864	9,662
Shares issued to shareholders in reinvestment of distributions	38,789	64,087
Shares redeemed	(94,011)	(85,819)
Net increase (decrease) in Class B2 shares	(54,358)	(12,070)
Shares outstanding at end of period	**676,257**	**730,615**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Equity 500 Index VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$24.97**	**$23.14**	**$18.90**	**$22.19**	**$19.58**
Income (loss) from investment operations:					
Net investment income[a]	.31	.34	.35	.37	.34
Net realized and unrealized gain (loss)	6.55	3.23	5.37	(1.31)	3.69
Total from investment operations	6.86	3.57	5.72	(.94)	4.03
Less distributions from:					
Net investment income	(.41)	(.39)	(.43)	(.38)	(.37)
Net realized gains	(1.20)	(1.35)	(1.05)	(1.97)	(1.05)
Total distributions	(1.61)	(1.74)	(1.48)	(2.35)	(1.42)
Net asset value, end of period	**$30.22**	**$24.97**	**$23.14**	**$18.90**	**$22.19**
Total Return (%)[b]	28.40	18.10	31.19	(4.65)	21.53
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	719	607	561	472	541
Ratio of expenses before expense reductions (%)[c]	.32	.33	.35	.34	.34
Ratio of expenses after expense reductions (%)[c]	.26	.26	.27	.30	.33
Ratio of net investment income (%)	1.14	1.56	1.68	1.73	1.67
Portfolio turnover rate (%)	2	4	3	3	3

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

DWS Equity 500 Index VIP — Class B

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$24.95**	**$23.12**	**$18.89**	**$22.17**	**$19.58**
Income (loss) from investment operations:					
Net investment income[a]	.21	.26	.28	.29	.28
Net realized and unrealized gain (loss)	6.54	3.23	5.35	(1.29)	3.67
Total from investment operations	6.75	3.49	5.63	(1.00)	3.95
Less distributions from:					
Net investment income	(.30)	(.31)	(.35)	(.31)	(.31)
Net realized gains	(1.20)	(1.35)	(1.05)	(1.97)	(1.05)
Total distributions	(1.50)	(1.66)	(1.40)	(2.28)	(1.36)
Net asset value, end of period	**$30.20**	**$24.95**	**$23.12**	**$18.89**	**$22.17**
Total Return (%)[b]	27.91	17.63	30.66	(4.94)	21.07
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	55	42	33	21	25
Ratio of expenses before expense reductions (%)[c]	.71	.71	.72	.71	.71
Ratio of expenses after expense reductions (%)[c]	.64	.64	.65	.65	.65
Ratio of net investment income (%)	.76	1.17	1.31	1.38	1.35
Portfolio turnover rate (%)	2	4	3	3	3

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

DWS Equity 500 Index VIP — Class B2

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$24.98**	**$23.14**	**$18.90**	**$22.18**	**$19.57**
Income (loss) from investment operations:					
Net investment income[a]	.21	.25	.27	.28	.26
Net realized and unrealized gain (loss)	6.54	3.24	5.36	(1.30)	3.69
Total from investment operations	6.75	3.49	5.63	(1.02)	3.95
Less distributions from:					
Net investment income	(.30)	(.30)	(.34)	(.29)	(.29)
Net realized gains	(1.20)	(1.35)	(1.05)	(1.97)	(1.05)
Total distributions	(1.50)	(1.65)	(1.39)	(2.26)	(1.34)
Net asset value, end of period	**$30.23**	**$24.98**	**$23.14**	**$18.90**	**$22.18**
Total Return (%)[b]	27.86	17.64	30.64	(5.00)	21.06
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	20	18	17	15	17
Ratio of expenses before expense reductions (%)[c]	.72	.72	.74	.73	.74
Ratio of expenses after expense reductions (%)[c]	.65	.65	.67	.70	.72
Ratio of net investment income (%)	.75	1.17	1.28	1.32	1.27
Portfolio turnover rate (%)	2	4	3	3	3

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Investments VIT Funds (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Trust is organized as a Massachusetts business trust. DWS Equity 500 Index VIP (the "Fund") is a diversified series of the Trust offered to investors. The Fund is an underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers three classes of shares (Class A shares, Class B shares and Class B2 shares). Class B and Class B2 shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B and Class B2 shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Debt securities are valued at prices supplied by independent pricing services approved by the Fund's Board. If the pricing services are unable to provide valuations, securities are valued at the most recent bid quotation or evaluated price, as applicable, obtained from one or more broker-dealers. Such services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics and other data, as well as broker quotes. These securities are generally categorized as Level 2.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Futures contracts are generally valued at the settlement prices established each day on the exchange on which they are traded and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or

evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to investments in futures contracts, certain securities sold at a loss, and the realized tax character on distributions from certain securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 8,886,573
Undistributed long-term capital gains	$ 37,558,965
Net unrealized appreciation (depreciation) on investments	$ 522,898,791

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $277,919,822. The net unrealized appreciation for all investments based on tax cost was $522,898,791. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $541,673,637 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $18,774,846.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 10,689,177	$ 10,532,208
Distributions from long-term capital gains	$ 30,702,377	$ 33,738,872

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Real Estate Investment Trusts. The Fund at its fiscal year end recharacterizes distributions received from a Real Estate Investment Trust ("REIT") investment based on information provided by the REIT into the following categories: ordinary income, long-term and short-term capital gains, and return of capital. If information is not available timely from a REIT, the recharacterization will be estimated for financial reporting purposes and a recharacterization will be made to the accounting records in the following year when such information becomes available. Distributions received from REITs in excess of income are recorded as either a reduction of cost of investments or realized gains.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Derivative Instruments

A futures contract is an agreement between a buyer or seller and an established futures exchange or its clearinghouse in which the buyer or seller agrees to take or make a delivery of a specific amount of a financial instrument at a specified price on a specific date (settlement date). For the year ended December 31, 2021, the Fund invested in futures to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the stock market.

Upon entering into a futures contract, the Fund is required to deposit with a financial intermediary cash or securities ("initial margin") in an amount equal to a certain percentage of the face value indicated in the futures contract. Subsequent payments ("variation margin") are made or received by the Fund dependent upon the daily fluctuations in the value and are recorded for financial reporting purposes as unrealized gains or losses by the Fund. Gains or losses are realized when the contract expires or is closed. Since all futures contracts are exchange-traded, counterparty risk is minimized as the exchange's clearinghouse acts as the counterparty, and guarantees the futures against default. Upon a futures contract close out or expiration, realized gain or loss is recognized.

Certain risks may arise upon entering into futures contracts, including the risk that an illiquid market will limit the Fund's ability to close out a futures contract prior to the settlement date and the risk that the futures contract is not well correlated with the security, index or currency to which it relates. Risk of loss may exceed amounts recognized in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2021, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $3,569,000 to $10,910,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2021 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Assets Derivative	Futures Contracts
Equity Contracts (a)	$ 104,184

The above derivative is located in the following Statement of Assets and Liabilities account:

(a) Includes cumulative appreciation of futures contracts as disclosed in the Investment Portfolio. Unsettled variation margin is disclosed separately within the Statement of Assets and Liabilities.

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2021 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

Realized Gain (Loss)	Futures Contracts
Equity Contracts (a)	$ 1,788,248

The above derivative is located in the following Statement of Operations account:

(a) Net realized gain (loss) from futures

Change in Net Unrealized Appreciation (Depreciation)	Futures Contracts
Equity Contracts (a)	$ (82,208)

The above derivative is located in the following Statement of Operations account:

(a) Change in net unrealized appreciation (depreciation) on futures

C. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $16,284,023 and $56,451,315, respectively.

D. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund or delegates such responsibility to the Fund's subadvisor. Northern Trust Investments, Inc. ("NTI") serves as subadvisor. As a subadvisor to the Fund, NTI makes investment decisions and buys and sells securities for the Fund. NTI is paid by the Advisor for the services NTI provides to the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays the Advisor an annual fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $1 billion of the Fund's average daily net assets	.200%
Next $1 billion of such net assets	.175%
Over $2 billion of such net assets	.150%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.20% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022 (through April 30, 2021 for Class B shares and September 30, 2021 for Class B2 shares), the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.26%
Class B	.64%
Class B2	.66%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.65%.

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of certain classes as follows:

Class B	.64%
Class B2	.65%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 420,276
Class B	31,168
Class B2	12,201
	$ 463,645

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $710,905, of which $64,283 is unpaid.

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), an affiliate of the Advisor, is the Fund's distributor. In accordance with the Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B and B2 shares. For the year ended December 31, 2021, the Distribution Service Fees were as follows:

Distribution Service Fees	Total Aggregated	Unpaid at December 31, 2021
Class B	$ 121,363	$ 11,732
Class B2	48,332	4,282
	$ 169,695	**$ 16,014**

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the

shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 593	$ 99
Class B	103	17
Class B2	70	12
	$ 766	**$ 128**

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $5,740, of which $367 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $365.

E. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 52% and 14%, respectively. One participating insurance company was owner of record of 10% or more of the total outstanding Class B shares of the Fund, owning 90%. Two participating insurance companies were the owners of record of 10% or more of the total outstanding Class B2 shares of the Fund, each owning 85% and 15%, respectively.

F. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

G. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and

investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Investments VIT Funds and Shareholders of DWS Equity 500 Index VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Equity 500 Index VIP (the "Fund") (one of the funds constituting Deutsche DWS Investments VIT Funds) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Investments VIT Funds) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	Class A	Class B	Class B2
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,115.50	$ 1,113.20	$ 1,113.00
Expenses Paid per $1,000*	$ 1.39	$ 3.41	$ 3.46

Hypothetical 5% Fund Return	Class A	Class B	Class B2
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,023.89	$ 1,021.98	$ 1,021.93
Expenses Paid per $1,000*	$ 1.33	$ 3.26	$ 3.31

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	Class A	Class B	Class B2
DWS Equity 500 Index VIP	.26%	.64%	.65%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid distributions of $1.18 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $41,443,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 92% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Equity 500 Index VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") and sub-advisory agreement (the "Sub-Advisory Agreement" and together with the Agreement, the "Agreements") between DIMA and Northern Trust Investments, Inc. ("NTI") in September 2021.

In terms of the process that the Board followed prior to approving the Agreements, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreements, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's and NTI's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreements, including the scope of advisory services provided under the Agreements. The Board noted that, under the Agreements, DIMA and NTI provide portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. Throughout the course of the year, the Board also received information regarding DIMA's oversight of fund sub-advisors, including NTI. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that,

for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers).

Fees and Expenses. The Board considered the Fund's investment management fee schedule, sub-advisory fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (3rd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). With respect to the sub-advisory fee paid to NTI, the Board noted that the fee is paid by DIMA out of its fee and not directly by the Fund. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA and NTI.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available. The Board did not consider the profitability of NTI with respect to the Fund. The Board noted that DIMA pays NTI's fee out of its management fee, and its understanding that the Fund's sub-advisory fee schedule was the product of an arm's length negotiation with DIMA.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and NTI and Their Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and NTI and their affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-

selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel. The Board also considered the attention and resources dedicated by DIMA to the oversight of the investment sub-advisor's compliance program and compliance with the applicable fund policies and procedures.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreements is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreements.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

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December 31, 2021

Annual Report

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DWS

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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Stocks may decline in value. Smaller company stocks tend to be more volatile than medium-sized or large company stocks. Investing in foreign securities, particularly those of emerging markets, presents certain risks, such as currency fluctuations, political and economic changes, and market risks. Emerging markets tend to be more volatile and less liquid than the markets of more mature economies, and generally have less diverse and less mature economic structures and less stable political systems than those of developed countries. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

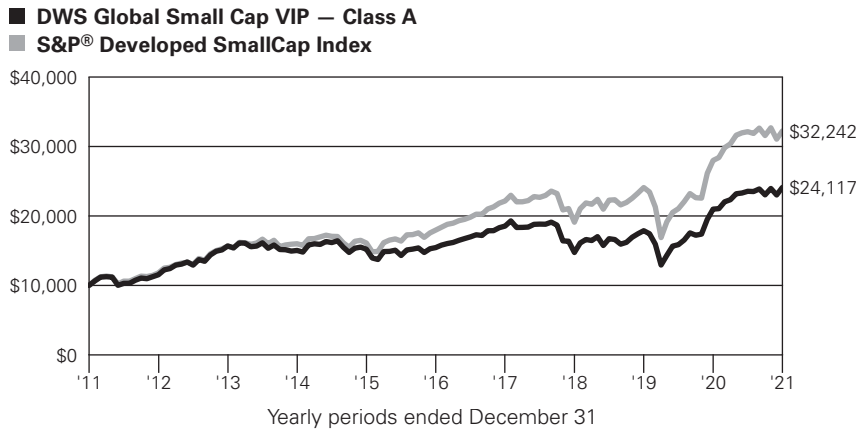
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021, are 1.10% and 1.39% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



S&P Developed SmallCap Index comprises the stocks representing the lowest 15% of float-adjusted market cap in each developed country. It is a subset of the S&P Global BMI, a comprehensive, rules-based index measuring global stock market performance.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS Global Small Cap VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$11,494	$16,361	$15,610	$24,117
	Average annual total return	14.94%	17.83%	9.32%	9.20%
S&P Developed SmallCap Index	Growth of $10,000	$11,518	$16,882	$17,943	$32,242
	Average annual total return	15.18%	19.07%	12.40%	12.42%

DWS Global Small Cap VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$11,465	$16,233	$15,388	$23,479
	Average annual total return	14.65%	17.53%	9.00%	8.91%
S&P Developed SmallCap Index	Growth of $10,000	$11,518	$16,882	$17,943	$32,242
	Average annual total return	15.18%	19.07%	12.40%	12.42%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

DWS Global Small Cap VIP returned 14.94% in 2021 (Class A shares, unadjusted for contract charges) and slightly underperformed the 15.18% return of its benchmark, the S&P Developed SmallCap Index. Equities performed well in 2021 behind the combination of rising vaccination rates, improving economic growth, rising corporate earnings, and — for most of the year — accommodative central bank policies.

We adjusted the Fund's investment process in 2021. We now use a quantitative strategy to identify the most attractive stocks in the S&P Developed SmallCap Index based on fundamental factors that have been sources of excess return over time. We strive to optimize the portfolio by emphasizing stocks with the most favorable combination of individual factors, rather than relying on one factor — such as value or growth — to drive performance. We don't use a single screen to analyze the entire market. Instead, we employ specific models that encompass a wide range of industry groups and account for the different drivers of returns in each industry. A notable outcome of this change is that the Fund's weightings in both sectors and geographies have moved closer to those of the benchmark. We believe this will help limit the potential effects of factors other than individual stock selection. Our portfolio activity largely reflected the shift toward this new approach. We made changes gradually in order to minimize the impact on the portfolio.

This approach generally worked well in the period, helping the Fund provide a competitive return in relation to the benchmark. Consistent with the new strategy, stock selection — rather than sector or country allocations — were the primary driver of relative performance in 2021. The Fund generated its best results in the industrials sector. Builders Firstsource, Inc., a U.S.-based producer of building materials, was a top performer as accelerating economic growth and robust housing-market activity led to rising demand for its products. Avis Budget Group, Inc. and the Scandinavian busing company Nobina AB, which was acquired, were also top contributors in the sector.

Our stock picks in the consumer discretionary sector strongly outperformed, as well. Shares of Fox Factory Holding Corp. — which makes bicycles, off-road vehicles, and other outdoor equipment — posted a sizable gain and helped the Fund's results in the sector. Communication services was another area of strength for the Fund, primarily as a result of a position in AMC Entertainment Holdings, Inc. We initiated the investment in April, two months before the stock surged on the strength of its improving business outlook and support from social-media platforms popular with retail investors. We sold a portion of the position to lock in profits brought about by the unusual rally.

Energy proved to be the most challenging sector for the Fund in 2021. Our holdings, while producing gains as a group, finished behind the broader category. Most notably, we lost ground from a position in the offshore oilfield services company Dril-Quip, Inc. Even as the energy sector as a whole gained more than 60% on the year, shares of Dril-Quip fell due to reduced orders and higher expenses. We also underperformed in financials, where the Japanese pet insurance company Anicom Holdings, Inc. was the largest detractor. The stock declined due to the combination of increased promotional activity and higher-than-expected claims. The Fund's position in cash, while modest, was another key detractor at a time of strong returns for the index.

We had a positive view on the overall investment backdrop at the close of the period, as we think the combination of steady economic growth and improving corporate performance can help offset headwinds from inflation and other challenges. Although valuations for the broader market aren't particularly attractive, we think the global small-cap space continues to offer an abundance of opportunities to identify compelling ideas at the individual company level. Given the growing divergence in vaccination rates, economic trends, and central bank policies across countries and regions, we believe the environment remains supportive for bottom-up stock selection.

Pankaj Bhatnagar, PhD, Head of Investment Strategy Equity
Peter Barsa, Senior Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

S&P Developed SmallCap Index comprises the stocks representing the lowest 15% of float-adjusted market cap in each developed country. It is a subset of the S&P Global BMI, a comprehensive, rules-based index measuring global stock market performance.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Contributors and **detractors** incorporate both a stock's return and its weight. If two stocks have the same return but one has a larger weighting in the fund, it will have a larger contribution to return in the period.

Consumer discretionary stocks represent companies that make and market goods and services that are considered non-essential. Sub-categories within the consumer discretionary sector include retailers, media, consumer services, consumer durables & apparel, and automobiles.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	94%
Cash Equivalents	1%	4%
Exchange-Traded Funds	—	2%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Industrials	19%	21%
Financials	14%	10%
Information Technology	13%	19%
Consumer Discretionary	13%	13%
Health Care	12%	16%
Real Estate	9%	8%
Materials	7%	6%
Consumer Staples	4%	3%
Communication Services	3%	3%
Utilities	3%	0%
Energy	3%	1%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
United States	58%	61%
Japan	8%	10%
United Kingdom	5%	5%
Germany	4%	3%
Sweden	3%	2%
Korea	2%	1%
Canada	2%	3%
Spain	2%	2%
Italy	2%	2%
Switzerland	2%	1%
France	2%	2%
Austria	2%	2%
Luxembourg	1%	2%
Other	7%	4%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 98.8%		
Australia 0.4%		
Liontown Resources Ltd.* (Cost $258,366)	241,529	**291,703**
Austria 1.6%		
Wienerberger AG (Cost $921,227)	36,328	**1,337,518**
Belgium 0.4%		
Euronav NV (Cost $313,841)	37,166	**330,563**
Bermuda 0.9%		
Lazard Ltd. "A" (a) (Cost $345,986)	16,265	**709,642**
Canada 2.4%		
ElectraMeccanica Vehicles Corp.* (b)	102,528	233,764
Linamar Corp.	14,424	854,413
Quebecor, Inc. "B"	39,795	898,176
(Cost $1,482,622)		**1,986,353**
Denmark 0.6%		
Netcompany Group A/S 144A (Cost $543,495)	4,581	**493,458**
France 1.7%		
Alten SA	4,570	824,173
Rubis SCA	7,967	238,108
Television Francaise 1	29,700	295,336
(Cost $1,230,866)		**1,357,617**
Germany 3.8%		
AIXTRON SE	31,164	629,564
Deutz AG*	112,697	843,137
PATRIZIA AG	41,336	961,666
United Internet AG (Registered)	16,617	657,623
(Cost $2,119,650)		**3,091,990**
India 0.8%		
WNS Holdings Ltd. (ADR)* (Cost $193,879)	7,251	**639,683**
Ireland 0.7%		
Dalata Hotel Group PLC* (Cost $658,449)	129,550	**550,163**
Italy 2.3%		
Buzzi Unicem SpA	51,265	1,102,202
Moncler SpA	10,050	729,505
(Cost $1,406,181)		**1,831,707**
Japan 7.6%		
Ai Holdings Corp.	41,617	694,992
Anicom Holdings, Inc.	46,200	333,009
BML, Inc.	17,200	534,984
Furuya Metal Co., Ltd.	6,400	673,213
Kusuri No Aoki Holdings Co., Ltd.	12,158	769,622
Sawai Group Holdings Co., Ltd.	12,600	482,146
Topcon Corp.	23,400	338,027
Toyo Kanetsu KK	9,400	205,284
UT Group Co., Ltd.	31,024	1,165,792
Zenkoku Hosho Co., Ltd.	23,800	1,036,212
(Cost $4,096,361)		**6,233,281**
Korea 2.5%		
Hanmi Semiconductor Co., Ltd.*	25,984	823,975
i-SENS, Inc.	17,591	447,556
Seah Besteel Corp.*	44,172	738,829
(Cost $1,960,419)		**2,010,360**
Luxembourg 1.1%		
B&M European Value Retail SA (Cost $430,350)	101,505	**872,179**
Netherlands 0.6%		
Boskalis Westminster (Cost $535,941)	16,916	**494,300**
Norway 0.3%		
Fjordkraft Holding ASA 144A (Cost $371,495)	43,142	**234,060**
Portugal 0.3%		
REN - Redes Energeticas Nacionais SGPS SA (Cost $261,325)	92,222	**267,361**
Puerto Rico 0.6%		
Popular, Inc. (a) (Cost $463,903)	6,166	**505,859**
Singapore 0.4%		
BW LPG, Ltd. 144A (Cost $336,865)	54,731	**309,965**
Spain 2.3%		
Fluidra SA	34,068	1,361,450
Talgo SA 144A*	88,107	544,186
(Cost $1,114,368)		**1,905,636**
Sweden 3.1%		
Dometic Group AB 144A	22,461	294,975
Fingerprint Cards AB "B"* (b)	92,297	210,842
MIPS AB	2,974	389,534
Nobina AB 144A	91,569	1,083,972
Ratos AB "B"	91,259	586,487
(Cost $1,657,434)		**2,565,810**
Switzerland 1.7%		
Bachem Holding AG (Registered)	320	250,203
Julius Baer Group Ltd.	10,082	672,942
Siegfried Holding AG (Registered)	469	455,523
(Cost $1,315,740)		**1,378,668**
United Kingdom 5.1%		
Domino's Pizza Group PLC	74,516	465,924

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Drax Group PLC	108,643	891,539
Electrocomponents PLC	90,511	1,474,680
Genus PLC	4,590	306,719
Micro Focus International PLC	93,845	530,668
Softcat PLC	8,357	204,618
TechnipFMC PLC* (c)	52,253	309,338
(Cost $2,606,503)		**4,183,486**
United States 57.6%		
Advanced Drainage Systems, Inc.	3,618	492,518
Affiliated Managers Group, Inc.	4,445	731,247
Agilysys, Inc.*	9,963	442,955
Alcoa Corp.	14,278	850,683
AMC Entertainment Holdings, Inc. "A"* (b)	9,714	264,221
Americold Realty Trust (REIT)	21,223	695,902
Amicus Therapeutics, Inc.*	29,421	339,813
Amneal Pharmaceuticals, Inc.*	65,675	314,583
Anika Therapeutics, Inc.*	7,283	260,950
Armada Hoffler Properties, Inc. (REIT)	15,994	243,429
Avis Budget Group, Inc.*	3,772	782,200
Benchmark Electronics, Inc.	21,642	586,498
Builders FirstSource, Inc.*	18,554	1,590,263
CarLotz, Inc.* (b)	108,012	245,187
Casey's General Stores, Inc.	6,443	1,271,526
Cleveland-Cliffs, Inc.*	49,411	1,075,677
CNX Resources Corp.*	14,817	203,734
Crescent Energy, Inc. "A"* (b)	25,292	320,703
Delek U.S. Holdings, Inc.*	12,073	180,974
Dril-Quip, Inc.*	8,742	172,043
Ducommun, Inc.*	21,800	1,019,586
Easterly Government Properties, Inc. (REIT)	18,561	425,418
Eastern Bankshares, Inc.	32,195	649,373
EastGroup Properties, Inc. (REIT)	4,274	973,831
Envestnet, Inc.*	9,595	761,267
Essential Properties Realty Trust, Inc. (REIT)	24,757	713,744
First Financial Bankshares, Inc.	12,714	646,380
Five9, Inc.*	5,308	728,895
FNB Corp.	30,449	369,346
Four Corners Property Trust, Inc. (REIT)	28,873	849,155
Fox Factory Holding Corp.*	8,664	1,473,746
Heron Therapeutics, Inc.* (b)	22,446	204,932
Hillenbrand, Inc.	14,810	769,972
Home BancShares, Inc.	9,644	234,831
Hudson Pacific Properties, Inc. (REIT)	8,486	209,689
Jack in the Box, Inc.	6,611	578,330
Jefferies Financial Group, Inc.	35,036	1,359,397
Kronos Bio, Inc.* (b)	27,376	372,040
Lumentum Holdings, Inc.* (b)	8,748	925,276
Madison Square Garden Sports Corp.*	4,212	731,751
Masonite International Corp.* (b)	8,169	963,534
ModivCare, Inc.*	6,223	922,855
Molina Healthcare, Inc.*	4,393	1,397,325
Multiplan Corp.* (b)	62,081	275,019
National Storage Affiliates Trust (REIT)	15,303	1,058,968
New Jersey Resources Corp.	8,717	357,920
Novavax, Inc.* (b)	1,412	202,015
Option Care Health, Inc.*	24,644	700,875
Outset Medical, Inc.*	6,295	290,137
Pacira BioSciences, Inc.*	15,060	906,160
Physicians Realty Trust (REIT)	40,028	753,727
Precision BioSciences, Inc.*	32,160	237,984
Redwood Trust, Inc. (REIT)	30,567	403,179
Rush Enterprises, Inc. "A"	28,281	1,573,527
Sana Biotechnology, Inc.* (b)	14,355	222,215
Selecta Biosciences, Inc.*	47,405	154,540
Senseonics Holdings, Inc.* (b)	72,701	194,112
SJW Group	7,263	531,652
SkyWest, Inc.*	9,677	380,306
South State Corp.	13,381	1,071,952
SpartanNash Co.	8,900	229,264
Spectrum Brands Holdings, Inc.	5,161	524,977
Synovus Financial Corp.	26,456	1,266,449
Tandem Diabetes Care, Inc.*	3,297	496,264
Tenneco, Inc. "A"*	31,253	353,159
Thermon Group Holdings, Inc.*	40,418	684,277
TopBuild Corp.*	5,670	1,564,410
Varonis Systems, Inc.*	11,515	561,702
Vista Outdoor, Inc.*	6,952	320,279
Vital Farms, Inc.* (b)	12,874	232,504
WEX, Inc.*	2,214	310,823
Whiting Petroleum Corp.*	7,332	474,234
Xperi Holding Corp.	16,460	311,259
YETI Holdings, Inc.*	15,222	1,260,838
Zions Bancorp. NA	12,982	819,943
(Cost $29,799,621)		**47,070,449**
Total Common Stocks (Cost $54,424,887)		**80,651,811**
Securities Lending Collateral 4.3%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e) (Cost $3,537,256)	3,537,256	**3,537,256**
Cash Equivalents 1.0%		
DWS Central Cash Management Government Fund, 0.05% (d) (Cost $817,560)	817,560	**817,560**

The accompanying notes are an integral part of the financial statements.

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $58,779,703)	104.1	**85,006,627**
Other Assets and Liabilities, Net	(4.1)	**(3,334,253)**
Net Assets	100.0	**81,672,374**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 4.3%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e)								
1,184,652	2,352,604 (f)	—	—	—	11,906	—	3,537,256	3,537,256
Cash Equivalents 1.0%								
DWS Central Cash Management Government Fund, 0.05% (d)								
3,011,728	12,038,572	14,232,740	—	—	476	—	817,560	817,560
4,196,380	**14,391,176**	**14,232,740**	**—**	**—**	**12,382**	**—**	**4,354,816**	**4,354,816**

* Non-income producing security.

(a) Listed on the NASDAQ Stock Market, Inc.

(b) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $3,388,544, which is 4.2% of net assets.

(c) Listed on the New York Stock Exchange.

(d) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(e) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(f) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

ADR: American Depositary Receipt

REIT: Real Estate Investment Trust

The accompanying notes are an integral part of the financial statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks				
Australia	$ 291,703	$ —	$ —	$ 291,703
Austria	—	1,337,518	—	1,337,518
Belgium	—	330,563	—	330,563
Bermuda	709,642	—	—	709,642
Canada	1,986,353	—	—	1,986,353
Denmark	—	493,458	—	493,458
France	—	1,357,617	—	1,357,617
Germany	—	3,091,990	—	3,091,990
India	639,683	—	—	639,683
Ireland	—	550,163	—	550,163
Italy	—	1,831,707	—	1,831,707
Japan	—	6,233,281	—	6,233,281
Korea	—	2,010,360	—	2,010,360
Luxembourg	—	872,179	—	872,179
Netherlands	—	494,300	—	494,300
Norway	—	234,060	—	234,060
Portugal	—	267,361	—	267,361
Puerto Rico	505,859	—	—	505,859
Singapore	—	309,965	—	309,965
Spain	—	1,905,636	—	1,905,636
Sweden	—	2,565,810	—	2,565,810
Switzerland	—	1,378,668	—	1,378,668
United Kingdom	309,338	3,874,148	—	4,183,486
United States	47,070,449	—	—	47,070,449
Short-Term Investments (a)	4,354,816	—	—	4,354,816
Total	**$55,867,843**	**$29,138,784**	**$ —**	**$85,006,627**

(a) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $54,424,887) — including $3,388,544 of securities loaned	$ 80,651,811
Investment in DWS Government & Agency Securities Portfolio (cost $3,537,256)*	3,537,256
Investment in DWS Central Cash Management Government Fund (cost $817,560)	817,560
Foreign currency, at value (cost $28,931)	29,182
Receivable for investments sold	52,054
Receivable for Fund shares sold	132,073
Dividends receivable	97,314
Interest receivable	690
Foreign taxes recoverable	35,800
Other assets	1,674
Total assets	85,355,414

Liabilities	
Payable upon return of securities loaned	3,537,256
Payable for Fund shares redeemed	26,604
Accrued management fee	38,731
Accrued Trustees' fees	955
Other accrued expenses and payables	79,494
Total liabilities	3,683,040
Net assets, at value	**$ 81,672,374**

Net Assets Consist of	
Distributable earnings (loss)	37,831,440
Paid-in capital	43,840,934
Net assets, at value	**$ 81,672,374**

Net Asset Value		
Class A		
Net Asset Value, offering and redemption price per share ($79,170,203 ÷ 5,808,696 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$**	**13.63**
Class B		
Net Asset Value, offering and redemption price per share ($2,502,171 ÷ 191,764 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$**	**13.05**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $90,614)	$ 1,006,876
Income distributions — DWS Central Cash Management Government Fund	476
Securities lending income, net of borrower rebates	11,906
Total income	1,019,258
Expenses:	
Management fee	655,460
Administration fee	79,474
Services to shareholders	557
Record keeping fee (Class B)	742
Distribution service fee (Class B)	6,732
Custodian fee	10,968
Professional fees	69,130
Reports to shareholders	29,193
Trustees' fees and expenses	3,868
Other	10,980
Total expenses before expense reductions	867,104
Expense reductions	(194,433)
Total expenses after expense reductions	672,671
Net investment income	**346,587**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	13,501,514
Foreign currency	10,675
	13,512,189
Change in net unrealized appreciation (depreciation) on:	
Investments	(2,615,849)
Foreign currency	(5,717)
	(2,621,566)
Net gain (loss)	**10,890,623**
Net increase (decrease) in net assets resulting from operations	**$11,237,210**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 346,587	$ 238,619
Net realized gain (loss)	13,512,189	(1,077,595)
Change in net unrealized appreciation (depreciation)	(2,621,566)	11,994,951
Net increase (decrease) in net assets resulting from operations	11,237,210	11,155,975
Distributions to shareholders:		
Class A	(284,998)	(509,172)
Class B	(1,897)	(12,523)
Total distributions	(286,895)	(521,695)
Fund share transactions:		
Class A		
Proceeds from shares sold	4,203,449	2,748,177
Reinvestment of distributions	284,998	509,172
Payments for shares redeemed	(11,414,575)	(8,776,264)
Net increase (decrease) in net assets from Class A share transactions	(6,926,128)	(5,518,915)
Class B		
Proceeds from shares sold	86,982	152,440
Reinvestment of distributions	1,897	12,523
Payments for shares redeemed	(537,896)	(301,149)
Net increase (decrease) in net assets from Class B share transactions	(449,017)	(136,186)
Increase (decrease) in net assets	3,575,170	4,979,179
Net assets at beginning of period	78,097,204	73,118,025
Net assets at end of period	**$ 81,672,374**	**$78,097,204**
Other Information		
Class A		
Shares outstanding at beginning of period	6,344,768	6,910,961
Shares sold	320,008	293,128
Shares issued to shareholders in reinvestment of distributions	21,493	66,298
Shares redeemed	(877,573)	(925,619)
Net increase (decrease) in Class A shares	(536,072)	(566,193)
Shares outstanding at end of period	**5,808,696**	**6,344,768**
Class B		
Shares outstanding at beginning of period	227,196	238,523
Shares sold	6,834	18,334
Shares issued to shareholders in reinvestment of distributions	149	1,701
Shares redeemed	(42,415)	(31,362)
Net increase (decrease) in Class B shares	(35,432)	(11,327)
Shares outstanding at end of period	**191,764**	**227,196**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Global Small Cap VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$11.90**	**$10.24**	**$8.91**	**$12.90**	**$11.78**
Income (loss) from investment operations:					
Net investment income[a]	.06	.04	.05	.02	.00*
Net realized and unrealized gain (loss)	1.72	1.70	1.82	(2.32)	2.21
Total from investment operations	1.78	1.74	1.87	(2.30)	2.21
Less distributions from:					
Net investment income	(.05)	(.08)	—	(.04)	—
Net realized gains	—	—	(.54)	(1.65)	(1.09)
Total distributions	(.05)	(.08)	(.54)	(1.69)	(1.09)
Net asset value, end of period	**$13.63**	**$11.90**	**$10.24**	**$8.91**	**$12.90**
Total Return (%)[b]	14.94	17.36	21.29	(20.51)	20.02
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	79	76	71	63	85
Ratio of expenses before expense reductions (%)[c]	1.05	1.10	1.11	1.10	1.15
Ratio of expenses after expense reductions (%)[c]	.81	.81	.82	.78	.94
Ratio of net investment income (%)	.43	.38	.54	.21	.03
Portfolio turnover rate (%)	38	9	23	32	42

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

* Amount is less than $.005.

The accompanying notes are an integral part of the financial statements.

DWS Global Small Cap VIP — Class B

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$11.39**	**$9.81**	**$8.57**	**$12.47**	**$11.45**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.02	.01	.03	(.01)	(.03)
Net realized and unrealized gain (loss)	1.65	1.62	1.75	(2.24)	2.14
Total from investment operations	1.67	1.63	1.78	(2.25)	2.11
Less distributions from:					
Net investment income	(.01)	(.05)	—	—	—
Net realized gains	—	—	(.54)	(1.65)	(1.09)
Total distributions	(.01)	(.05)	(.54)	(1.65)	(1.09)
Net asset value, end of period	**$13.05**	**$11.39**	**$9.81**	**$8.57**	**$12.47**
Total Return (%)[b]	14.65	16.94	21.08	(20.74)	19.60
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	3	3	2	2	3
Ratio of expenses before expense reductions (%)[c]	1.33	1.39	1.40	1.39	1.44
Ratio of expenses after expense reductions (%)[c]	1.09	1.09	1.09	1.06	1.22
Ratio of net investment income (loss) (%)	.15	.10	.27	(.08)	(.26)
Portfolio turnover rate (%)	38	9	23	32	42

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Variable Series I (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust. The Trust consists of four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS Global Small Cap VIP. The Trust is intended to be the underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1. For certain international equity securities, in order to adjust for events which may occur between the close of the foreign exchanges and the close of the New York Stock Exchange, a fair valuation model may be used. This fair valuation model takes into account comparisons to the valuation of American Depository Receipts (ADRs), exchange-traded funds, futures contracts and certain indices and these securities are categorized as Level 2.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon,

creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Brown Brothers Harriman & Co., as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash and/or U.S. Treasury Securities having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best effort to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as Common Stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Taxes. The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code, as amended. It is the Fund's policy to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

Additionally, the Fund may be subject to taxes imposed by the governments of countries in which it invests and are generally based on income and/or capital gains earned or repatriated, a portion of which may be recoverable. Based upon the current interpretation of the tax rules and regulations, estimated tax liabilities and recoveries on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized gain/loss on investments. Tax liabilities realized as a result of security sales are reflected as a component of net realized gain/loss on investments.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to income received from passive foreign investment companies, certain securities sold at a loss and investments in limited partnerships. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 1,048,058
Undistributed long-term capital gains	$ 10,784,732
Net unrealized appreciation (depreciation) on investments	$ 25,982,605

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $59,024,022. The net unrealized appreciation for all investments based on tax cost was $25,982,605. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $29,184,417 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,201,812.

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 286,895	$ 521,695

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis net of foreign withholding taxes. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Certain dividends from foreign securities may be recorded subsequent to the ex-dividend date as soon as the Fund is informed of such dividends. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $30,243,595 and $34,039,708, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly at the annual rate (exclusive of any applicable waivers/reimbursements) of 0.80%.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.81%
Class B	1.09%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.82%
Class B	1.10%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.80%
Class B	1.09%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 188,011
Class B	6,422
	$ 194,433

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $79,474, of which $6,565 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 642	$ 107
Class B	187	31
	$ 829	**$ 138**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trust's Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $6,732, of which $528 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,372, of which $420 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

D. Ownership of the Fund

At December 31, 2021, three participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 33%, 28% and 12%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 77% and 12%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS Global Small Cap VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Global Small Cap VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,024.00	$ 1,022.70
Expenses Paid per $1,000*	$ 4.13	$ 5.61

Hypothetical 5% Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.12	$ 1,019.66
Expenses Paid per $1,000*	$ 4.13	$ 5.60

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	Class A	Class B
Deutsche DWS Variable Series I — DWS Global Small Cap VIP	.81%	1.10%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $11,864,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 67% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Global Small Cap VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 4th quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one-

year period and has underperformed its benchmark in the three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board noted changes in the Fund's portfolio management team and management process to reflect an active systematic strategy, effective February 1, 2021. The Board observed that the Fund had experienced improved relative performance during the first seven months of 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (4th quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. In this regard, the Board observed that while the Fund's current investment management fee schedule does not include breakpoints, the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA

products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

Notes

December 31, 2021

Annual Report

Deutsche DWS Variable Series II

DWS Government Money Market VIP



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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. The credit quality of the Fund's holdings can change rapidly in certain markets, and the default of a single holding could have an adverse impact on the Fund's share price. The Fund's share price can also be negatively affected during periods of high redemption pressures and/or illiquid markets. The actions of a few large investors in the Fund may have a significant adverse effect on the share price of the Fund. Please read the prospectus for specific details regarding the Fund's risk profile.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Management Summary

December 31, 2021 (Unaudited)

In light of the government's fiscal stimulus enacted in the wake of the pandemic and strong monetary support from the U.S. Federal Reserve (Fed), short-term interest rates declined during the first quarter of the year. The U.S. Treasury's decision to reduce the volume of Treasury bills outstanding also exerted downward pressure on short-term rates. Against this backdrop, money market yields approached their lowest levels since the 2008 financial crisis. In June, markets digested growing concern over COVID-19 variants and a surprisingly "hawkish" Fed Open Market Committee (FOMC) meeting. The updated Fed "dot plot" displaying FOMC member forecasts for fed funds signalled two hikes in the benchmark overnight lending rate in 2023, representing an acceleration of the previous timetable. In response, short-term Treasury yields moved higher while longer-term yields declined.

As the period drew to a close, markets remained focused on the shifting outlook for monetary policy. Inflation, once characterized by the Fed as transitory, remained high in part due to supply chain issues and rising commodity prices. With unemployment levels nearing their pre-COVID lows, the Fed indicated it was prepared to begin tapering the bond purchases that it has used to keep longer-term interest rates low. November saw the Fed officially launch tapering, even as the rapid emergence of the Omicron variant of COVID-19 introduced added uncertainty. The pace of the Fed's tapering of asset purchases was stepped up in December as inflation data for November came in above expectations. Short-term Treasury yields drifted higher over the fourth quarter of 2021 as markets began to anticipate additional hikes in the fed funds rate in 2022, as opposed to the previously signaled 2023 rate lift-off.

As of December 31, 2021, yields for one-month, six-month and one-year Treasury bills were 0.06%, 0.19% and 0.39%, respectively, versus 0.08%, 0.09% and 0.10%, respectively, as of December 31, 2020 (source: U.S. Department of the Treasury). We were able to maintain what we believe to be a competitive yield for the Portfolio. During the period, the Portfolio held a large percentage of assets in agency and Treasury floating-rate securities to take advantage of incremental rises in SOFR (the Securities Overnight Financing Rate) and Treasury bill rates. At the same time, the Portfolio invested in overnight agency repurchase agreements for liquidity and looked for yield opportunities from three- to six-month agency and Treasury securities. The types of securities that we were investing in tended to have lower yields than issues carrying more risk. We preferred to be cautious during a time of market uncertainty. In the end, this cost the Portfolio some yield, but we believe that this represented a prudent approach to preserving principal.

We anticipate continued increases in money market rates as the Fed likely commences interest rate hikes at the end of the first quarter. Additionally, a rebound in the supply of short-term agency and Treasury securities should also contribute to higher money market rates. We therefore continue to look to shorten duration while taking advantage of expected higher yields on the front end of the yield curve.

A group of investment professionals is responsible for the day-to-day management of the Fund. These investment professionals have a broad range of experience managing money market funds.

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Fund Performance(as of December 31, 2021)

All performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. The yield quotation more closely reflects the current earnings of the Fund than the total return quotation.

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

	7-Day Current Yield
DWS Government Money Market VIP — Class A	0.01%*

* The 7-Day Current Yield would have been -.32% had certain expenses not been reduced.

Yields are historical, will fluctuate and do not guarantee future performance. The 7-day current yield refers to the income paid by the portfolio over a 7-day period expressed as an annual percentage rate of the fund's shares outstanding. Please visit our Web site at liquidity.dws.com/US/index.jsp for the product's most recent month-end performance.

Terms to Know

Floating-Rate Securities are debt instruments with a variable interest rate, one that typically adjusts every six months, and is tied to a money market instrument such as Treasury bills.

Repurchase Agreements (Repos) are agreements between a seller and a buyer, usually of government securities, where the seller agrees to repurchase the securities at a given price and usually at a stated time. Repos are widely used money market instruments that serve as an interest-bearing, short-term "parking places" for large sums of money.

The **yield curve** is a graphical representation of how yields on bonds of different maturities compare. Normally, yield curves slant up, as bonds with longer maturities typically offer higher yields than short-term bonds.

Duration, which is expressed in years, measures the sensitivity of the price of a bond or bond fund to a change in interest rates.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio)	**12/31/21**	**12/31/20**
Government & Agency Obligations	83%	77%
Repurchase Agreements	17%	23%
	100%	100%

Weighted Average Maturity	**12/31/21**	**12/31/20**
Deutsche DWS Variable Series II —DWS Government Money Market VIP	33 days	26 days
iMoneyNet Money Fund Average™— Gov't & Agency Retail*	35 days	37 days

* The Fund is compared to its respective iMoneyNet Money Fund Average category: Gov't & Agency Retail — Category includes the most broadly based of the government retail funds. These funds may invest in U.S. Treasury securities, securities issued or guaranteed by the U.S. Government or its agencies or instrumentalities.

Weighted average maturity, also known as effective maturity, is the weighted average of the maturity date of bonds held by the Fund taking into consideration any available maturity shortening features.

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 6.

Each month, information about the Fund and its portfolio holdings is filed with the SEC on Form N-MFP. The SEC delays the public availability of the information filed on Form N-MFP for 60 days after the end of the reporting period included in the filing. These forms will be available on the SEC's Web site at sec.gov. The Fund's portfolio holdings are also posted on dws.com as of each month-end. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Principal Amount ($)	Value ($)
Government & Agency Obligations 82.6%		
U.S. Government Sponsored Agencies 20.0%		
Federal Farm Credit Bank, SOFR + 0.07%, 0.12% (a), 8/11/2022	500,000	500,015
Federal Home Loan Bank:		
0.044% (b), 1/5/2022	5,000,000	4,999,976
0.046% (b), 1/14/2022	10,000,000	9,999,838
0.051% (b), 2/18/2022	1,000,000	999,933
SOFR + 0.005%, 0.055% (a), 3/11/2022	2,500,000	2,500,000
SOFR + 0.005%, 0.055% (a), 3/14/2022	1,500,000	1,500,000
SOFR + 0.01%, 0.06% (a), 8/1/2022	1,500,000	1,500,000
SOFR + 0.01%, 0.06% (a), 8/15/2022	1,000,000	1,000,000
SOFR + 0.01%, 0.06% (a), 9/8/2022	1,500,000	1,500,000
SOFR + 0.01%, 0.06% (a), 9/30/2022	1,000,000	1,000,000
SOFR + 0.01%, 0.06% (a), 10/7/2022	2,000,000	2,000,000
SOFR + 0.01%, 0.06% (a), 11/4/2022	1,000,000	1,000,000
SOFR + 0.03%, 0.08% (a), 1/13/2023	2,000,000	2,000,000
SOFR + 0.12%, 0.17% (a), 2/28/2022	1,000,000	1,000,000
Federal Home Loan Mortgage Corp.:		
SOFR + 0.07%, 0.12% (a), 2/25/2022	3,000,000	3,000,000
SOFR + 0.095%, 0.145% (a), 8/19/2022	1,500,000	1,500,000
SOFR + 0.15%, 0.2% (a), 3/4/2022	1,750,000	1,749,592
Federal National Mortgage Association, SOFR + 0.30%, 0.35% (a), 1/7/2022	1,500,000	1,500,000
		39,249,354
U.S. Treasury Obligations 62.6%		
U.S. Treasury Bills:		
0.001% (b), 1/11/2022	40,000,000	39,999,989
0.041% (b), 1/6/2022	5,000,000	4,999,972
0.051% (b), 1/13/2022	12,500,000	12,499,792
0.051% (b), 2/17/2022	6,000,000	5,999,608
0.051% (b), 3/17/2022	1,000,000	999,896
0.051% (b), 3/31/2022	1,000,000	999,876
0.056% (b), 1/4/2022	12,000,000	11,999,945
0.056% (b), 1/20/2022	5,000,000	4,999,855
0.056% (b), 3/3/2022	5,000,000	4,999,534
0.056% (b), 3/10/2022	5,000,000	4,999,481
0.081% (b), 8/11/2022	3,750,000	3,748,150
0.107% (b), 6/9/2022	10,000,000	9,995,362
0.243% (b), 12/1/2022	5,000,000	4,988,867
U.S. Treasury Floating Rate Notes:		
3-month U.S. Treasury Bill Money Market Yield + 0.055%, 0.14% (a), 7/31/2022	3,500,000	3,500,750
3-month U.S. Treasury Bill Money Market Yield + 0.114%, 0.199% (a), 4/30/2022	7,250,000	7,251,981
3-month U.S. Treasury Bill Money Market Yield + 0.154%, 0.239% (a), 1/31/2022	1,250,000	1,250,152
		123,233,210
Total Government & Agency Obligations (Cost $162,482,564)		**162,482,564**
Repurchase Agreements 17.4%		
Citigroup Global Markets, Inc., 0.05%, dated 12/31/2021, to be repurchased at $34,200,143 on 1/3/2022 (c) (Cost $34,200,000)	34,200,000	**34,200,000**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $196,682,564)	100.0	**196,682,564**
Other Assets and Liabilities, Net	0.0	**49,777**
Net Assets	100.0	**196,732,341**

(a) Floating rate security. These securities are shown at their current rate as of December 31, 2021.

(b) Annualized yield at time of purchase; not a coupon rate.

The accompanying notes are an integral part of the financial statements.

(c) Collateralized by:

Principal Amount ($)	Security	Rate (%)	Maturity Date	Collateral Value ($)
34,876,600	U.S. Treasury Bills	Zero Coupon	1/6/2022–3/3/2022	34,875,573
8,500	U.S. Treasury Bonds	1.85–2.0	8/15/2051–11/15/2051	8,431
Total Collateral Value				**34,884,004**

SOFR: Secured Overnight Financing Rate

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Securities held by the Fund are reflected as Level 2 because the securities are valued at amortized cost (which approximates fair value) and, accordingly, the inputs used to determine value are not quoted prices in an active market.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Investments in Securities (a)	$ —	$ 162,482,564	$ —	$ 162,482,564
Repurchase Agreements	—	34,200,000	—	34,200,000
Total	**$ —**	**$ 196,682,564**	**$ —**	**$ 196,682,564**

(a) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in securities, valued at amortized cost	$ 162,482,564
Repurchase agreements, valued at amortized cost	34,200,000
Cash	56,044
Receivable for Fund shares sold	133,223
Interest receivable	6,519
Other assets	2,971
Total assets	196,881,321
Liabilities	
Payable for Fund shares redeemed	47,920
Distributions payable	857
Accrued Trustees' fees	1,716
Other accrued expenses and payables	98,487
Total liabilities	148,980
Net assets, at value	**$ 196,732,341**
Net Assets Consist of	
Distributable earnings (loss)	6,484
Paid-in capital	196,725,857
Net assets, at value	**$ 196,732,341**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($196,732,341 ÷ 196,801,073 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 1.00**

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Interest	$ 105,429
Expenses:	
Management fee	375,169
Administration fee	154,857
Services to shareholders	2,928
Custodian fee	4,932
Professional fees	50,942
Reports to shareholders	66,927
Trustees' fees and expenses	7,986
Other	9,763
Total expenses before expense reductions	673,504
Expense reductions	(584,029)
Total expenses after expense reductions	89,475
Net investment income	**15,954**
Net realized gain (loss) from investments	**(29)**
Net increase (decrease) in net assets resulting from operations	**$ 15,925**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 15,954	$ 308,578
Net realized gain (loss)	(29)	144
Net increase (decrease) in net assets resulting from operations	15,925	308,722
Distributions to shareholders:		
Class A	(15,954)	(308,575)
Fund share transactions:		
Class A		
Proceeds from shares sold	187,035,970	180,940,347
Reinvestment of distributions	15,781	366,986
Payments for shares redeemed	(143,576,595)	(150,319,848)
Net increase (decrease) in net assets from Class A share transactions	43,475,156	30,987,485
Increase (decrease) in net assets	43,475,127	30,987,632
Net assets at beginning of period	153,257,214	122,269,582
Net assets at end of period	**$ 196,732,341**	**$ 153,257,214**
Other Information		
Class A		
Shares outstanding at beginning of period	153,325,917	122,338,432
Shares sold	187,035,970	180,940,347
Shares issued to shareholders in reinvestment of distributions	15,781	366,986
Shares redeemed	(143,576,595)	(150,319,848)
Net increase (decrease) in Class A shares	43,475,156	30,987,485
Shares outstanding at end of period	**196,801,073**	**153,325,917**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Government Money Market VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$1.00**	**$1.00**	**$1.00**	**$1.00**	**$1.00**
Income (loss) from investment operations:					
Net investment income	.000*	.002	.018	.014	.005
Net realized gain (loss)	(.000)*	.000*	.000*	(.000)*	.000*
Total from investment operations	.000*	.002	.018	.014	.005
Less distributions from:					
Net investment income	(.000)	(.002)	(.018)	(.014)	(.005)
Net asset value, end of period	**$1.00**	**$1.00**	**$1.00**	**$1.00**	**$1.00**
Total Return (%)	.01[a]	.24[a]	1.77[a]	1.39[a]	.45
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	197	153	122	107	111
Ratio of expenses before expense reductions (%)[b]	.42	.42	.47	.50	.48
Ratio of expenses after expense reductions (%)[b]	.06	.23	.47	.50	.48
Ratio of net investment income (%)	.01	.20	1.74	1.37	.45

[a] Total return would have been lower had certain expenses not been reduced.

[b] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

* Amount is less than $.0005.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS Government Money Market VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The Fund values all securities utilizing the amortized cost method permitted in accordance with Rule 2a-7 under the 1940 Act and certain conditions therein. Under this method, which does not take into account unrealized capital gains or losses on securities, an instrument is initially valued at its cost and thereafter assumes a constant accretion/amortization rate to maturity of any discount or premium. Securities held by the Fund are reflected as Level 2 because the securities are valued at amortized cost (which approximates fair value) and, accordingly, the inputs used to determine value are not quoted prices in an active market.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Repurchase Agreements. The Fund may enter into repurchase agreements, under the terms of a Master Repurchase Agreement, with certain banks and broker/dealers whereby the Fund, through its custodian or a sub-custodian bank, receives delivery of the underlying securities, the amount of which at the time of purchase and each subsequent business day is required to be maintained at such a level that the market value is equal to at least the principal amount of the repurchase price plus accrued interest. The custodian bank or another designated sub-custodian bank holds the collateral in a separate account until the agreement matures. If the value of the securities falls below the principal amount of the repurchase agreement plus accrued interest, the financial institution deposits additional collateral by the following business day. If the financial institution either fails to deposit the required additional collateral or fails to repurchase the securities as agreed, the Fund has the right to sell the securities and recover any resulting loss from the financial institution. If the financial institution enters into bankruptcy, the Fund's claim on the collateral may be subject to legal proceedings.

As of December 31, 2021, the Fund held repurchase agreements with a gross value of $34,200,000. The value of the related collateral exceeded the value of the repurchase agreements at period end. The detail of the related collateral is included in the footnotes following the Fund's Investment Portfolio.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

At December 31, 2021, the Fund had net tax basis capital loss carryforwards of approximately $29 of short-term losses, which may be applied against realized net taxable capital gains indefinitely.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Net investment income of the Fund is declared as a daily dividend and is distributed to shareholders monthly. The Fund may take into account capital gains and losses in its daily dividend declarations. The Fund may also make additional distributions for tax purposes if necessary.

Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to paid-in capital. Temporary book and tax basis differences will reverse in a subsequent period. There were no significant book-to-tax differences for the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income	$ 6,513
Capital loss carryforwards	$ (29)

At December 31, 2021, the aggregate cost of investments for federal income tax purposes of $196,682,564.

	Years Ended December 31, 2021	2020
Distributions from ordinary income	$ 15,954	$ 308,575

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on trade date. Interest income is recorded on the accrual basis. Realized gains and losses from investment transactions are recorded on an identified cost basis. All premiums and discounts are amortized/accreted for both tax and financial reporting purposes.

B. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $500 million	.235%
Next $500 million	.220%
Next $1.0 billion	.205%
Over $2.0 billion	.190%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.235% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.51%.

In addition, the Advisor has agreed to voluntarily waive additional expenses. This voluntary waiver may be changed or terminated at any time without notice. Under these arrangements, the Advisor waived certain expenses of the Fund.

For the year ended December 31, 2021, fees waived and/or expenses reimbursed were $584,029.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed

and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $154,857, of which $16,161 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC aggregated $2,416, of which $449 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $744, of which $212 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

C. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 69%.

D. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

E. Money Market Fund Investments and Yield

Rising interest rates could cause the value of the Fund's investments — and therefore its share price as well — to decline. Conversely, any decline in interest rates is likely to cause the Fund's yield to decline, and during periods of unusually low interest rates, the Fund's yield may approach zero. A low interest rate environment may prevent the fund from providing a positive yield or paying fund expenses out of current income and, at times, could impair the fund's ability to maintain a stable $1.00 share price. Over time, the total return of a money market fund may not keep pace with inflation, which could result in a net loss of purchasing power for long-term investors. Recent and potential future changes in monetary policy made by central banks or governments are likely to affect the level of interest rates. Money market funds try to minimize this risk by purchasing short-term securities.

If there is an insufficient supply of U.S. government securities to meet investor demand, it could result in lower yields on such securities and increase interest rate risk for the fund.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and

implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS Government Money Market VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Government Money Market VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,000.05
Expenses Paid per $1,000*	$ .25

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,024.95
Expenses Paid per $1,000*	$ .26

* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Government Money Market VIP	.05%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Government Money Market VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including a peer universe compiled using information supplied by iMoneyNet, an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one- and three-year periods ended December 31, 2020, the Fund's gross performance (Class A shares) was in the 4th quartile and 3rd quartile, respectively, of the applicable iMoneyNet universe (the 1st quartile being the best performers and the 4th quartile being the worst performers).

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). Based on Broadridge data provided as of December 31, 2020, the Board noted that the Fund's Class A shares total (net) operating expenses were lower than the median (1st quartile) of the applicable Broadridge expense universe (less any applicable 12b-1 fees). The Board noted the expense limitation agreed to by DIMA. The Board also noted the voluntary fee waivers implemented by DIMA from time to time in recent years to ensure the Fund maintained a positive yield. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund and any fees received by an affiliate of DIMA for transfer agency services provided to the Fund. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent

Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

DWS
VS2GMM-2 (R-025834-11 2/22)

December 31, 2021

Annual Report

Deutsche DWS Variable Series II

DWS High Income VIP

DWS

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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Bond investments are subject to interest-rate, credit, liquidity and market risks to varying degrees. When interest rates rise, bond prices generally fall. Credit risk refers to the ability of an issuer to make timely payments of principal and interest. Investments in lower-quality ("junk bonds") and non-rated securities present greater risk of loss than investments in higher-quality securities. Investing in foreign securities presents certain risks, such as currency fluctuations, political and economic changes, and market risks. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

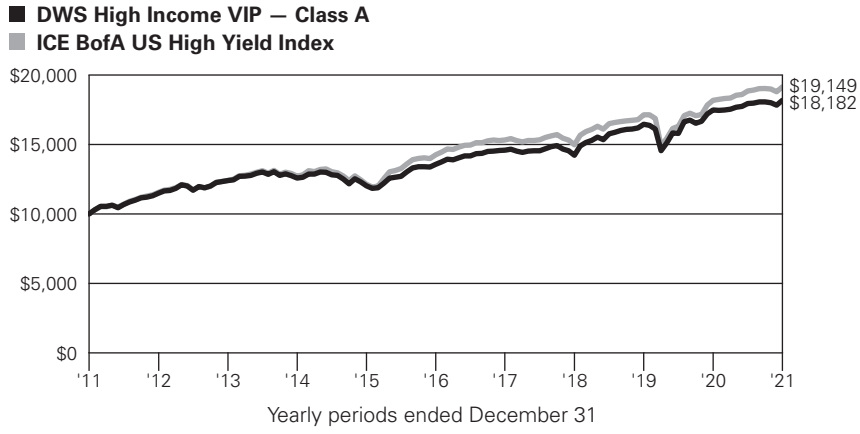
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.87% and 1.30% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS High Income VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$10,400	$12,783	$13,397	$18,182
	Average annual total return	4.00%	8.53%	6.02%	6.16%
ICE BofA US High Yield Index	Growth of $10,000	$10,535	$12,785	$13,430	$19,149
	Average annual total return	5.35%	8.53%	6.08%	6.71%

DWS High Income VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,379	$12,661	$13,200	$17,634
	Average annual total return	3.79%	8.18%	5.71%	5.84%
ICE BofA US High Yield Index	Growth of $10,000	$10,535	$12,785	$13,430	$19,149
	Average annual total return	5.35%	8.53%	6.08%	6.71%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund returned 4.00% in 2021 (Class A shares, unadjusted for contract charges), underperforming the 5.35% return of its benchmark, the ICE BofA US High Yield Index.

High-yield bonds delivered strong returns over the past year. Economic conditions improved as the COVID-19 vaccines were rolled out, strengthening the credit outlook for high-yield companies. The policy backdrop was also supportive, with near-zero interest rates, continued quantitative easing, and multiple spending packages passed by the U.S. government. The rally in oil prices was another tailwind for performance, in that it enabled a larger number of high-yield energy companies to achieve profitability. This favorable environment facilitated robust new issuance, demonstrating the market's accessibility to lower-rated issuers that are seeking to refinance maturing debt or acquire capital to take advantage of opportunities as the economy recovers.

In total, these factors gave investors confidence to take on higher risk in search of more attractive yields. Yield spreads fell as a result, offsetting the adverse impact of weakness in the U.S. Treasury market. The ICE BofA US High Yield Master II Option-Adjusted Spread — which measures the difference between yields on high-yield bonds and equivalent Treasuries — moved from 386 basis points (3.86 percentage points) at the beginning of the year to 315 by December 31, 2021.

Consistent with investors' elevated appetite for risk, lower-rated bonds delivered the best performance. Bonds rated CCC and below produced the strongest returns, followed by those rated B and BB, respectively.

The Fund's focus on higher-quality debt was a key detractor at a time in which lower-rated issues outperformed. Sector allocation contributed to performance, led by overweights in the strong performing automotive and energy exploration and production sectors. However, an underweight in the food and beverage sector detracted. Security selection was a net detractor. Among individual securities, an overweight in Ford Motor Co. and Ford Motor Credit Co. LLC helped performance, but an underweight in Kraft Heinz Foods* detracted.

We retained a constructive view on the U.S. high-yield market at the close of the period. We believe the market's tight valuations can be sustained, supporting coupon-like returns and allowing for outperformance versus other fixed-income asset classes. While we anticipate that the U.S. economy will remain robust into 2022, we believe high-yield bonds may be vulnerable to a range of potentially disruptive factors. Among these are additional waves of COVID-19 variants, strained supply chains, and higher input costs in the form of elevated labor and energy prices. Legislative impasses and geopolitical issues could lead to volatility, as well. We also believe the Fed is likely to continue tightening monetary policy given the persistence of inflationary pressures. We expect the Fed will begin to reduce economic stimulus by ending its asset-purchase programs before mid-2022 and enacting at least two, and possibly more, quarter-point interest rate hikes in the coming year.

On the positive side, the robust refinancing activity by U.S. high-yield issuers in 2021 further strengthened issuer balance sheets and pushed default rates beneath long-term averages. Capital market conditions remained favorable for issuers to continue to refinance debt and extend maturities, supporting the low default rates and leading to continued rating upgrades across the U.S. high-yield universe. We view the price improvement and yield-spread compression gained from upgrades as an important component of portfolio total return. We also expect that readily accessible capital markets and healthy balance sheets could drive merger and acquisition activity, providing additional investment opportunities.

We continue to identify securities with the potential for attractive total returns. In particular, we seek issuers whose improving credit metrics could lead to ratings upgrades. We also remain on the lookout for opportunities where anticipated merger and acquisition activity could benefit the credit profiles of acquiring and target companies. Ultimately, we view credit analysis as critical for balancing risk and generating longer-term outperformance.

Gary Russell, CFA, Head of Investment Strategy Fixed Income
Thomas R. Bouchard, Senior Portfolio Manager & Team Lead Fixed Income
Lonnie Fox, Senior Portfolio Manager & Team Lead Fixed Income
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

The **ICE BofA US High Yield Index** tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

Yield spread refers to differences between yields on differing debt instruments, calculated by deducting the yield of one instrument from another. The higher the yield spread, the greater the difference between the yields offered by each instrument.

The **ICE BofA US High Yield Option-Adjusted Spread** (OAS) calculates the spread between a computed OAS index of bonds that are below investment grade (those rated BB or below) and a spot Treasury curve.

Credit quality measures a bond issuer's ability to repay interest and principal in a timely manner. Rating agencies assign letter designations, such as AAA, AA and so forth. The lower the rating, the higher the probability of default. Credit quality does not remove market risk and is subject to change.

Overweight means a fund holds a higher weighting in a given sector or individual security compared with its benchmark index; **underweight** means a fund holds a lower weighting.

Contribution and **detraction** incorporate both an investment's total return and its weighting in the Fund.

A **default** occurs when an issuer fails to make an interest or principal payment on a bond. The **default rate** is the percentage of issuers that default in a given year.

* Not held at December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Corporate Bonds	93%	98%
Cash Equivalents	6%	1%
Loan Participations and Assignments	1%	1%
Warrants	0%	0%
Common Stocks	0%	0%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Consumer Discretionary	20%	22%
Energy	19%	13%
Industrials	14%	10%
Communication Services	14%	19%
Health Care	10%	8%
Materials	9%	11%
Real Estate	5%	5%
Utilities	4%	4%
Consumer Staples	2%	4%
Financials	2%	2%
Information Technology	1%	2%
	100%	100%

Quality (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
AA	0%	—
BBB	7%	4%
BB	56%	61%
B	30%	30%
CCC	7%	5%
C	0%	—
Not Rated	0%	0%
	100%	100%

The quality ratings represent the higher of Moody's Investors Service, Inc. ("Moody's"), Fitch Ratings, Inc. ("Fitch") or S&P Global Ratings ("S&P") credit ratings. The ratings of Moody's, Fitch and S&P represent their opinions as to the quality of the securities they rate. Credit quality measures a bond issuer's ability to repay interest and principal in a timely manner. Ratings are relative and subjective and are not absolute standards of quality. Credit quality does not remove market risk and is subject to change.

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Principal Amount ($)(a)	Value ($)
Corporate Bonds 92.6%		
Communication Services 12.7%		
Altice France Holding SA:		
144A, 6.0%, 2/15/2028	200,000	191,000
144A, 10.5%, 5/15/2027	200,000	215,000
Altice France SA:		
144A, 5.5%, 1/15/2028	200,000	198,482
144A, 8.125%, 2/1/2027	200,000	213,750
Audacy Capital Corp.:		
144A, 6.5%, 5/1/2027	75,000	74,190
144A, 6.75%, 3/31/2029 (b)	55,000	53,733
CCO Holdings LLC:		
144A, 4.25%, 1/15/2034	20,000	19,677
144A, 4.5%, 8/15/2030	125,000	127,899
144A, 4.75%, 3/1/2030	140,000	145,600
144A, 5.0%, 2/1/2028	150,000	156,000
144A, 5.125%, 5/1/2027	275,000	283,250
Clear Channel Outdoor Holdings, Inc., 144A, 7.5%, 6/1/2029	80,000	85,400
Clear Channel Worldwide Holdings, Inc., 144A, 5.125%, 8/15/2027	320,000	331,123
CommScope Technologies LLC:		
144A, 5.0%, 3/15/2027 (b)	75,000	70,125
144A, 6.0%, 6/15/2025	55,000	55,000
CommScope, Inc., 144A, 8.25%, 3/1/2027	130,000	133,600
Consolidated Communications, Inc., 144A, 6.5%, 10/1/2028	155,000	164,300
CSC Holdings LLC:		
144A, 5.75%, 1/15/2030	200,000	199,250
144A, 6.5%, 2/1/2029	200,000	214,000
Directv Financing LLC, 144A, 5.875%, 8/15/2027	125,000	127,964
DISH DBS Corp.:		
5.875%, 11/15/2024	96,000	98,617
7.375%, 7/1/2028 (b)	50,000	50,625
7.75%, 7/1/2026	90,000	94,950
Frontier Communications Holdings LLC:		
144A, 5.0%, 5/1/2028	165,000	169,950
144A, 5.875%, 10/15/2027	75,000	79,312
144A, 6.0%, 1/15/2030 (b)	50,000	50,250
iHeartCommunications, Inc.:		
144A, 5.25%, 8/15/2027	125,000	130,012
8.375%, 5/1/2027	75,000	79,076
Iliad Holding SASU, 144A, 6.5%, 10/15/2026	200,000	210,146
Lamar Media Corp., 4.875%, 1/15/2029	80,000	83,500
LCPR Senior Secured Financing DAC, 144A, 6.75%, 10/15/2027	189,000	198,450
Outfront Media Capital LLC:		
144A, 4.25%, 1/15/2029	70,000	70,127
144A, 5.0%, 8/15/2027	140,000	143,259
Radiate Holdco LLC:		
144A, 4.5%, 9/15/2026	55,000	55,550
144A, 6.5%, 9/15/2028	100,000	100,453
Sirius XM Radio, Inc., 144A, 3.125%, 9/1/2026	110,000	110,032
Telecom Italia Capital SA, 6.375%, 11/15/2033	155,000	166,905
Uber Technologies, Inc.:		
144A, 4.5%, 8/15/2029	20,000	20,367
144A, 6.25%, 1/15/2028	25,000	26,838
144A, 7.5%, 5/15/2025	120,000	126,106
144A, 7.5%, 9/15/2027	50,000	54,415
Viasat, Inc., 144A, 5.625%, 4/15/2027	120,000	123,684
Virgin Media Secured Finance PLC, 144A, 5.5%, 5/15/2029	345,000	364,282
Vodafone Group PLC, 7.0%, 4/4/2079	185,000	223,753
Ziggo Bond Co. BV, 144A, 3.375%, 2/28/2030	EUR 370,000	410,208
Ziggo BV, 144A, 4.875%, 1/15/2030	290,000	297,424
		6,597,634
Consumer Discretionary 18.5%		
Affinity Gaming, 144A, 6.875%, 12/15/2027	160,000	166,400
American Axle & Manufacturing, Inc., 6.875%, 7/1/2028	75,000	80,879
Arko Corp., 144A, 5.125%, 11/15/2029	60,000	57,975
Bath & Body Works, Inc.:		
144A, 6.625%, 10/1/2030	70,000	79,275
6.875%, 11/1/2035	200,000	248,500
144A, 9.375%, 7/1/2025	35,000	42,700
Beacon Roofing Supply, Inc., 144A, 4.125%, 5/15/2029 (b)	30,000	29,984
Beazer Homes U.S.A., Inc., 5.875%, 10/15/2027	35,000	36,619
Boyd Gaming Corp.:		
4.75%, 12/1/2027	130,000	132,600
144A, 4.75%, 6/15/2031	90,000	91,800
144A, 8.625%, 6/1/2025	60,000	64,291
Caesars Entertainment, Inc.:		
144A, 4.625%, 10/15/2029	210,000	210,000
144A, 6.25%, 7/1/2025	270,000	283,399
144A, 8.125%, 7/1/2027	410,000	454,050
Caesars Resort Collection LLC, 144A, 5.75%, 7/1/2025	20,000	20,886

The accompanying notes are an integral part of the financial statements.

		Principal Amount ($)(a)	Value ($)
Carnival Corp.:			
144A, 5.75%, 3/1/2027		170,000	170,000
144A, 6.0%, 5/1/2029		30,000	29,850
144A, 7.625%, 3/1/2026		98,000	102,728
144A, 9.875%, 8/1/2027		130,000	148,553
REG S, 10.125%, 2/1/2026	EUR	100,000	128,599
144A, 10.5%, 2/1/2026		80,000	91,320
Clarios Global LP:			
144A, 4.375%, 5/15/2026	EUR	100,000	116,647
REG S, 4.375%, 5/15/2026	EUR	200,000	233,295
144A, 8.5%, 5/15/2027		55,000	58,300
Dana, Inc.:			
5.375%, 11/15/2027		55,000	57,678
5.625%, 6/15/2028		25,000	26,563
Empire Communities Corp., 144A, 7.0%, 12/15/2025		80,000	82,800
Ford Motor Co.:			
4.346%, 12/8/2026		160,000	174,520
4.75%, 1/15/2043		22,000	24,283
5.291%, 12/8/2046		68,000	79,917
Ford Motor Credit Co. LLC:			
3.375%, 11/13/2025		209,000	217,134
3.625%, 6/17/2031		240,000	252,644
5.113%, 5/3/2029		200,000	227,250
5.125%, 6/16/2025		230,000	250,125
Forestar Group, Inc., 144A, 3.85%, 5/15/2026		90,000	90,225
Foundation Building Materials, Inc., 144A, 6.0%, 3/1/2029		110,000	108,075
Hilton Grand Vacations Borrower Escrow LLC:			
144A, 4.875%, 7/1/2031		30,000	30,000
144A, 5.0%, 6/1/2029		90,000	92,250
Jaguar Land Rover Automotive PLC, 144A, 5.875%, 1/15/2028 (b)		200,000	203,500
M/I Homes, Inc., 4.95%, 2/1/2028		130,000	135,200
Macy's Retail Holdings LLC, 144A, 5.875%, 4/1/2029		145,000	154,606
MajorDrive Holdings IV LLC, 144A, 6.375%, 6/1/2029		95,000	91,912
Marriott Ownership Resorts, Inc.:			
144A, 4.5%, 6/15/2029		50,000	50,326
144A, 6.125%, 9/15/2025		75,000	78,188
Mattel, Inc.:			
144A, 3.375%, 4/1/2026		75,000	76,914
144A, 3.75%, 4/1/2029 (b)		50,000	51,813
Meritage Homes Corp., 144A, 3.875%, 4/15/2029		105,000	110,250
Michaels Companies, Inc., 144A, 7.875%, 5/1/2029 (b)		25,000	24,625
Midwest Gaming Borrower LLC, 144A, 4.875%, 5/1/2029		100,000	100,500
NCL Corp. Ltd.:			
144A, 3.625%, 12/15/2024		100,000	94,375
144A, 5.875%, 3/15/2026		250,000	248,892
NCL Finance Ltd., 144A, 6.125%, 3/15/2028		60,000	59,100
Newell Brands, Inc.:			
4.7%, 4/1/2026		440,000	479,712
6.0%, 4/1/2046		60,000	76,982
Peninsula Pacific Entertainment LLC, 144A, 8.5%, 11/15/2027		60,000	64,800
Picasso Finance Sub, Inc., 144A, 6.125%, 6/15/2025		97,000	101,365
Raptor Acquisition Corp., 144A, 4.875%, 11/1/2026		170,000	171,700
Real Hero Merger Sub 2, Inc., 144A, 6.25%, 2/1/2029		80,000	79,875
Ritchie Bros Holdings, Inc., 144A, 4.75%, 12/15/2031		10,000	10,438
Royal Caribbean Cruises Ltd.:			
3.7%, 3/15/2028		55,000	51,556
144A, 4.25%, 7/1/2026		10,000	9,686
144A, 5.5%, 8/31/2026		30,000	30,504
144A, 5.5%, 4/1/2028		110,000	111,272
144A, 9.125%, 6/15/2023		210,000	222,075
144A, 10.875%, 6/1/2023		110,000	120,176
144A, 11.5%, 6/1/2025		30,000	33,600
Scientific Games International, Inc., 144A, 7.0%, 5/15/2028		235,000	250,275
Staples, Inc., 144A, 7.5%, 4/15/2026		110,000	113,025
Taylor Morrison Communities, Inc.:			
144A, 5.125%, 8/1/2030		75,000	82,500
144A, 5.75%, 1/15/2028		170,000	189,975
Thor Industries, Inc., 144A, 4.0%, 10/15/2029		80,000	79,200
Travel & Leisure Co., 144A, 6.625%, 7/31/2026		120,000	133,061
Tri Pointe Homes, Inc.:			
5.25%, 6/1/2027		55,000	59,056
5.7%, 6/15/2028		80,000	88,000
Univar Solutions U.S.A., Inc., 144A, 5.125%, 12/1/2027		160,000	166,955
Vail Resorts, Inc., 144A, 6.25%, 5/15/2025		100,000	104,000
Viking Cruises Ltd.:			
144A, 5.875%, 9/15/2027		105,000	99,981
144A, 7.0%, 2/15/2029		90,000	90,260
Viking Ocean Cruises Ship VII Ltd., 144A, 5.625%, 2/15/2029		15,000	14,981
White Cap Parent LLC, 144A, 8.25%, 3/15/2026		75,000	76,688
Williams Scotsman International, Inc., 144A, 4.625%, 8/15/2028		60,000	61,950

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	Principal Amount ($)(a)	Value ($)
Wyndham Hotels & Resorts, Inc., 144A, 4.375%, 8/15/2028	50,000	51,500
Wynn Las Vegas LLC, 144A, 5.5%, 3/1/2025	50,000	51,500
Wynn Resorts Finance LLC, 144A, 5.125%, 10/1/2029	60,000	60,900
		9,609,863
Consumer Staples 2.0%		
Albertsons Companies, Inc.:		
144A, 4.625%, 1/15/2027	98,000	102,845
144A, 5.875%, 2/15/2028	60,000	63,600
Chobani LLC, 144A, 4.625%, 11/15/2028	30,000	30,824
Edgewell Personal Care Co., 144A, 5.5%, 6/1/2028	70,000	74,301
JBS U.S.A. LUX SA, 144A, 6.75%, 2/15/2028	235,000	253,509
Pilgrim's Pride Corp.:		
144A, 4.25%, 4/15/2031	245,000	257,250
144A, 5.875%, 9/30/2027	230,000	242,866
Post Holdings, Inc., 144A, 5.5%, 12/15/2029	20,000	21,013
		1,046,208
Energy 17.9%		
Antero Midstream Partners LP:		
144A, 5.375%, 6/15/2029	70,000	73,851
144A, 5.75%, 3/1/2027	130,000	134,712
144A, 5.75%, 1/15/2028	90,000	94,377
Antero Resources Corp.:		
144A, 5.375%, 3/1/2030	50,000	53,450
144A, 7.625%, 2/1/2029	138,000	153,180
144A, 8.375%, 7/15/2026	42,000	47,820
Apache Corp.:		
4.875%, 11/15/2027	55,000	59,950
5.1%, 9/1/2040 (b)	57,000	64,410
Archrock Partners LP:		
144A, 6.25%, 4/1/2028	220,000	229,398
144A, 6.875%, 4/1/2027	110,000	115,500
Ascent Resources Utica Holdings LLC:		
144A, 5.875%, 6/30/2029	30,000	28,866
144A, 8.25%, 12/31/2028	65,000	67,762
Buckeye Partners LP, 144A, 4.5%, 3/1/2028	80,000	80,600
Cheniere Energy Partners LP:		
144A, 3.25%, 1/31/2032	30,000	30,300
4.5%, 10/1/2029	272,000	288,320
Cheniere Energy, Inc., 4.625%, 10/15/2028	100,000	106,372
Chesapeake Energy Corp., 144A, 5.875%, 2/1/2029	75,000	80,231
CNX Resources Corp.:		
144A, 6.0%, 1/15/2029	135,000	140,400
144A, 7.25%, 3/14/2027	100,000	106,073
Colgate Energy Partners III LLC, 144A, 5.875%, 7/1/2029	170,000	175,100
Comstock Resources, Inc.:		
144A, 5.875%, 1/15/2030	30,000	30,750
144A, 6.75%, 3/1/2029	155,000	168,113
144A, 7.5%, 5/15/2025	18,000	18,563
DCP Midstream Operating LP:		
3.25%, 2/15/2032	50,000	50,375
5.125%, 5/15/2029	80,000	90,400
5.375%, 7/15/2025	367,000	400,947
5.625%, 7/15/2027	50,000	56,500
DT Midstream, Inc.:		
144A, 4.125%, 6/15/2029	155,000	158,681
144A, 4.375%, 6/15/2031	30,000	31,200
Endeavor Energy Resources LP:		
144A, 5.75%, 1/30/2028	70,000	74,612
144A, 6.625%, 7/15/2025	35,000	37,031
EQM Midstream Partners LP:		
144A, 4.5%, 1/15/2029	50,000	52,000
144A, 4.75%, 1/15/2031	75,000	79,312
5.5%, 7/15/2028	55,000	60,088
144A, 6.0%, 7/1/2025	140,000	152,250
144A, 6.5%, 7/1/2027	80,000	89,600
EQT Corp.:		
144A, 3.625%, 5/15/2031 (b)	100,000	103,750
5.0%, 1/15/2029	85,000	94,137
6.625%, 2/1/2025	105,000	118,388
7.5%, 2/1/2030	80,000	102,800
Genesis Energy LP, 7.75%, 2/1/2028	75,000	75,562
Harvest Midstream I LP, 144A, 7.5%, 9/1/2028	155,000	165,850
Hess Midstream Operations LP, 144A, 4.25%, 2/15/2030	110,000	109,175
Hilcorp Energy I LP:		
144A, 5.75%, 2/1/2029	155,000	159,762
144A, 6.0%, 2/1/2031	110,000	113,575
144A, 6.25%, 11/1/2028	35,000	36,794
Howard Midstream Energy Partners LLC, 144A, 6.75%, 1/15/2027	40,000	40,988
Murphy Oil U.S.A., Inc.:		
4.75%, 9/15/2029	55,000	57,888
5.625%, 5/1/2027	65,000	67,600
Nabors Industries, Inc., 144A, 7.375%, 5/15/2027	105,000	108,695
NuStar Logistics LP:		
5.75%, 10/1/2025	80,000	86,090
6.375%, 10/1/2030	30,000	33,300
Oasis Petroleum, Inc., 144A, 6.375%, 6/1/2026	40,000	41,900
Occidental Petroleum Corp.:		
5.5%, 12/1/2025	135,000	149,765
5.55%, 3/15/2026	105,000	116,896

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	Principal Amount ($)(a)	Value ($)
6.125%, 1/1/2031	255,000	309,825
6.45%, 9/15/2036	105,000	133,876
6.625%, 9/1/2030 (b)	225,000	278,437
8.0%, 7/15/2025	175,000	204,312
8.5%, 7/15/2027	100,000	124,750
Parkland Corp., 144A, 5.875%, 7/15/2027	80,000	84,400
Precision Drilling Corp., 144A, 6.875%, 1/15/2029	30,000	30,577
Range Resources Corp.:		
8.25%, 1/15/2029	280,000	312,200
9.25%, 2/1/2026	50,000	53,890
Rattler Midstream LP, 144A, 5.625%, 7/15/2025	75,000	78,000
Renewable Energy Group, Inc., 144A, 5.875%, 6/1/2028	60,000	61,650
Rockcliff Energy II LLC, 144A, 5.5%, 10/15/2029	30,000	30,900
SM Energy Co., 6.5%, 7/15/2028	80,000	82,800
Southwestern Energy Co.:		
4.75%, 2/1/2032	70,000	73,717
5.375%, 2/1/2029	120,000	126,900
6.45%, 1/23/2025	36,000	39,564
7.75%, 10/1/2027 (b)	100,000	107,875
8.375%, 9/15/2028	50,000	55,813
Suburban Propane Partners LP, 144A, 5.0%, 6/1/2031	60,000	60,675
Sunnova Energy Corp., 144A, 5.875%, 9/1/2026	115,000	117,300
Sunoco LP:		
4.5%, 5/15/2029	56,000	56,869
5.875%, 3/15/2028	35,000	37,013
6.0%, 4/15/2027	52,000	54,231
Superior Plus LP, 144A, 4.5%, 3/15/2029	30,000	30,835
Targa Resources Partners LP:		
4.875%, 2/1/2031	30,000	32,579
5.0%, 1/15/2028	265,000	279,230
5.5%, 3/1/2030	90,000	98,325
Transocean Poseidon Ltd., 144A, 6.875%, 2/1/2027	175,000	169,094
USA Compression Partners LP:		
6.875%, 4/1/2026	142,000	147,680
6.875%, 9/1/2027	100,000	105,625
Venture Global Calcasieu Pass LLC:		
144A, 3.875%, 11/1/2033	50,000	52,529
144A, 4.125%, 8/15/2031	30,000	31,800
Vine Energy Holdings LLC, 144A, 6.75%, 4/15/2029	330,000	358,050
Western Midstream Operating LP, 5.3%, 3/1/2048	25,000	30,125
		9,315,455

	Principal Amount ($)(a)	Value ($)
Financials 1.4%		
Navient Corp., 6.125%, 3/25/2024	393,000	419,036
OneMain Finance Corp.:		
5.375%, 11/15/2029	80,000	86,984
8.875%, 6/1/2025	50,000	53,500
Rocket Mortgage LLC, 144A, 3.625%, 3/1/2029	120,000	120,450
Sabre GLBL, Inc., 144A, 7.375%, 9/1/2025	30,000	31,350
		711,320
Health Care 9.7%		
Acadia Healthcare Co., Inc., 144A, 5.0%, 4/15/2029	250,000	256,875
AdaptHealth LLC:		
144A, 4.625%, 8/1/2029	55,000	55,000
144A, 6.125%, 8/1/2028	80,000	84,800
AHP Health Partners, Inc., 144A, 5.75%, 7/15/2029	145,000	143,550
Bausch Health Americas, Inc.:		
144A, 8.5%, 1/31/2027	195,000	204,750
144A, 9.25%, 4/1/2026	135,000	142,594
Bausch Health Companies, Inc., 144A, 6.125%, 4/15/2025	122,000	124,264
Catalent Pharma Solutions, Inc.:		
144A, 3.5%, 4/1/2030	50,000	49,858
144A, 5.0%, 7/15/2027	125,000	129,875
Centene Corp., 4.625%, 12/15/2029	275,000	296,576
Charles River Laboratories International, Inc., 144A, 3.75%, 3/15/2029	65,000	65,650
Community Health Systems, Inc.:		
144A, 4.75%, 2/15/2031	115,000	116,006
144A, 5.625%, 3/15/2027	60,000	63,500
144A, 6.0%, 1/15/2029	65,000	69,306
144A, 6.125%, 4/1/2030	50,000	49,466
144A, 6.875%, 4/15/2029	140,000	142,625
Encompass Health Corp.:		
4.5%, 2/1/2028	45,000	46,294
4.75%, 2/1/2030	137,000	141,110
Endo Luxembourg Finance Company I S.a r.l., 144A, 6.125%, 4/1/2029	70,000	68,600
HCA, Inc., 5.625%, 9/1/2028	300,000	350,547
IQVIA, Inc., 144A, 5.0%, 5/15/2027	220,000	227,766
Legacy LifePoint Health LLC, 144A, 4.375%, 2/15/2027	75,000	75,563
LifePoint Health, Inc., 144A, 5.375%, 1/15/2029	225,000	223,875
Molina Healthcare, Inc.:		
144A, 3.875%, 11/15/2030	75,000	77,812
144A, 4.375%, 6/15/2028	100,000	103,000

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	Principal Amount ($)(a)	Value ($)
Mozart Debt Merger Sub, Inc.:		
144A, 3.875%, 4/1/2029	40,000	39,859
144A, 5.25%, 10/1/2029 (b)	130,000	131,773
Option Care Health, Inc., 144A, 4.375%, 10/31/2029	130,000	130,325
Organon & Co, 144A, 4.125%, 4/30/2028	200,000	203,250
Owens & Minor, Inc., 144A, 4.5%, 3/31/2029 (b)	55,000	56,375
Prestige Brands, Inc., 144A, 5.125%, 1/15/2028	90,000	93,712
Prime Healthcare Services, Inc., 144A, 7.25%, 11/1/2025	70,000	74,200
RegionalCare Hospital Partners Holdings, Inc., 144A, 9.75%, 12/1/2026	60,000	63,402
Select Medical Corp., 144A, 6.25%, 8/15/2026	125,000	132,406
Syneos Health, Inc., 144A, 3.625%, 1/15/2029	100,000	98,750
Tenet Healthcare Corp.:		
144A, 4.25%, 6/1/2029	90,000	91,394
4.625%, 7/15/2024	21,000	21,263
144A, 4.875%, 1/1/2026	190,000	195,155
144A, 5.125%, 11/1/2027	150,000	156,187
144A, 6.125%, 10/1/2028	85,000	89,778
144A, 6.25%, 2/1/2027	75,000	77,625
144A, 7.5%, 4/1/2025	50,000	52,623
		5,017,339
Industrials 12.5%		
ADT Security Corp., 144A, 4.875%, 7/15/2032	50,000	51,050
Allied Universal Holdco LLC, 144A, 6.0%, 6/1/2029 (b)	200,000	194,500
American Airlines, Inc.:		
144A, 5.5%, 4/20/2026	275,000	285,966
144A, 5.75%, 4/20/2029	135,000	144,277
144A, 11.75%, 7/15/2025	120,000	148,050
ATS Automation Tooling Systems, Inc., 144A, 4.125%, 12/15/2028	30,000	30,225
Bombardier, Inc.:		
144A, 6.0%, 2/15/2028 (b)	200,000	200,606
144A, 7.5%, 3/15/2025	95,000	96,781
Brundage-Bone Concrete Pumping Holdings, Inc., 144A, 6.0%, 2/1/2026	55,000	57,200
Builders FirstSource, Inc., 144A, 4.25%, 2/1/2032	80,000	82,816
Cargo Aircraft Management, Inc., 144A, 4.75%, 2/1/2028	100,000	101,772
Cimpress PLC, 144A, 7.0%, 6/15/2026	150,000	155,812
Clark Equipment Co., 144A, 5.875%, 6/1/2025	55,000	57,131
Covanta Holding Corp., 5.0%, 9/1/2030	100,000	102,000
Covert Mergeco, Inc., 144A, 4.875%, 12/1/2029	20,000	20,300
CP Atlas Buyer, Inc., 144A, 7.0%, 12/1/2028	28,000	27,860
Delta Air Lines, Inc.:		
3.75%, 10/28/2029 (b)	51,000	52,267
144A, 7.0%, 5/1/2025	71,000	81,182
EnerSys, 144A, 4.375%, 12/15/2027	90,000	93,375
First Student Bidco, Inc., 144A, 4.0%, 7/31/2029	90,000	87,480
GFL Environmental, Inc.:		
144A, 3.75%, 8/1/2025	80,000	80,800
144A, 4.25%, 6/1/2025	40,000	41,158
144A, 5.125%, 12/15/2026	50,000	52,000
Hawaiian Brand Intellectual Property Ltd., 144A, 5.75%, 1/20/2026	125,000	130,781
Hertz Corp., 144A, 4.625%, 12/1/2026	140,000	140,875
Howmet Aerospace, Inc., 6.875%, 5/1/2025	140,000	160,959
II-VI, Inc., 144A, 5.0%, 12/15/2029	40,000	40,849
Imola Merger Corp., 144A, 4.75%, 5/15/2029	365,000	374,508
JELD-WEN, Inc., 144A, 4.625%, 12/15/2025	80,000	80,600
LSB Industries, Inc., 144A, 6.25%, 10/15/2028	100,000	104,000
Madison IAQ LLC:		
144A, 4.125%, 6/30/2028	90,000	90,225
144A, 5.875%, 6/30/2029	60,000	60,000
Masonite International Corp., 144A, 5.375%, 2/1/2028	74,000	77,608
Metis Merger Sub LLC, 144A, 6.5%, 5/15/2029	60,000	58,931
Mileage Plus Holdings LLC, 144A, 6.5%, 6/20/2027	130,000	138,775
Moog, Inc., 144A, 4.25%, 12/15/2027	160,000	161,200
NESCO Holdings II, Inc., 144A, 5.5%, 4/15/2029	95,000	98,088
Nielsen Finance LLC, 144A, 5.625%, 10/1/2028	265,000	273,612
Patrick Industries, Inc., 144A, 4.75%, 5/1/2029	135,000	134,325
Prime Security Services Borrower LLC:		
144A, 3.375%, 8/31/2027	180,000	173,770
144A, 5.75%, 4/15/2026	135,000	144,945
144A, 6.25%, 1/15/2028	135,000	140,738
Signature Aviation U.S. Holdings, Inc., 144A, 4.0%, 3/1/2028	155,000	153,977
Spirit Loyalty Cayman Ltd., 144A, 8.0%, 9/20/2025	189,000	208,672
Summit Materials LLC, 144A, 5.25%, 1/15/2029	54,000	56,560

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	Principal Amount ($)(a)	Value ($)
TK Elevator U.S. Newco, Inc., 144A, 5.25%, 7/15/2027	200,000	210,250
TransDigm, Inc.:		
4.625%, 1/15/2029	85,000	84,718
5.5%, 11/15/2027	115,000	118,450
144A, 6.25%, 3/15/2026	335,000	348,191
United Airlines, Inc., 144A, 4.375%, 4/15/2026	160,000	166,838
United Rentals North America, Inc., 5.25%, 1/15/2030	80,000	86,600
Vertiv Group Corp., 144A, 4.125%, 11/15/2028	90,000	90,900
WESCO Distribution, Inc.:		
144A, 7.125%, 6/15/2025	40,000	42,400
144A, 7.25%, 6/15/2028	105,000	115,106
		6,512,059
Information Technology 1.3%		
Boxer Parent Co., Inc., 144A, 7.125%, 10/2/2025	60,000	62,925
Clarivate Science Holdings Corp.:		
144A, 3.875%, 7/1/2028	90,000	90,450
144A, 4.875%, 7/1/2029	60,000	60,847
Dun & Bradstreet Corp., 144A, 5.0%, 12/15/2029	20,000	20,461
Microchip Technology, Inc., 4.25%, 9/1/2025	140,000	145,400
NCR Corp., 144A, 5.125%, 4/15/2029	190,000	196,688
Presidio Holdings, Inc.:		
144A, 4.875%, 2/1/2027	50,000	51,500
144A, 8.25%, 2/1/2028	30,000	31,950
		660,221
Materials 8.7%		
Arconic Corp., 144A, 6.125%, 2/15/2028	245,000	260,729
Cascades, Inc., 144A, 5.125%, 1/15/2026	10,000	10,400
Chemours Co.:		
5.375%, 5/15/2027	95,000	101,650
144A, 5.75%, 11/15/2028	290,000	303,447
Clearwater Paper Corp.:		
144A, 4.75%, 8/15/2028	80,000	81,400
144A, 5.375%, 2/1/2025	110,000	118,800
Cleveland-Cliffs, Inc.:		
144A, 4.625%, 3/1/2029	31,000	31,620
144A, 4.875%, 3/1/2031 (b)	101,000	104,926
144A, 6.75%, 3/15/2026	175,000	185,281
EverArc Escrow Sarl, 144A, 5.0%, 10/30/2029	90,000	90,067
First Quantum Minerals Ltd.:		
144A, 6.875%, 3/1/2026	200,000	207,750
144A, 6.875%, 10/15/2027	300,000	322,875
Freeport-McMoRan, Inc.:		
4.125%, 3/1/2028	270,000	280,125
4.375%, 8/1/2028	90,000	94,388
4.625%, 8/1/2030	90,000	96,525
5.0%, 9/1/2027	105,000	109,200
Hudbay Minerals, Inc.:		
144A, 4.5%, 4/1/2026	60,000	60,000
144A, 6.125%, 4/1/2029	100,000	106,038
Kaiser Aluminum Corp., 144A, 4.625%, 3/1/2028	70,000	70,700
Kraton Polymers LLC, 144A, 4.25%, 12/15/2025	125,000	129,389
LABL, Inc.:		
144A, 5.875%, 11/1/2028	30,000	30,919
144A, 6.75%, 7/15/2026	100,000	103,060
LSF11 A5 Holdco LLC, 144A, 6.625%, 10/15/2029	160,000	157,600
Mauser Packaging Solutions Holding Co., 144A, 7.25%, 4/15/2025	105,000	105,266
Methanex Corp.:		
5.125%, 10/15/2027	180,000	189,000
5.25%, 12/15/2029 (b)	50,000	52,726
Novelis Corp., 144A, 4.75%, 1/30/2030	375,000	394,219
Resolute Forest Products, Inc., 144A, 4.875%, 3/1/2026	55,000	55,825
Roller Bearing Co. of America, Inc., 144A, 4.375%, 10/15/2029	80,000	81,600
SCIL IV LLC, 144A, 5.375%, 11/1/2026	200,000	205,250
Taseko Mines Ltd., 144A, 7.0%, 2/15/2026	125,000	130,000
Tronox, Inc.:		
144A, 4.625%, 3/15/2029	205,000	204,744
144A, 6.5%, 5/1/2025	30,000	31,707
		4,507,226
Real Estate 4.7%		
Cushman & Wakefield U.S. Borrower LLC, 144A, 6.75%, 5/15/2028	120,000	128,400
Iron Mountain Information Management Services, Inc., 144A, (REIT), 5.0%, 7/15/2032	40,000	40,939
Iron Mountain, Inc.:		
144A, (REIT), 4.875%, 9/15/2029	60,000	62,099
144A, (REIT), 5.0%, 7/15/2028	75,000	77,062
144A, (REIT), 5.25%, 7/15/2030	100,000	105,382
iStar, Inc.:		
(REIT), 4.25%, 8/1/2025	100,000	102,250
(REIT), 4.75%, 10/1/2024	170,000	176,375
MGM Growth Properties Operating Partnership LP:		
144A, (REIT), 3.875%, 2/15/2029	90,000	94,500

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($)(a)	Value ($)
144A, (REIT), 4.625%, 6/15/2025	233,000	248,399
(REIT), 5.75%, 2/1/2027	310,000	350,300
MPT Operating Partnership LP:		
(REIT), 3.5%, 3/15/2031	105,000	106,181
(REIT), 4.625%, 8/1/2029	140,000	147,700
Realogy Group LLC:		
144A, 5.75%, 1/15/2029	240,000	246,000
144A, 7.625%, 6/15/2025	185,000	196,100
Service Properties Trust, (REIT), 7.5%, 9/15/2025	160,000	173,350
Uniti Group LP, 144A, (REIT), 6.0%, 1/15/2030	105,000	101,046
VICI Properties LP, 144A, (REIT), 3.5%, 2/15/2025	10,000	10,150
WeWork Companies, Inc., 144A, 7.875%, 5/1/2025	65,000	62,133
XHR LP, 144A, (REIT), 4.875%, 6/1/2029	40,000	40,700
		2,469,066
Utilities 3.2%		
AmeriGas Partners LP:		
5.5%, 5/20/2025	205,000	219,606
5.75%, 5/20/2027	110,000	121,687
Calpine Corp.:		
144A, 4.5%, 2/15/2028	200,000	207,500
144A, 4.625%, 2/1/2029	30,000	29,588
Clearway Energy Operating LLC, 144A, 4.75%, 3/15/2028	115,000	120,894
NextEra Energy Operating Partners LP, 144A, 4.25%, 7/15/2024	210,000	218,137
NRG Energy, Inc.:		
144A, 3.625%, 2/15/2031	145,000	141,375
144A, 5.25%, 6/15/2029	157,000	168,207
5.75%, 1/15/2028	200,000	211,422
Pattern Energy Operations LP, 144A, 4.5%, 8/15/2028	90,000	93,375
PG&E Corp., 5.25%, 7/1/2030	75,000	78,653
Vistra Operations Co. LLC, 144A, 4.375%, 5/1/2029	60,000	60,098
		1,670,542
Total Corporate Bonds (Cost $46,494,212)		**48,116,933**

Loan Participations and Assignments 1.0%

Senior Loans (c)

Brand Energy & Infrastructure Services, Inc., Term Loan, 3-month USD-LIBOR + 4.25%, 5.25%, 6/21/2024	167,803	164,541
Directv Financing LLC, Term Loan, 8/2/2027 (d)	195,500	195,932
Flex Acquisition Co., Inc., Term Loan, 3-month USD-LIBOR + 3.5%, 4.0%, 3/2/2028	80,224	80,162
Penn National Gaming, Inc., Term Loan A, 10/19/2023 (d)	97,778	97,533
Total Loan Participations and Assignments (Cost $539,449)		**538,168**

	Shares	Value ($)
Common Stocks 0.0%		
Industrials		
Quad Graphics, Inc.* (b) (Cost $0)	287	**1,148**
Warrants 0.2%		
Materials		
Hercules Trust II, Expiration Date 3/31/2029* (e) (Cost $244,286)	1,100	**121,530**
Securities Lending Collateral 3.6%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (f) (g) (Cost $1,857,630)	1,857,630	**1,857,630**
Cash Equivalents 5.4%		
DWS Central Cash Management Government Fund, 0.05% (f) (Cost $2,785,992)	2,785,992	**2,785,992**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $51,921,569)	102.8	**53,421,401**
Other Assets and Liabilities, Net	(2.8)	**(1,437,607)**
Net Assets	100.0	**51,983,794**

The accompanying notes are an integral part of the financial statements.

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 3.6%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (f) (g)								
633,205	1,224,425 (h)	—	—	—	782	—	1,857,630	1,857,630
Cash Equivalents 5.4%								
DWS Central Cash Management Government Fund, 0.05% (f)								
843,071	21,096,475	19,153,554	—	—	552	—	2,785,992	2,785,992
1,476,276	**22,320,900**	**19,153,554**	**—**	**—**	**1,334**	**—**	**4,643,622**	**4,643,622**

* Non-income producing security.

(a) Principal amount stated in U.S. dollars unless otherwise noted.

(b) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $1,793,969, which is 3.5% of net assets.

(c) Variable or floating rate security. These securities are shown at their current rate as of December 31, 2021. For securities based on a published reference rate and spread, the reference rate and spread are indicated within the description above. Certain variable rate securities are not based on a published reference rate and spread but adjust periodically based on current market conditions, prepayment of underlying positions and/or other variables. Securities with a floor or ceiling feature are disclosed at the inherent rate, where applicable.

(d) All or a portion of the security represents unsettled loan commitments at December 31, 2021 where the rate will be determined at the time of settlement.

(e) Investment was valued using significant unobservable inputs.

(f) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(g) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(h) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

REG S: Securities sold under Regulation S may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933.

REIT: Real Estate Investment Trust

LIBOR: London Interbank Offered Rate, the benchmark rate for certain floating rate securities, was partially phased out at the end of 2021, with the US Dollar LIBOR phase out continuing until June of 2023 at the latest for certain existing contracts. The Fund or the instruments in which the Fund invests may be adversely affected by the phase out by, among other things, increased volatility or illiquidity. There remains uncertainty regarding the future use of LIBOR and the nature of any replacement reference rate and, accordingly, it is difficult to predict the impact to the Fund of the transition away from LIBOR.

At December 31, 2021, the Fund had the following open forward foreign currency contracts:

Contracts to Deliver		In Exchange For		Settlement Date	Unrealized Depreciation ($)	Counterparty
EUR	805,247	USD	912,263	1/31/2022	**(5,080)**	State Street Bank and Trust

Currency Abbreviation(s)

EUR Euro
USD United States Dollar

For information on the Fund's policy and additional disclosures regarding forward foreign currency contracts, please refer to the Derivatives section of Note B in the accompanying Notes to Financial Statements.

The accompanying notes are an integral part of the financial statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Corporate Bonds (a)	$ —	$ 48,116,933	$ —	$ 48,116,933
Loan Participations and Assignments	—	538,168	—	538,168
Common Stocks	1,148	—	—	1,148
Warrants	—	—	121,530	121,530
Short-Term Investments (a)	4,643,622	—	—	4,643,622
Total	**$4,644,770**	**$ 48,655,101**	**$121,530**	**$ 53,421,401**

Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (b)				
Forward Foreign Currency Contracts	$ —	$ (5,080)	$ —	$ (5,080)
Total	**$ —**	**$ (5,080)**	**$ —**	**$ (5,080)**

(a) See Investment Portfolio for additional detailed categorizations.

(b) Derivatives include unrealized appreciation (depreciation) on open forward foreign currency contracts.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $47,277,947) — including $1,793,969 of securities loaned	$ 48,777,779
Investment in DWS Government & Agency Securities Portfolio (cost $1,857,630)*	1,857,630
Investment in DWS Central Cash Management Government Fund (cost $2,785,992)	2,785,992
Cash	117,864
Foreign currency, at value (cost $17,301)	17,311
Receivable for investments sold	439
Receivable for Fund shares sold	10,425
Interest receivable	740,556
Other assets	1,070
Total assets	54,309,066

Liabilities	
Payable upon return of securities loaned	1,857,630
Payable for investments purchased	293,767
Payable for Fund shares redeemed	41,915
Unrealized depreciation on forward foreign currency contracts	5,080
Accrued management fee	18,769
Accrued Trustees' fees	817
Other accrued expenses and payables	107,294
Total liabilities	2,325,272
Net assets, at value	**$ 51,983,794**

Net Assets Consist of	
Distributable earnings (loss)	(2,437,458)
Paid-in capital	54,421,252
Net assets, at value	**$ 51,983,794**

Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($51,363,873 ÷ 8,311,044 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 6.18**
Class B	
Net Asset Value, offering and redemption price per share ($619,921 ÷ 100,035 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 6.20**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Interest (net of foreign taxes withheld of $91)	$ 2,659,798
Income distributions — DWS Central Cash Management Government Fund	552
Securities lending income, net of borrower rebates	782
Total income	2,661,132
Expenses:	
Management fee	264,304
Administration fee	51,275
Services to shareholders	861
Record keeping fee (Class B)	481
Distribution service fee (Class B)	799
Custodian fee	3,825
Audit fee	70,236
Legal fees	12,302
Tax fees	7,206
Reports to shareholders	30,607
Trustees' fees and expenses	3,037
Other	2,889
Total expenses before expense reductions	447,822
Expense reductions	(71,226)
Total expenses after expense reductions	376,596
Net investment income	**2,284,536**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	1,295,181
Forward foreign currency contracts	80,161
Foreign currency	(4,968)
	1,370,374
Change in net unrealized appreciation (depreciation) on:	
Investments	(1,541,699)
Forward foreign currency contracts	(5,303)
Foreign currency	(403)
	(1,547,405)
Net gain (loss)	**(177,031)**
Net increase (decrease) in net assets resulting from operations	**$ 2,107,505**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 2,284,536	$ 2,533,908
Net realized gain (loss)	1,370,374	(892,054)
Change in net unrealized appreciation (depreciation)	(1,547,405)	1,341,265
Net increase (decrease) in net assets resulting from operations	2,107,505	2,983,119
Distributions to shareholders:		
Class A	(2,455,814)	(2,873,076)
Class B	(6,327)	(8,104)
Total distributions	(2,462,141)	(2,881,180)
Fund share transactions:		
Class A		
Proceeds from shares sold	6,500,206	6,977,525
Reinvestment of distributions	2,455,814	2,873,076
Payments for shares redeemed	(11,190,770)	(11,869,783)
Net increase (decrease) in net assets from Class A share transactions	(2,234,750)	(2,019,182)
Class B		
Proceeds from shares sold	481,262	9,694
Reinvestment of distributions	6,327	8,104
Payments for shares redeemed	(21,374)	(29,136)
Net increase (decrease) in net assets from Class B share transactions	466,215	(11,338)
Increase (decrease) in net assets	(2,123,171)	(1,928,581)
Net assets at beginning of period	54,106,965	56,035,546
Net assets at end of period	**$ 51,983,794**	**$ 54,106,965**
Other Information		
Class A		
Shares outstanding at beginning of period	8,668,128	8,976,023
Shares sold	1,055,087	1,182,798
Shares issued to shareholders in reinvestment of distributions	408,621	536,022
Shares redeemed	(1,820,792)	(2,026,715)
Net increase (decrease) in Class A shares	(357,084)	(307,895)
Shares outstanding at end of period	**8,311,044**	**8,668,128**
Class B		
Shares outstanding at beginning of period	23,669	25,470
Shares sold	78,794	1,573
Shares issued to shareholders in reinvestment of distributions	1,048	1,501
Shares redeemed	(3,476)	(4,875)
Net increase (decrease) in Class B shares	76,366	(1,801)
Shares outstanding at end of period	**100,035**	**23,669**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS High Income VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$6.23**	**$6.23**	**$5.71**	**$6.36**	**$6.28**
Income (loss) from investment operations:					
Net investment income[a]	.27	.29	.31	.33	.31
Net realized and unrealized gain (loss)	(.03)	.04	.56	(.48)	.15
Total from investment operations	.24	.33	.87	(.15)	.46
Less distributions from:					
Net investment income	(.29)	(.33)	(.35)	(.50)	(.38)
Net asset value, end of period	**$6.18**	**$6.23**	**$6.23**	**$5.71**	**$6.36**
Total Return (%)[b]	4.00	6.24	15.69	(2.52)	7.51
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	51	54	56	52	61
Ratio of expenses before expense reductions (%)[c]	.84	.87	.96	.94	.78
Ratio of expenses after expense reductions (%)[c]	.71	.70	.68	.69	.72
Ratio of net investment income (%)	4.32	4.86	5.09	5.41	4.98
Portfolio turnover rate (%)	56	94	82	62	71

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

DWS High Income VIP — Class B

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$6.24**	**$6.25**	**$5.73**	**$6.38**	**$6.30**
Income (loss) from investment operations:					
Net investment income[a]	.24	.27	.29	.31	.31
Net realized and unrealized gain (loss)	(.01)	.04	.57	(.48)	.13
Total from investment operations	.23	.31	.86	(.17)	.44
Less distributions from:					
Net investment income	(.27)	(.32)	(.34)	(.48)	(.36)
Net asset value, end of period	**$6.20**	**$6.24**	**$6.25**	**$5.73**	**$6.38**
Total Return (%)[b]	3.79	5.77	15.33	(2.76)	7.21
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.6	.1	.2	.1	.1
Ratio of expenses before expense reductions (%)[c]	1.27	1.30	1.40	1.34	1.15
Ratio of expenses after expense reductions (%)[c]	1.10	1.05	.94	.96	.98
Ratio of net investment income (%)	3.86	4.52	4.82	5.14	4.88
Portfolio turnover rate (%)	56	94	82	62	71

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS High Income VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Debt securities and loan participations and assignments are valued at prices supplied by independent pricing services approved by the Fund's Board. Such services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, prepayment speeds and other data, as well as broker quotes. If the pricing services are unable to provide valuations, debt securities are valued at the average of the most recent reliable bid quotations or evaluated prices, as applicable, obtained from broker-dealers and loan participations and assignments are valued at the mean of the most recent bid and ask quotations or evaluated prices, as applicable, obtained from broker-dealers. Certain securities may be valued on the basis of a price provided by a single source or broker-dealer. No active trading market may exist for some senior loans and they may be subject to restrictions on resale. The inability to dispose of senior loans in a timely fashion could result in losses. These securities are generally categorized as Level 2.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and are categorized as Level 2.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price

and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan. The value of the related collateral exceeded the value of the securities loaned at period end.

Remaining Contractual Maturity of the Agreements as of December 31, 2021

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Corporate Bonds	$ 1,856,580	$ —	$ —	$ —	$ 1,856,580
Common Stocks	1,050	—	—	—	1,050
Total Borrowings	**$ 1,857,630**	**$ —**	**$ —**	**$ —**	**$ 1,857,630**
Gross amount of recognized liabilities for securities lending transactions:					$ 1,857,630

When-Issued/Delayed Delivery Securities. The Fund may purchase securities with delivery or payment to occur at a later date beyond the normal settlement period. At the time the Fund enters into a commitment to purchase a security, the transaction is recorded and the value of the security is reflected in the net asset value. The price of such security and the date when the security will be delivered and paid for are fixed at the time the transaction is negotiated. The value of the security may vary with market fluctuations. No interest accrues to the Fund until payment takes place. At the time the Fund enters into a purchase transaction it is required to segregate cash or other liquid assets at least equal to the amount of the commitment. Additionally, the Fund may be required to post securities and/or cash collateral in accordance with the terms of the commitment.

Certain risks may arise upon entering into when-issued or delayed delivery transactions from the potential inability of counterparties to meet the terms of their contracts or if the issuer does not issue the securities due to political, economic, or other factors. Additionally, losses may arise due to changes in the value of the underlying securities.

Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

At December 31, 2021, the Fund had net tax basis capital loss carryforwards of approximately $6,270,000, including short-term losses ($584,000) and long-term losses ($5,686,000), which may be applied against realized net taxable capital gains indefinitely.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to forward foreign currency exchange contracts, premium amortization on debt securities, and certain securities sold at a loss on investment transactions. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 2,371,758
Capital loss carryforwards	$ (6,270,000)
Net unrealized appreciation (depreciation) on investments	$ 1,460,494

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $51,960,907. The net unrealized appreciation for all investments based on tax cost was $1,460,494. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $1,771,657 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $311,163.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 2,462,141	$ 2,881,180

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments. All premiums and discounts are amortized/accreted for both tax and financial reporting purposes for the Fund, with the exception of securities in default of principal.

B. Derivative Instruments

A forward foreign currency contract ("forward currency contract") is a commitment to purchase or sell a foreign currency at the settlement date at a negotiated rate. For the year ended December 31, 2021, the Fund entered into forward currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign currency denominated portfolio holdings and to facilitate transactions in foreign currency denominated securities.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and unrealized gain (loss) is recorded daily. On the settlement date of the forward currency contract, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it was closed. Certain risks may arise upon entering into forward currency contracts from the potential inability of counterparties to meet the terms of their contracts. The maximum counterparty credit risk to the Fund is measured by the unrealized gain on appreciated contracts. Additionally, when utilizing forward currency contracts to hedge, the Fund gives up the opportunity to profit from favorable exchange rate movements during the term of the contract.

A summary of the open forward currency contracts as of December 31, 2021, is included in the table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in forward currency contracts short vs. U.S. dollars had a total contract value generally indicative of a range from approximately $816,000 to $1,197,000.

The following table summarize the value of the Fund's derivative instruments held as of December 31, 2021 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Liability Derivative	Forward Contracts
Foreign Exchange Contracts (a)	$ (5,080)

The above derivative is located in the following Statement of Assets and Liabilities account:

(a) Unrealized depreciation on forward foreign currency contracts

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2021 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

Realized Gain (Loss)	Forward Contracts
Foreign Exchange Contracts (a)	$ 80,161

The above derivative is located in the following Statement of Operations account:

(a) Net realized gain (loss) from forward foreign currency contracts

Change in Net Unrealized Appreciation (Depreciation)	Forward Contracts
Foreign Exchange Contracts (a)	$ (5,303)

The above derivative is located in the following Statement of Operations account:

(a) Change in net unrealized appreciation (depreciation) on forward foreign currency contracts

As of December 31, 2021, the Fund has transactions subject to enforceable master netting agreements which govern the terms of certain transactions, and reduce the counterparty risk associated with such transactions. Master netting agreements allow a Fund to close out and net total exposure to a counterparty in the event of a deterioration in the credit quality or contractual default with respect to all of the transactions with a counterparty. As defined by the master netting agreement, the Fund may have collateral agreements with certain counterparties to mitigate risk. For financial reporting purposes the Statement of Assets and Liabilities generally shows derivatives assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting. A reconciliation of the gross amounts on the Statement of Assets and Liabilities to the net amounts by a counterparty, including any collateral exposure, is included in the following table:

Counterparty	Gross Amount of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments and Derivatives Available for Offset	Collateral Pledged	Net Amount of Derivative Liabilities
State Street Bank and Trust	$ 5,080	$ —	$ —	$ 5,080

C. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments and U.S. Treasury securities) aggregated $28,425,737 and $32,167,592, respectively.

D. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.500%
Next $750 million	.470%
Next $1.5 billion	.450%
Next $2.5 billion	.430%
Next $2.5 billion	.400%
Next $2.5 billion	.380%
Next $2.5 billion	.360%
Over $12.5 billion	.340%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.50% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class A shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.71%.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 1.10%.

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 1.11%.

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 1.10%.

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 70,704
Class B	522
	$ 71,226

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $51,275, of which $4,250 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 332	$ 55
Class B	80	16
	$ 412	**$ 71**

Distribution Service Agreement. Under the Fund's Class B 12b-1 plan, DWS Distributors, Inc. ("DDI") received a fee ("Distribution Service Fee") of up to 0.25% of average daily net assets of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $799, of which $114 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,244, of which $612 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will

waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $59.

E. Investing in High-Yield Debt Securities

High-yield debt securities or junk bonds are generally regarded as speculative with respect to the issuer's continuing ability to meet principal and interest payments. The Fund's performance could be hurt if an issuer of a debt security suffers an adverse change in financial condition that results in the issuer not making timely payments of interest or principal, a security downgrade or an inability to meet a financial obligation. High-yield debt securities' total return and yield may generally be expected to fluctuate more than the total return and yield of investment-grade debt securities. A real or perceived economic downturn or an increase in market interest rates could cause a decline in the value of high-yield debt securities, result in increased redemptions and/or result in increased portfolio turnover, which could result in a decline in net asset value of the Fund, reduce liquidity for certain investments and/or increase costs. High-yield debt securities are often thinly traded and can be more difficult to sell and value accurately than investment-grade debt securities as there may be no established secondary market. Investments in high yield debt securities could increase liquidity risk for the Fund. In addition, the market for high-yield debt securities can experience sudden and sharp volatility which is generally associated more with investments in stocks.

F. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 66% and 24%, respectively. Three participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 50%, 26% and 21%, respectively.

G. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 20 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

H. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS High Income VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS High Income VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,013.10	$ 1,011.40
Expenses Paid per $1,000*	$ 3.60	$ 5.58

Hypothetical 5% Fund Return	Class A	Class B
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.63	$ 1,019.66
Expenses Paid per $1,000*	$ 3.62	$ 5.60

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	Class A	Class B
Deutsche DWS Variable Series II — DWS High Income VIP	.71%	1.10%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS High Income VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile, 1st quartile and 2nd quartile, respectively, of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the

Fund has outperformed its benchmark in the one- and three-year periods and has underperformed its benchmark in the five-year period ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the

substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

DWS

VS2HI-2 (R-025832-11 2/22)

December 31, 2021

Annual Report

Deutsche DWS Variable Series II

DWS Small Mid Cap Growth VIP

DWS

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This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.

Stocks may decline in value. Smaller and medium company stocks tend to be more volatile than large company stocks. Investing in foreign securities presents certain risks, such as currency fluctuations, political and economic changes, and market risks. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

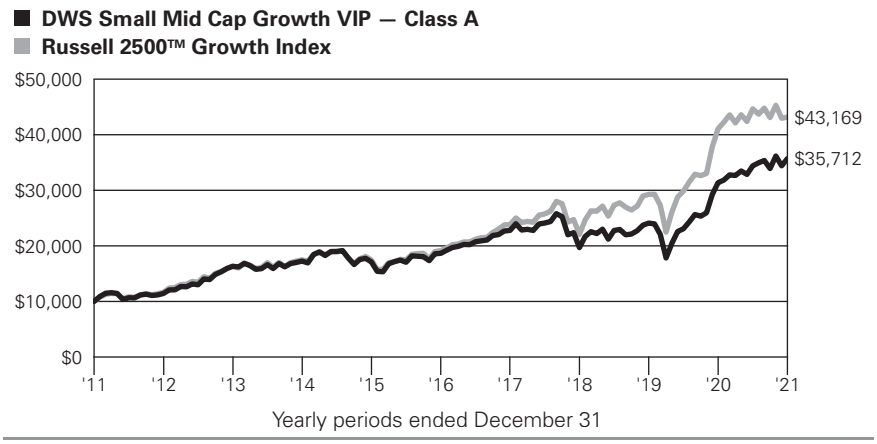
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns.

The gross expense ratio of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 is 0.82% for Class A shares and may differ from the expense ratio disclosed in the Financial Highlights table in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



The Russell 2500™ Growth Index is an unmanaged index that measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS Small Mid Cap Growth VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$11,384	$18,141	$19,143	$35,712
	Average annual total return	13.84%	21.96%	13.87%	13.57%
Russell 2500 Growth Index	Growth of $10,000	$10,504	$19,574	$22,542	$43,169
	Average annual total return	5.04%	25.09%	17.65%	15.75%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

During the 12-month period ended December 31, 2021, the portfolio provided a total return of 13.84% (Class A shares, unadjusted for contract charges) compared with the 5.04% return of its benchmark, the Russell 2500 Growth Index.

U.S. equities posted gains in 2021, although performance was largely led by larger-capitalization stocks. As vaccines allowed pandemic-related restrictions to be eased, economic growth and corporate earnings rebounded strongly. In addition, U.S. monetary and fiscal policy were highly supportive, with Congress passing massive spending packages and the U.S. Federal Reserve (Fed) maintaining short rates near zero while engaging in bond purchases to keep longer-term borrowing costs low. The fourth quarter saw the Fed adopt a more hawkish stance in response to persistently high inflation, leading to increased market volatility and weighing on performance for growth-oriented stocks.

The portfolio's outperformance relative to the benchmark was driven by strong stock selection across all sectors, most notably health care, industrials and materials. In terms of individual contributors, positive contributions were led by Builders FirstSource, Inc., the nation's largest supplier of structural building products, value-added components and services for new residential construction, repair and remodeling. The stock was supported as housing demand remained robust due to low interest rates. SiTime Corp. develops silicon-based timing solutions. The company saw its shares spike higher after reporting very strong second quarter revenue and earnings as semiconductor industry shortages have increased demand and pricing power for the company's products. Kforce, Inc. is a professional staffing company operating in North America. With over 80% of revenue derived from technology staffing needs, Kforce benefited from high demand driven by accelerated IT spending. On the downside, Five9, Inc. is a cloud contact center software provider that enables businesses to improve customer relationship management. The stock suffered as a proposed merger collapsed. Another laggard was iRhythm Technologies, Inc.* which provides a cardiac monitoring device and related analytical services to diagnose arrhythmias and other heart conditions. The company's shares declined after a large payer reduced the reimbursement rate for its devices to bring payments in line with older technologies, not appreciating the benefits of longer wear times, ease of use and the monitoring and analysis the company provides. We exited the position given reduced visibility. Emergent BioSolutions Inc.* is a global specialty biopharma company that manufactures biodefense drugs and treatments for infectious diseases. Early in the COVID-19 pandemic the company was contracted by multiple manufacturers for vaccine production. However, Emergent experienced manufacturing issues which resulted in lost sales and uncertainty of batch quality which caused its shares to decline, and we sold the position.

As the Fed begins to evaluate future rate hikes, we have begun to see companies with higher quality profiles lead the market. Small cap relative valuations appear attractive considering the solid growth expected in both revenue and earnings in 2022. We believe the small-cap universe remains a very compelling area for bottom-up investors to find long term growth companies across multiple sectors.

Peter Barsa, Senior Portfolio Manager Equity

Michael A. Sesser, CFA, Senior Portfolio Manager Equity

Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

Russell 2500 Growth Index is an unmanaged index that measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

Contribution and **detraction** incorporate both an investment's total return and its weighting in the Fund.

* Not held as of December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	97%
Cash Equivalents	1%	2%
Exchange-Traded Funds	0%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Cash Equivalents and Securities Lending)	**12/31/21**	**12/31/20**
Information Technology	28%	29%
Health Care	26%	29%
Industrials	16%	14%
Consumer Discretionary	14%	13%
Financials	5%	5%
Materials	4%	4%
Real Estate	3%	3%
Consumer Staples	2%	2%
Communication Services	1%	1%
Energy	1%	0%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 6.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 98.5%		
Communication Services 1.0%		
Entertainment 0.5%		
Take-Two Interactive Software, Inc.*	2,174	**386,363**
Interactive Media & Services 0.5%		
Cargurus, Inc.*	10,463	**351,976**
Consumer Discretionary 13.8%		
Auto Components 0.9%		
Gentherm, Inc.*	7,364	**639,932**
Diversified Consumer Services 1.1%		
Bright Horizons Family Solutions, Inc.*	5,598	704,676
Terminix Global Holdings, Inc.*	3,418	154,596
		859,272
Hotels, Restaurants & Leisure 2.1%		
Hilton Grand Vacations, Inc.*	12,491	650,906
Jack in the Box, Inc.	7,892	690,392
Scientific Games Corp. "A"*	3,937	263,110
		1,604,408
Household Durables 4.3%		
Helen of Troy Ltd.*	2,963	724,365
iRobot Corp.* (a)	6,273	413,265
LGI Homes, Inc.*	3,489	538,981
TopBuild Corp.*	5,673	1,565,237
		3,241,848
Internet & Direct Marketing Retail 0.2%		
Just Eat Takeaway.com NV (ADR)* (a)	12,289	**132,230**
Leisure Products 1.7%		
YETI Holdings, Inc.*	15,522	**1,285,687**
Specialty Retail 3.5%		
Burlington Stores, Inc.*	2,883	840,423
Camping World Holdings, Inc. "A" (a)	24,907	1,006,243
Leslie's, Inc.*	2,799	66,224
National Vision Holdings, Inc.*	7,865	377,441
The Children's Place, Inc.*	4,788	379,641
		2,669,972
Consumer Staples 2.1%		
Food & Staples Retailing 1.2%		
Casey's General Stores, Inc.	4,371	**862,617**
Household Products 0.9%		
Spectrum Brands Holdings, Inc.	6,982	**710,209**
Energy 0.7%		
Oil, Gas & Consumable Fuels		
Crescent Energy, Inc. "A"* (a)	6,384	80,949
Denbury, Inc.*	2,500	191,475
Ovintiv, Inc.	6,811	229,531
		501,955
Financials 4.7%		
Banks 2.7%		
Pinnacle Financial Partners, Inc.	5,944	567,652
South State Corp.	4,704	376,837
SVB Financial Group*	742	503,254
Synovus Financial Corp.	11,493	550,170
		1,997,913
Capital Markets 1.7%		
FactSet Research Systems, Inc.	296	143,859
Lazard Ltd. "A"	13,717	598,473
Moelis & Co. "A"	9,136	571,091
		1,313,423
Consumer Finance 0.3%		
Green Dot Corp. "A"*	6,162	**223,311**
Health Care 25.2%		
Biotechnology 8.7%		
Amicus Therapeutics, Inc.*	7,094	81,936
Apellis Pharmaceuticals, Inc.*	4,251	200,987
Arena Pharmaceuticals, Inc.*	5,976	555,409
Beam Therapeutics, Inc.*	1,093	87,101
Biohaven Pharmaceutical Holding Co., Ltd.*	7,287	1,004,222
Blueprint Medicines Corp.*	4,684	501,703
Fate Therapeutics, Inc.*	3,846	225,030
Global Blood Therapeutics, Inc.*	4,524	132,418
Insmed, Inc.*	6,610	180,056
Intellia Therapeutics, Inc.*	1,898	224,420
Invitae Corp.*	5,038	76,930
Kiniksa Pharmaceuticals Ltd. "A"*	8,769	103,211
Ligand Pharmaceuticals, Inc.*	2,672	412,717
Mirati Therapeutics, Inc.*	2,178	319,491
Natera, Inc.*	4,935	460,880
Neurocrine Biosciences, Inc.*	7,085	603,429
TG Therapeutics, Inc.*	4,142	78,698
Travere Therapeutics, Inc.*	23,478	728,757
Turning Point Therapeutics, Inc.*	2,679	127,788
Ultragenyx Pharmaceutical, Inc.*	3,057	257,063
Veracyte, Inc.*	5,225	215,270
		6,577,516
Health Care Equipment & Supplies 3.7%		
Axonics, Inc.*	4,613	258,328
BioLife Solutions, Inc.*	8,451	314,969
Globus Medical, Inc. "A"*	4,024	290,533

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Haemonetics Corp.*	1,353	71,763
Masimo Corp.*	2,727	798,411
Nevro Corp.*	1,428	115,768
Outset Medical, Inc.*	4,898	225,749
STAAR Surgical Co.*	975	89,017
Tandem Diabetes Care, Inc.*	4,219	635,044
		2,799,582
Health Care Providers & Services 9.1%		
AMN Healthcare Services, Inc.*	13,141	1,607,539
Clover Health Investments Corp.*	15,307	56,942
HealthEquity, Inc.*	1,929	85,339
ModivCare, Inc.*	9,473	1,404,751
Molina Healthcare, Inc.*	4,119	1,310,172
Option Care Health, Inc.*	26,064	741,260
RadNet, Inc.*	55,477	1,670,412
		6,876,415
Health Care Technology 1.0%		
Vocera Communications, Inc.*	11,330	**734,637**
Life Sciences Tools & Services 0.6%		
Avantor, Inc.*	7,242	305,178
NeoGenomics, Inc.*	3,100	105,772
		410,950
Pharmaceuticals 2.1%		
Aclaris Therapeutics, Inc.*	12,953	188,337
ANI Pharmaceuticals, Inc.*	8,521	392,648
Arvinas, Inc.*	2,000	164,280
Avadel Pharmaceuticals PLC (ADR)* (a)	18,916	152,841
Pacira BioSciences, Inc.*	11,807	710,427
		1,608,533
Industrials 15.7%		
Aerospace & Defense 1.0%		
HEICO Corp.	5,006	**721,965**
Building Products 5.2%		
Advanced Drainage Systems, Inc.	3,825	520,697
Allegion PLC	7,499	993,168
Builders FirstSource, Inc.*	18,923	1,621,890
Masonite International Corp.*	6,705	790,855
		3,926,610
Commercial Services & Supplies 2.4%		
MSA Safety, Inc.	2,392	361,096
Tetra Tech, Inc.	4,419	750,346
The Brink's Co.	11,036	723,631
		1,835,073
Construction & Engineering 0.6%		
MasTec, Inc.*	4,674	**431,317**
Electrical Equipment 1.0%		
Generac Holdings, Inc.*	1,478	520,138
Plug Power, Inc.*	4,018	113,428
Thermon Group Holdings, Inc.*	9,149	154,892
		788,458
Machinery 0.8%		
IDEX Corp.	2,502	**591,273**
Professional Services 2.0%		
Kforce, Inc.	20,225	**1,521,324**
Trading Companies & Distributors 2.7%		
H&E Equipment Services, Inc.	16,406	726,294
Rush Enterprises, Inc. "A"	16,590	923,067
Titan Machinery, Inc.*	11,743	395,622
		2,044,983
Information Technology 28.1%		
Communications Equipment 1.8%		
Calix, Inc.*	8,844	707,255
Lumentum Holdings, Inc.*	6,080	643,081
		1,350,336
Electronic Equipment, Instruments & Components 2.8%		
Advanced Energy Industries, Inc.	12,629	1,149,997
Cognex Corp.	7,873	612,204
IPG Photonics Corp.*	1,883	324,140
		2,086,341
IT Services 2.8%		
Broadridge Financial Solutions, Inc.	5,482	1,002,219
Maximus, Inc.	8,556	681,657
WEX, Inc.*	2,932	411,623
		2,095,499
Semiconductors & Semiconductor Equipment 6.8%		
CMC Materials, Inc.	2,531	485,168
Entegris, Inc.	6,342	878,874
Monolithic Power Systems, Inc.	2,547	1,256,512
Semtech Corp.*	7,632	678,714
SiTime Corp.*	4,087	1,195,611
Ultra Clean Holdings, Inc.*	10,873	623,675
		5,118,554
Software 13.9%		
Aspen Technology, Inc.*	9,339	1,421,396
DocuSign, Inc.*	1,013	154,290
Dynatrace, Inc.*	7,679	463,428
Envestnet, Inc.*	9,852	781,658
Five9, Inc.*	12,047	1,654,294
LivePerson, Inc.*	7,263	259,434
Rapid7, Inc.*	6,849	806,059
Tenable Holdings, Inc.*	9,841	541,944
Tyler Technologies, Inc.*	4,051	2,179,235

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Varonis Systems, Inc.*	35,677	1,740,324
Workiva, Inc.*	3,858	503,430
		10,505,492
Materials 4.1%		
Construction Materials 1.3%		
Eagle Materials, Inc.	5,901	**982,280**
Containers & Packaging 0.7%		
Berry Global Group, Inc.*	6,828	**503,770**
Metals & Mining 2.1%		
Cleveland-Cliffs, Inc.* (a)	53,487	1,164,412
First Quantum Minerals Ltd.	17,207	411,760
		1,576,172
Real Estate 3.1%		
Equity Real Estate Investment Trusts (REITs) 2.7%		
Americold Realty Trust	10,299	337,704
EastGroup Properties, Inc.	2,708	617,018
Essential Properties Realty Trust, Inc.	21,678	624,977
Four Corners Property Trust, Inc.	13,954	410,387
		1,990,086
Real Estate Management & Development 0.4%		
Newmark Group, Inc. "A"	17,392	**325,230**
Total Common Stocks (Cost $37,722,906)		**74,183,512**

	Shares	Value ($)
Exchange-Traded Funds 0.4%		
SPDR S&P Biotech ETF (Cost $247,239)	2,719	**304,419**
Securities Lending Collateral 3.8%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $2,874,385)	2,874,385	**2,874,385**
Cash Equivalents 1.3%		
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $950,292)	950,292	**950,292**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $41,794,822)	104.0	**78,312,608**
Other Assets and Liabilities, Net	(4.0)	**(3,001,985)**
Net Assets	100.0	**75,310,623**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 3.8%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
5,457,727	—	2,583,342 (d)	—	—	10,294	—	2,874,385	2,874,385
Cash Equivalents 1.3%								
DWS Central Cash Management Government Fund, 0.05% (b)								
1,738,142	10,071,908	10,859,758	—	—	408	—	950,292	950,292
7,195,869	**10,071,908**	**13,443,100**	**—**	**—**	**10,702**	**—**	**3,824,677**	**3,824,677**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $2,798,221, which is 3.7% of net assets.

(b) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(c) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

ADR: American Depositary Receipt
S&P: Standard & Poor's
SPDR: Standard & Poor's Depositary Receipt

The accompanying notes are an integral part of the financial statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 74,183,512	$ —	$ —	$ 74,183,512
Exchange-Traded Funds	304,419	—	—	304,419
Short-Term Investments (a)	3,824,677	—	—	3,824,677
Total	**$ 78,312,608**	**$ —**	**$ —**	**$ 78,312,608**

(a) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $37,970,145) — including $2,798,221 of securities loaned	$ 74,487,931
Investment in DWS Government & Agency Securities Portfolio (cost $2,874,385)*	2,874,385
Investment in DWS Central Cash Management Government Fund (cost $950,292)	950,292
Foreign currency, at value (cost $224)	232
Dividends receivable	26,990
Interest receivable	470
Other assets	1,283
Total assets	78,341,583

Liabilities	
Payable upon return of securities loaned	2,874,385
Payable for Fund shares redeemed	47,824
Accrued management fee	34,317
Accrued Trustees' fees	1,143
Other accrued expenses and payables	73,291
Total liabilities	3,030,960
Net assets, at value	**$ 75,310,623**

Net Assets Consist of	
Distributable earnings (loss)	43,448,345
Paid-in capital	31,862,278
Net assets, at value	**$ 75,310,623**

Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($75,310,623 ÷ 3,990,886 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 18.87**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $21)	$ 336,500
Income distributions — DWS Central Cash Management Government Fund	408
Securities lending income, net of borrower rebates	10,294
Total income	347,202
Expenses:	
Management fee	416,498
Administration fee	73,455
Services to shareholders	664
Custodian fee	3,403
Audit fee	38,433
Legal fees	13,830
Tax fees	8,316
Reports to shareholders	30,882
Trustees' fees and expenses	4,688
Other	3,870
Total expenses	594,039
Net investment income (loss)	**(246,837)**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from investments	7,087,492
Change in net unrealized appreciation (depreciation) on investments	2,870,407
Net gain (loss)	**9,957,899**
Net increase (decrease) in net assets resulting from operations	**$9,711,062**

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income (loss)	$ (246,837)	$ (28,369)
Net realized gain (loss)	7,087,492	3,757,624
Change in net unrealized appreciation (depreciation)	2,870,407	12,517,964
Net increase (decrease) in net assets resulting from operations	9,711,062	16,247,219
Distributions to shareholders:		
Class A	(3,804,844)	(959,731)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,680,334	3,372,258
Reinvestment of distributions	3,804,844	959,731
Payments for shares redeemed	(10,049,938)	(10,851,170)
Net increase (decrease) in net assets from Class A share transactions	(3,564,760)	(6,519,181)
Increase (decrease) in net assets	2,341,458	8,768,307
Net assets at beginning of period	72,969,165	64,200,858
Net assets at end of period	**$ 75,310,623**	**$ 72,969,165**
Other Information		
Class A		
Shares outstanding at beginning of period	4,186,167	4,698,629
Shares sold	144,423	244,143
Shares issued to shareholders in reinvestment of distributions	211,028	90,115
Shares redeemed	(550,732)	(846,720)
Net increase (decrease) in Class A shares	(195,281)	(512,462)
Shares outstanding at end of period	**3,990,886**	**4,186,167**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Small Mid Cap Growth VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$17.43**	**$13.66**	**$12.68**	**$21.94**	**$18.96**
Income (loss) from investment operations:					
Net investment income (loss)[a]	(.06)	(.01)	.01	(.01)	(.02)
Net realized and unrealized gain (loss)	2.43	4.00	2.73	(1.92)	4.08
Total from investment operations	2.37	3.99	2.74	(1.93)	4.06
Less distributions from:					
Net investment income	(.01)	(.01)	—	—	(.02)
Net realized gains	(.92)	(.21)	(1.76)	(7.33)	(1.06)
Total distributions	(.93)	(.22)	(1.76)	(7.33)	(1.08)
Net asset value, end of period	**$18.87**	**$17.43**	**$13.66**	**$12.68**	**$21.94**
Total Return (%)	13.84	30.18[b]	22.41[b]	(13.59)[b]	22.12
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	75	73	64	64	77
Ratio of expenses before expense reductions (%)[c]	.78	.82	.82	.81	.75
Ratio of expenses after expense reductions (%)[c]	.78	.81	.81	.80	.75
Ratio of net investment income (loss) (%)	(.33)	(.05)	.11	(.06)	(.08)
Portfolio turnover rate (%)	16	12	10	32	32

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS Small Mid Cap Growth VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund

continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as Common Stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss, the realized tax character on distributions from certain securities and investments in limited partnerships. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed long-term capital gains	$ 7,035,573
Net unrealized appreciation (depreciation) on investments	$ 36,405,590

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $41,907,018. The net unrealized appreciation for all investments based on tax cost was $36,405,590. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $39,421,532 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,015,942.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 753,322	$ 27,637
Distributions from long-term capital gains	$ 3,051,522	$ 932,094

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $11,792,618 and $18,374,956, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million of the Fund's average daily net assets	.550%
Next $750 million	.525%
Over $1 billion	.500%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.55% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of Class A at 0.81%.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $73,455, of which $6,052 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent,

dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC aggregated $484, of which $81 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $604, of which $82 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $775.

D. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 92%.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS Small Mid Cap Growth VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Small Mid Cap Growth VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Trust 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 are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,038.00
Expenses Paid per $1,000*	$ 4.01

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,021.27
Expenses Paid per $1,000*	$ 3.97

* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Small Mid Cap Growth VIP	.78%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid distributions of $0.74 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $7,780,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 42% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Small Mid Cap Growth VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 3rd quartile, 4th quartile and 4th quartile, respectively, of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has

underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board observed that the Fund had experienced improved relative performance during the first seven months of 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (1st quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees). The Board noted that the expense limitation agreed to by DIMA was expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds"), noting that DIMA indicated that it does not provide services to any other comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund and any fees received by an affiliate of DIMA for transfer agency services provided to the Fund. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time

commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

6 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

7 Address: 875 Third Avenue, New York, NY 10022.

8 Address: 100 Summer Street, Boston, MA 02110.

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

DWS
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Fidelity® Variable Insurance Products: Freedom Funds – Income, 2005, 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055, 2060, 2065

Annual Report
December 31, 2021



Fidelity INVESTMENTS

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Funds. This report is not authorized for distribution to prospective investors in the Funds unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Funds nor Fidelity Distributors Corporation is a bank.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and – given the wide variability in outcomes regarding the outbreak – significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action – in concert with the U.S. Federal Reserve and central banks around the world – to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

VIP Freedom Income Portfolio[SM]

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	3.35%	6.33%	5.15%
Service Class	3.17%	6.23%	5.03%
Service Class 2	3.03%	6.08%	4.88%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom Income Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index performed over the same period.



Period Ending Values

$16,518 VIP Freedom Income Portfolio[SM] – Initial Class

$13,307 Bloomberg U.S. Aggregate Bond Index

Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

VIP Freedom 2005 Portfolio[SM]

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	4.09%	7.27%	6.43%
Service Class	4.02%	7.16%	6.33%
Service Class 2	3.82%	6.99%	6.17%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2005 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index performed over the same period.



Period Ending Values

____ $18,656 VIP Freedom 2005 Portfolio[SM] – Initial Class

..... $13,307 Bloomberg U.S. Aggregate Bond Index

Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	5.89%	8.46%	7.67%
Service Class	5.79%	8.35%	7.56%
Service Class 2	5.60%	8.18%	7.40%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2010 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index performed over the same period.



Period Ending Values

____ $20,929 VIP Freedom 2010 Portfolio[SM] – Initial Class

..... $13,307 Bloomberg U.S. Aggregate Bond Index

Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

VIP Freedom 2015 Portfolio[SM]

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	7.69%	9.64%	8.44%
Service Class	7.59%	9.52%	8.33%
Service Class 2	7.39%	9.36%	8.16%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2015 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index performed over the same period.



Period Ending Values

____ $22,483 VIP Freedom 2015 Portfolio[SM] – Initial Class

..... $13,307 Bloomberg U.S. Aggregate Bond Index

Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

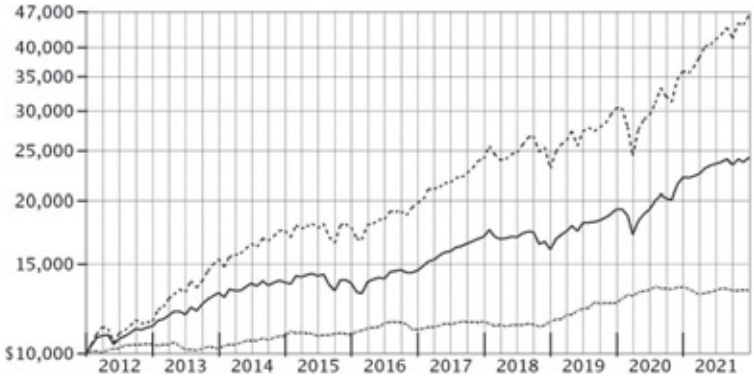
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	9.47%	10.68%	9.26%
Service Class	9.47%	10.58%	9.15%
Service Class 2	9.26%	10.41%	8.98%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2020 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index and S&P 500 Index performed over the same period.



Period Ending Values

———	$24,239	VIP Freedom 2020 Portfolio[SM] – Initial Class
.....	$13,307	Bloomberg U.S. Aggregate Bond Index
-------	$46,257	S&P 500 Index

Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

Effective October 1, 2021, the fund's benchmark changed from the S&P 500 Index to the Bloomberg U.S. Aggregate Bond Index.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

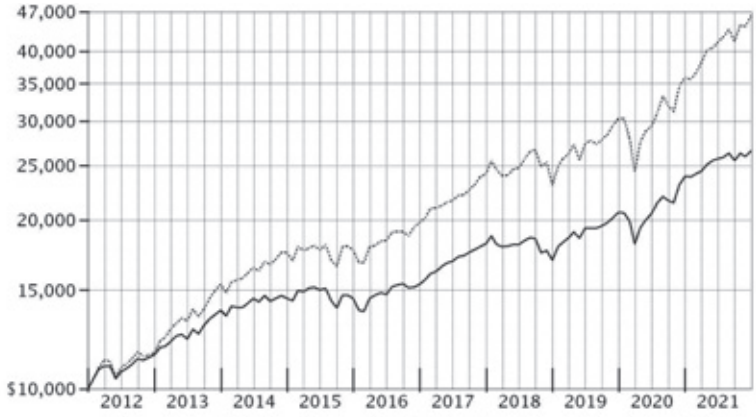
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	10.83%	11.53%	10.25%
Service Class	10.71%	11.42%	10.14%
Service Class 2	10.55%	11.24%	9.97%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2025 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$26,537 VIP Freedom 2025 Portfolio[SM] – Initial Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

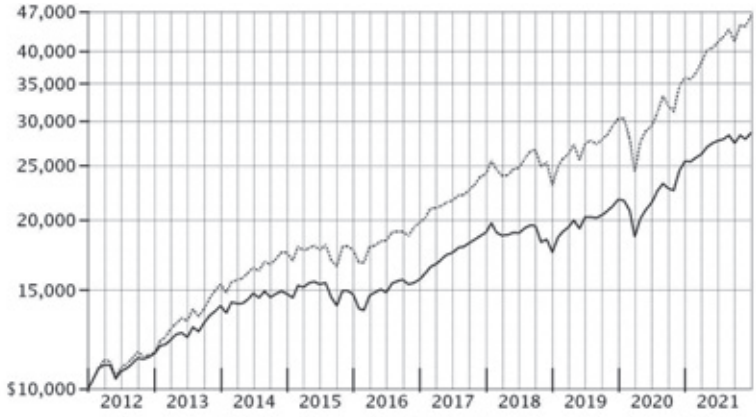
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	12.37%	12.76%	11.09%
Service Class	12.24%	12.65%	10.98%
Service Class 2	12.07%	12.48%	10.81%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2030 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

____ $28,617 VIP Freedom 2030 Portfolio[SM] – Initial Class

..... $46,257 S&P 500® Index

VIP Freedom 2035 Portfolio[SM]

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

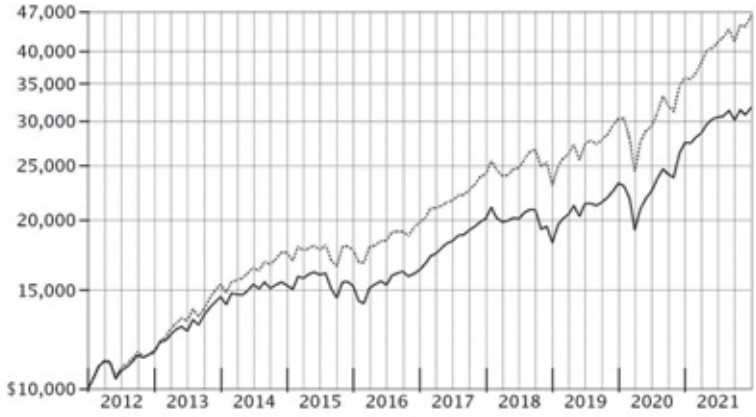
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	15.46%	14.26%	12.25%
Service Class	15.32%	14.15%	12.14%
Service Class 2	15.18%	13.98%	11.97%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2035 Portfolio[SM] – Initial Class on on December 11, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$31,753 VIP Freedom 2035 Portfolio[SM] – Initial Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

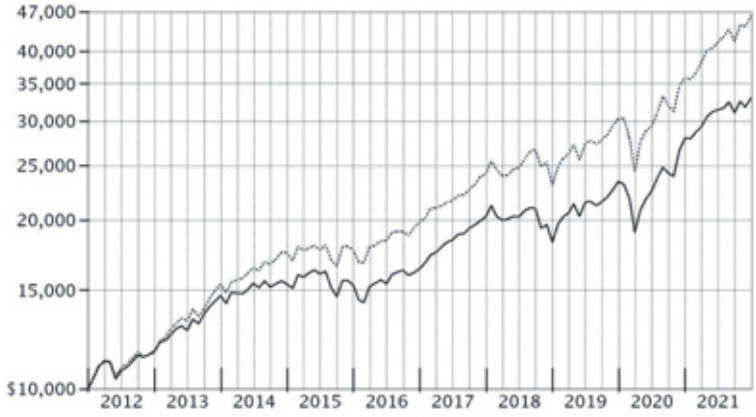
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	17.83%	15.01%	12.67%
Service Class	17.68%	14.88%	12.56%
Service Class 2	17.50%	14.72%	12.39%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2040 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$32,958 VIP Freedom 2040 Portfolio[SM] – Initial Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

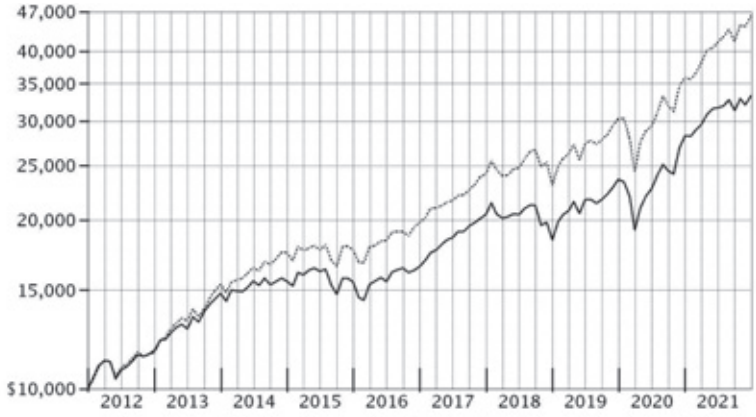
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	17.83%	15.01%	12.77%
Service Class	17.69%	14.88%	12.66%
Service Class 2	17.53%	14.72%	12.49%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2045 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$33,275 VIP Freedom 2045 Portfolio[SM] – Initial Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

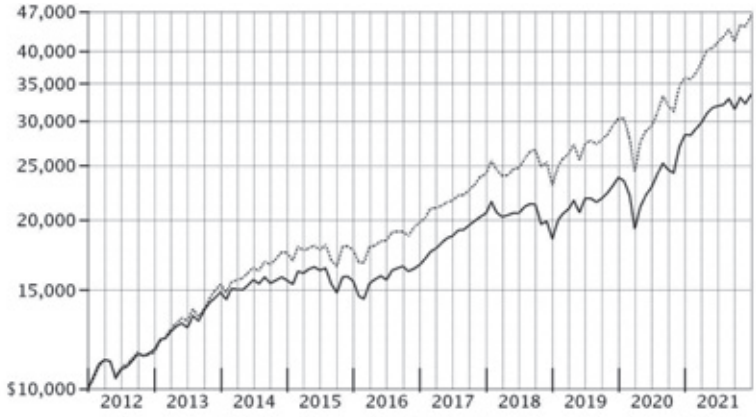
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	17.83%	14.99%	12.83%
Service Class	17.73%	14.88%	12.73%
Service Class 2	17.51%	14.72%	12.55%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Freedom 2050 Portfolio[SM] – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$33,448 VIP Freedom 2050 Portfolio[SM] – Initial Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

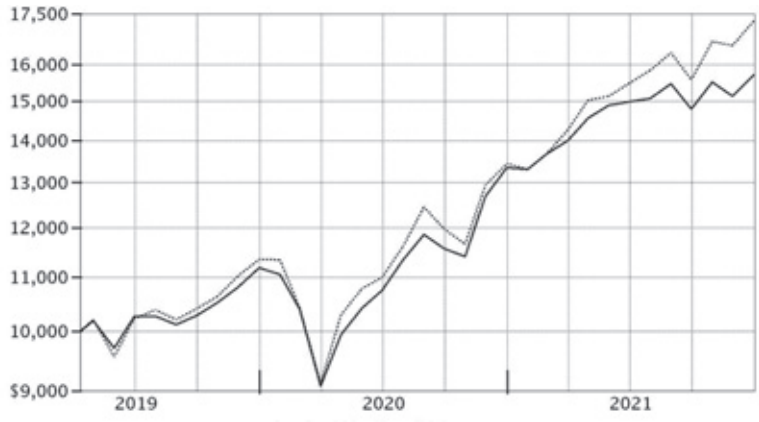
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Life of Portfolio
Initial Class	17.79%	18.04%
Service Class	17.72%	17.92%
Service Class 2	17.52%	17.74%

$10,000 Over Life of Fund

Let's say hypothetically that $10,000 was invested in VIP Freedom 2055 Portfolio℠ – Initial Class on April 11, 2019, when the fund started.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$15,715 VIP Freedom 2055 Portfolio℠ – Initial Class

$17,289 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

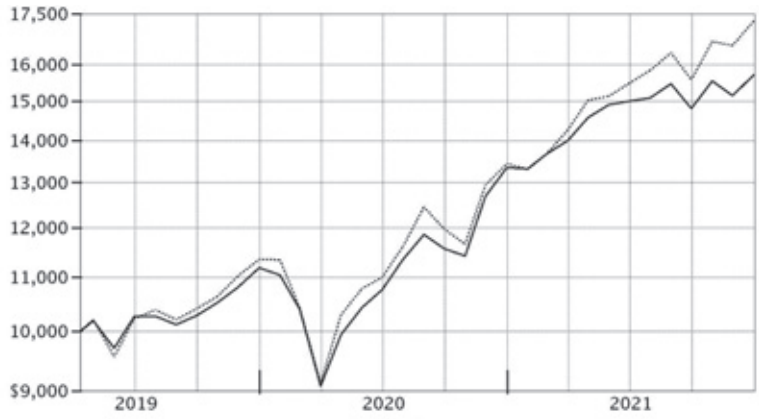
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Life of Portfolio
Initial Class	17.79%	18.05%
Service Class	17.62%	17.93%
Service Class 2	17.52%	17.76%

$10,000 Over Life of Fund

Let's say hypothetically that $10,000 was invested in VIP Freedom 2060 Portfolio[SM] – Initial Class on April 11, 2019, when the fund started.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

____ $15,719 VIP Freedom 2060 Portfolio[SM] – Initial Class

..... $17,289 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

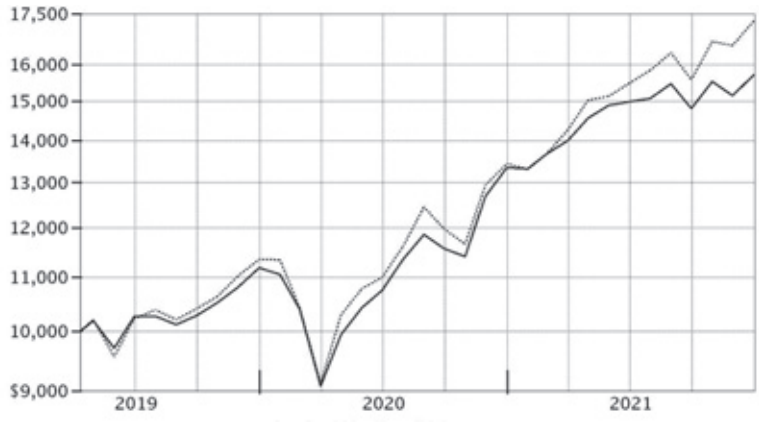
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Life of Portfolio
Initial Class	17.81%	18.05%
Service Class	17.77%	17.93%
Service Class 2	17.47%	17.74%

$10,000 Over Life of Fund

Let's say hypothetically that $10,000 was invested in VIP Freedom 2065 Portfolio[SM] – Initial Class on April 11, 2019, when the fund started.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$15,719 VIP Freedom 2065 Portfolio[SM] – Initial Class

$17,289 S&P 500® Index

Management's Discussion of Fund Performance

Market Recap: For the 12 months ending December 31, 2021, global financial markets were influenced by several factors, including the broader reopening of businesses, an improved outlook for global economic growth, fiscal and monetary stimulus from U.S. and foreign governments, and the widespread distribution of COVID-19 vaccines. This backdrop was supportive of global equities until early September, when volatility and negative sentiment rose amid rising inflation, increasing bond yields, supply constraints and disruption, valuation concerns, and new, highly transmissible variants of the coronavirus. At the same time, strong corporate earnings growth amid an ongoing mid-cycle economic expansion in several countries continued to provide support for risk assets.

International equities gained 7.98% for the year, according to the MSCI ACWI (All Country World Index) ex USA Index. By region, Canada (+27%) led the way, followed by the U.K. (+18%) and Europe ex U.K (+17%). Conversely, emerging markets (-2%) and Japan (+2%) lagged most. Asia Pacific Ex Japan (+5%) also underperformed the broader index. By sector, energy (+27%) outpaced all other sectors, driven by rising crude oil and natural gas prices. Financials (+17%), information technology (+16%) and industrials (+14%) also outperformed, whereas communication services and consumer discretionary (-6% each) notably struggled.

By contrast, U.S. stocks were a bright spot on the world stage, with the broad Dow Jones U.S. Total Stock Market Index gaining 25.66% for the period. Among sectors, energy (+56%) was the top performer. Real estate (+39%), financials (+35%) and information technology (+30%) also showed strength. In contrast, the defensive-oriented utilities (+17%), consumer staples (+18%) and health care (+19%) segments notably lagged, along with communication services (+18%). Small-cap stocks substantially trailed their larger-cap counterparts. From a style standpoint, value stocks outpaced growth among small/mid-caps, but lagged in the large-cap segment. Commodities rose 27.11%, per the Bloomberg Commodity Index Total Return.

Within fixed income, U.S. taxable investment-grade bonds returned -1.54%, according to the Bloomberg U.S. Aggregate Bond Index, amid rising market interest rates and inflation. In December, the U.S. Federal Reserve said it was time to retire the term "transitory" in describing U.S. inflation, and raised the prospects for three quarter-point rate hikes in 2022. Within the index, corporate bonds produced a return of -1.04%, topping U.S. Treasuries (-2.32%). Securitized segments also lost ground, including commercial mortgage-backed securities (-1.16%). Outside the index, U.S. corporate high-yield bonds added 5.35%, Treasury Inflation-Protected Securities (TIPS) rose 5.96%, and leveraged loans gained 5.42%, whereas emerging-markets debt returned -1.51%.

Comments from Co-Portfolio Managers Andrew Dierdorf and Brett Sumsion: For the year, the share classes of each VIP Freedom Fund posted a gain, ranging from about 3% for VIP Freedom Income Portfolio to roughly 18% for VIP Freedom 2065 Portfolio. Each Portfolio outpaced its Composite index in 2021. Versus Composites, favorable returns among underlying investment funds drove the Portfolios' outperformance for the year. In particular, active security selection among non-U.S. equities added the most value, particularly among developed-markets equities. In this category, Fidelity® VIP Overseas Portfolio (+19.70%) outperformed its benchmark, the MSCI EAFE Index (+11.48%). Portfolio managers among underlying U.S. investment-grade bond funds also contributed to relative results, as did an underweighting in the asset class. An allocation to Fidelity® VIP Investment Grade Bond Portfolio (-0.61%) notably helped, as it outperformed its benchmark, the Bloomberg U.S. Aggregate Bond Index (-1.54%). Conversely, top-down, active asset allocation decisions detracted from the Portfolios' relative performance overall. Underweighting U.S. equities hurt most, as this was the strongest-performing asset class for the year, followed by an overweighting in emerging-markets equities. At the same time, underweighting investment-grade bonds contributed to relative results.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

VIP Freedom Income Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

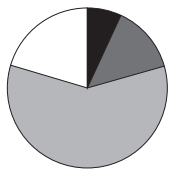
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	38.2
VIP Government Money Market Portfolio Initial Class 0.01%	20.4
Fidelity Inflation-Protected Bond Index Fund	14.5
VIP Overseas Portfolio Initial Class	6.9
VIP Emerging Markets Portfolio Initial Class	6.8
Fidelity Long-Term Treasury Bond Index Fund	2.8
VIP High Income Portfolio Initial Class	2.0
Fidelity International Bond Index Fund	1.5
VIP Growth & Income Portfolio Initial Class	1.4
VIP Equity-Income Portfolio Initial Class	1.3
	95.8

Asset Allocation (% of fund's net assets)

Period end

Domestic Equity Funds	6.9%
International Equity Funds	13.7%
Bond Funds	59.0%
Short-Term Funds	20.4%



VIP Freedom Income Portfolio[SM]

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 6.9%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	17,198	$ 934,738
VIP Equity-Income Portfolio Initial Class (a)	37,812	988,776
VIP Growth & Income Portfolio Initial Class (a)	42,929	1,125,586
VIP Growth Portfolio Initial Class (a)	9,332	955,875
VIP Mid Cap Portfolio Initial Class (a)	6,661	274,233
VIP Value Portfolio Initial Class (a)	39,658	724,943
VIP Value Strategies Portfolio Initial Class (a)	21,656	355,161
TOTAL DOMESTIC EQUITY FUNDS		
(Cost $3,332,524)		**5,359,312**

International Equity Funds – 13.7%

VIP Emerging Markets Portfolio Initial Class (a)	421,444	5,301,766
VIP Overseas Portfolio Initial Class (a)	184,111	5,390,772
TOTAL INTERNATIONAL EQUITY FUNDS		
(Cost $7,893,759)		**10,692,538**

Bond Funds – 59.0%

Fidelity Inflation-Protected Bond Index Fund (a)	1,018,620	11,367,795
Fidelity International Bond Index Fund (a)	117,321	1,170,859
Fidelity Long-Term Treasury Bond Index Fund (a)	147,020	2,168,551
VIP High Income Portfolio Initial Class (a)	297,008	1,559,293
VIP Investment Grade Bond Portfolio Initial Class (a)	2,237,535	29,871,096
TOTAL BOND FUNDS		
(Cost $44,242,980)		**46,137,594**

Short-Term Funds – 20.4%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b)		
(Cost $15,989,051)	15,989,051	**15,989,051**
TOTAL INVESTMENT IN SECURITIES – 100.0%		
(Cost $71,458,314)		**78,178,495**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(8,627)**
NET ASSETS – 100%		**$78,169,868**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$—	$141,132	$141,132	$—	$—	$—	$—	0.0%
Total	$—	$141,132	$141,132	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 9,276,880	$ 6,375,653	$ 4,361,251	$ 493,620	$ 3,142	$ 73,371	$11,367,795
Fidelity International Bond Index Fund	—	1,264,638	87,833	1,970	(641)	(5,305)	1,170,859
Fidelity Long-Term Treasury Bond Index Fund	1,778,565	1,748,970	1,239,810	60,315	(48,385)	(70,789)	2,168,551
VIP Contrafund Portfolio Initial Class	934,527	609,433	733,012	119,149	43,600	80,190	934,738
VIP Emerging Markets Portfolio Initial Class	6,071,802	4,030,203	4,036,099	756,653	243,323	(1,007,463)	5,301,766
VIP Equity-Income Portfolio Initial Class	986,356	694,664	791,061	132,863	38,014	60,803	988,776
VIP Government Money Market Portfolio Initial Class 0.01%	17,515,214	7,238,402	8,764,565	1,744	—	—	15,989,051
VIP Growth & Income Portfolio Initial Class	1,123,457	709,872	899,077	83,025	57,388	133,946	1,125,586
VIP Growth Portfolio Initial Class	952,179	713,658	713,877	206,960	18,847	(14,932)	955,875
VIP High Income Portfolio Initial Class	1,543,093	732,162	700,320	84,572	407	(16,049)	1,559,293
VIP Investment Grade Bond Portfolio Initial Class	31,619,218	14,952,930	15,025,423	1,472,749	(119,535)	(1,556,094)	29,871,096
VIP Mid Cap Portfolio Initial Class	272,392	170,710	190,966	43,666	18,274	3,823	274,233
VIP Overseas Portfolio Initial Class	4,043,108	3,674,039	2,777,049	403,418	79,639	371,035	5,390,772
VIP Value Portfolio Initial Class	721,408	483,805	592,533	91,317	63,205	49,058	724,943
VIP Value Strategies Portfolio Initial Class	352,933	213,210	284,740	34,808	30,546	43,212	355,161
	$77,191,132	$43,612,349	$41,197,616	$3,986,829	$ 427,824	$ (1,855,194)	$78,178,495

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$ 5,359,312	$ 5,359,312	$ —	$ —
International Equity Funds	10,692,538	10,692,538	—	—
Bond Funds	46,137,594	46,137,594	—	—
Short-Term Funds	15,989,051	15,989,051	—	—
Total Investments in Securities:	$78,178,495	$78,178,495	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $71,458,314)	$ 78,178,495	
Total Investment in Securities (cost $71,458,314)		$ 78,178,495
Receivable for investments sold		1,140,852
Receivable for fund shares sold		162,444
Total assets		79,481,791
Liabilities		
Payable for investments purchased	$ 766,720	
Payable for fund shares redeemed	536,580	
Distribution and service plan fees payable	8,623	
Total liabilities		1,311,923
Net Assets		$ 78,169,868
Net Assets consist of:		
Paid in capital		$ 68,831,983
Total accumulated earnings (loss)		9,337,885
Net Assets		$ 78,169,868
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($17,011,185 ÷ 1,333,553 shares)		$ 12.76
Service Class:		
Net Asset Value, offering price and redemption price per share ($32,637,429 ÷ 2,561,118 shares)		$ 12.74
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($28,521,254 ÷ 2,247,958 shares)		$ 12.69

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 1,469,621
Expenses		
Distribution and service plan fees	$ 105,562	
Independent trustees' fees and expenses	237	
Total expenses		105,799
Net investment income (loss)		1,363,822
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	427,824	
Capital gain distributions from underlying funds:		
Affiliated issuers	2,517,208	
Total net realized gain (loss)		2,945,032
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	(1,855,194)	
Total change in net unrealized appreciation (depreciation)		(1,855,194)
Net gain (loss)		1,089,838
Net increase (decrease) in net assets resulting from operations		$ 2,453,660

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 1,363,822	$ 835,440
Net realized gain (loss)	2,945,032	1,006,097
Change in net unrealized appreciation (depreciation)	(1,855,194)	4,677,535
Net increase (decrease) in net assets resulting from operations	2,453,660	6,519,072
Distributions to shareholders	(2,360,060)	(1,976,401)
Share transactions – net increase (decrease)	893,465	14,606,211
Total increase (decrease) in net assets	987,065	19,148,882
Net Assets		
Beginning of period	77,182,803	58,033,921
End of period	$ 78,169,868	$ 77,182,803

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom Income Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 12.74	$ 11.89	$ 11.08	$ 11.63	$ 10.98
Income from Investment Operations					
Net investment income (loss) [A]	.24	.17	.27	.22	.19
Net realized and unrealized gain (loss)	.18	1.06	1.03	(.45)	.74
Total from investment operations	.42	1.23	1.30	(.23)	.93
Distributions from net investment income	(.13)	(.16)	(.25)	(.20)	(.18)
Distributions from net realized gain	(.27)	(.22)	(.25)	(.13)	(.10)
Total distributions	(.40)	(.38)	(.49)[B]	(.32)[B]	(.28)
Net asset value, end of period	$ 12.76	$ 12.74	$ 11.89	$ 11.08	$ 11.63
Total Return [C,D]	3.35%	10.47%	11.94%	(1.96)%	8.48%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.85%	1.40%	2.31%	1.90%	1.67%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 17,011	$ 16,854	$ 14,870	$ 14,582	$ 16,086
Portfolio turnover rate [H]	52%	66%	40%	48%	35%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom Income Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 12.73	$ 11.88	$ 11.07	$ 11.63	$ 10.97
Income from Investment Operations					
Net investment income (loss) [A]	.22	.16	.26	.21	.18
Net realized and unrealized gain (loss)	.18	1.06	1.03	(.46)	.75
Total from investment operations	.40	1.22	1.29	(.25)	.93
Distributions from net investment income	(.12)	(.15)	(.24)	(.19)	(.17)
Distributions from net realized gain	(.27)	(.22)	(.25)	(.13)	(.10)
Total distributions	(.39)	(.37)	(.48)[B]	(.31)[B]	(.27)
Net asset value, end of period	$ 12.74	$ 12.73	$ 11.88	$ 11.07	$ 11.63
Total Return [C,D]	3.17%	10.38%	11.87%	(2.12)%	8.49%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.75%	1.30%	2.21%	1.80%	1.57%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 32,637	$ 32,810	$ 24,831	$ 14,591	$ 11,227
Portfolio turnover rate [G]	52%	66%	40%	48%	35%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom Income Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 12.68	$ 11.83	$ 11.03	$ 11.59	$ 10.93
Income from Investment Operations					
Net investment income (loss) [A]	.20	.14	.24	.19	.16
Net realized and unrealized gain (loss)	.18	1.06	1.02	(.45)	.75
Total from investment operations	.38	1.20	1.26	(.26)	.91
Distributions from net investment income	(.10)	(.13)	(.22)	(.17)	(.15)
Distributions from net realized gain	(.27)	(.22)	(.25)	(.13)	(.10)
Total distributions	(.37)	(.35)	(.46)[B]	(.30)	(.25)
Net asset value, end of period	$ 12.69	$ 12.68	$ 11.83	$ 11.03	$ 11.59
Total Return [C,D]	3.03%	10.29%	11.63%	(2.27)%	8.36%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.60%	1.15%	2.06%	1.65%	1.42%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 28,521	$ 27,518	$ 18,333	$ 15,459	$ 14,911
Portfolio turnover rate [G]	52%	66%	40%	48%	35%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2005 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

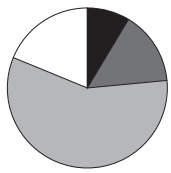
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	37.2
VIP Government Money Market Portfolio Initial Class 0.01%	18.8
Fidelity Inflation-Protected Bond Index Fund	14.1
VIP Overseas Portfolio Initial Class	7.8
VIP Emerging Markets Portfolio Initial Class	7.1
Fidelity Long-Term Treasury Bond Index Fund	2.8
VIP High Income Portfolio Initial Class	2.0
VIP Growth & Income Portfolio Initial Class	1.8
VIP Equity-Income Portfolio Initial Class	1.6
Fidelity International Bond Index Fund	1.6
	94.8

Asset Allocation (% of fund's net assets)

Period end

Domestic Equity Funds	8.6%
International Equity Funds	14.9%
Bond Funds	57.7%
Short-Term Funds	18.8%



VIP Freedom 2005 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 8.6%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	3,922	$ 213,143
VIP Equity-Income Portfolio Initial Class (a)	8,622	225,474
VIP Growth & Income Portfolio Initial Class (a)	9,789	256,664
VIP Growth Portfolio Initial Class (a)	2,128	217,982
VIP Mid Cap Portfolio Initial Class (a)	1,519	62,536
VIP Value Portfolio Initial Class (a)	9,043	165,310
VIP Value Strategies Portfolio Initial Class (a)	4,938	80,987
TOTAL DOMESTIC EQUITY FUNDS (Cost $697,305)		**1,222,096**

International Equity Funds – 14.9%

VIP Emerging Markets Portfolio Initial Class (a)	80,075	1,007,343
VIP Overseas Portfolio Initial Class (a)	37,436	1,096,126
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $1,508,025)		**2,103,469**

Bond Funds – 57.7%

Fidelity Inflation-Protected Bond Index Fund (a)	178,506	1,992,125
Fidelity International Bond Index Fund (a)	21,926	218,817
Fidelity Long-Term Treasury Bond Index Fund (a)	27,264	402,147
VIP High Income Portfolio Initial Class (a)	53,717	282,012
VIP Investment Grade Bond Portfolio Initial Class (a)	394,189	5,262,425
TOTAL BOND FUNDS (Cost $7,675,855)		**8,157,526**

Short-Term Funds – 18.8%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b) (Cost $2,654,771)	2,654,771	**2,654,771**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $12,535,956)		**14,137,862**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(352)**
NET ASSETS – 100%		**$14,137,510**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 1,794,523	$ 745,225	$ 559,238	$ 86,514	$ 10,153	$ 1,462	$ 1,992,125
Fidelity International Bond Index Fund	—	223,745	3,799	364	(32)	(1,097)	218,817
Fidelity Long-Term Treasury Bond Index Fund	369,621	244,594	187,289	11,139	(7,375)	(17,404)	402,147
VIP Contrafund Portfolio Initial Class	274,430	81,440	172,883	29,504	44,181	(14,025)	213,143
VIP Emerging Markets Portfolio Initial Class	1,354,742	465,448	677,452	149,228	101,479	(236,874)	1,007,343
VIP Equity-Income Portfolio Initial Class	289,644	102,021	192,975	32,016	15,693	11,091	225,474
VIP Government Money Market Portfolio Initial Class 0.01%	3,275,991	516,928	1,138,148	293	—	—	2,654,771
VIP Growth & Income Portfolio Initial Class	329,907	99,672	222,605	20,701	44,096	5,594	256,664
VIP Growth Portfolio Initial Class	279,618	104,736	166,148	53,002	49,733	(49,957)	217,982
VIP High Income Portfolio Initial Class	320,681	60,834	96,821	15,327	(2,958)	276	282,012
VIP Investment Grade Bond Portfolio Initial Class	6,306,239	1,316,863	2,055,427	264,729	(14,096)	(291,154)	5,262,425
VIP Mid Cap Portfolio Initial Class	79,989	22,306	46,479	10,021	10,449	(3,729)	62,536
VIP Overseas Portfolio Initial Class	1,050,628	498,838	554,190	87,482	63,847	37,003	1,096,126
VIP Value Portfolio Initial Class	211,844	65,966	144,067	20,929	31,064	503	165,310
VIP Value Strategies Portfolio Initial Class	103,642	26,059	68,875	7,983	14,615	5,546	80,987
	$16,041,499	$4,574,675	$6,286,396	$789,232	$ 360,849	$ (552,765)	$14,137,862

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$ 1,222,096	$ 1,222,096	$ —	$ —
International Equity Funds	2,103,469	2,103,469	—	—
Bond Funds	8,157,526	8,157,526	—	—
Short-Term Funds	2,654,771	2,654,771	—	—
Total Investments in Securities:	$14,137,862	$14,137,862	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $12,535,956)	$ 14,137,862	
Total Investment in Securities (cost $12,535,956)		$ 14,137,862
Cash		14
Receivable for investments sold		141,240
Receivable for fund shares sold		8,637
Total assets		14,287,753
Liabilities		
Payable for investments purchased	$ 149,569	
Payable for fund shares redeemed	304	
Distribution and service plan fees payable	370	
Total liabilities		150,243
Net Assets		$ 14,137,510
Net Assets consist of:		
Paid in capital		$ 11,722,152
Total accumulated earnings (loss)		2,415,358
Net Assets		$ 14,137,510
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($9,853,475 ÷ 720,968 shares)		$ 13.67
Service Class:		
Net Asset Value, offering price and redemption price per share ($4,079,971 ÷ 296,555 shares)		$ 13.76
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($204,064 ÷ 14,964 shares)		$ 13.64

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 265,971
Expenses		
Distribution and service plan fees	$ 5,093	
Independent trustees' fees and expenses	44	
Total expenses		5,137
Net investment income (loss)		260,834
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	360,849	
Capital gain distributions from underlying funds:		
Affiliated issuers	523,261	
Total net realized gain (loss)		884,110
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	(552,765)	
Total change in net unrealized appreciation (depreciation)		(552,765)
Net gain (loss)		331,345
Net increase (decrease) in net assets resulting from operations		$ 592,179

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 260,834	$ 187,794
Net realized gain (loss)	884,110	305,102
Change in net unrealized appreciation (depreciation)	(552,765)	1,073,801
Net increase (decrease) in net assets resulting from operations	592,179	1,566,697
Distributions to shareholders	(542,304)	(577,014)
Share transactions – net increase (decrease)	(1,953,374)	1,261,527
Total increase (decrease) in net assets	(1,903,499)	2,251,210
Net Assets		
Beginning of period	16,041,009	13,789,799
End of period	$ 14,137,510	$ 16,041,009

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2005 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.63	$ 12.75	$ 11.65	$ 12.39	$ 11.51
Income from Investment Operations					
Net investment income (loss) [A]	.25	.17	.27	.22	.20
Net realized and unrealized gain (loss)	.30	1.23	1.32	(.58)	1.06
Total from investment operations	.55	1.40	1.59	(.36)	1.26
Distributions from net investment income	(.15)	(.17)	(.27)	(.20)	(.19)
Distributions from net realized gain	(.36)	(.35)	(.22)	(.17)	(.19)
Total distributions	(.51)	(.52)	(.49)	(.38)[B]	(.38)
Net asset value, end of period	$ 13.67	$ 13.63	$ 12.75	$ 11.65	$ 12.39
Total Return [C,D]	4.09%	11.25%	13.81%	(2.95)%	11.06%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.82%	1.31%	2.18%	1.80%	1.65%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 9,853	$ 10,082	$ 9,364	$ 8,191	$ 7,931
Portfolio turnover rate [H]	31%	54%	24%	32%	33%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2005 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.71	$ 12.83	$ 11.72	$ 12.46	$ 11.58
Income from Investment Operations					
Net investment income (loss) [A]	.24	.16	.26	.21	.19
Net realized and unrealized gain (loss)	.30	1.23	1.33	(.58)	1.06
Total from investment operations	.54	1.39	1.59	(.37)	1.25
Distributions from net investment income	(.14)	(.16)	(.26)	(.20)	(.18)
Distributions from net realized gain	(.36)	(.35)	(.22)	(.17)	(.19)
Total distributions	(.49)[B]	(.51)	(.48)	(.37)	(.37)
Net asset value, end of period	$ 13.76	$ 13.71	$ 12.83	$ 11.72	$ 12.46
Total Return [C,D]	4.02%	11.07%	13.71%	(3.01)%	10.90%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.72%	1.21%	2.08%	1.70%	1.55%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 4,080	$ 5,673	$ 4,248	$ 2,279	$ 1,222
Portfolio turnover rate [G]	31%	54%	24%	32%	33%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2005 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.59	$ 12.72	$ 11.62	$ 12.37	$ 11.50
Income from Investment Operations					
Net investment income (loss) [A]	.21	.14	.24	.19	.17
Net realized and unrealized gain (loss)	.30	1.22	1.32	(.59)	1.05
Total from investment operations	.51	1.36	1.56	(.40)	1.22
Distributions from net investment income	(.10)	(.14)	(.24)	(.18)	(.16)
Distributions from net realized gain	(.36)	(.35)	(.22)	(.17)	(.19)
Total distributions	(.46)	(.49)	(.46)	(.35)	(.35)
Net asset value, end of period	$ 13.64	$ 13.59	$ 12.72	$ 11.62	$ 12.37
Total Return [B]	3.82%	10.93%	13.60%	(3.24)%	10.74%
Ratios to Average Net Assets [C,D]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.57%	1.06%	1.93%	1.55%	1.40%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 204	$ 286	$ 178	$ 121	$ 104
Portfolio turnover rate [E]	31%	54%	24%	32%	33%

A *Calculated based on average shares outstanding during the period.*

B *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

C *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

D *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

E *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

Investment Summary (Unaudited)

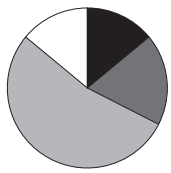
The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	34.1
VIP Government Money Market Portfolio Initial Class 0.01%	14.0
Fidelity Inflation-Protected Bond Index Fund	12.8
VIP Overseas Portfolio Initial Class	10.3
VIP Emerging Markets Portfolio Initial Class	8.2
VIP Growth & Income Portfolio Initial Class	2.9
Fidelity Long-Term Treasury Bond Index Fund	2.9
VIP Equity-Income Portfolio Initial Class	2.6
VIP Growth Portfolio Initial Class	2.5
VIP Contrafund Portfolio Initial Class	2.5
	92.8

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2010 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 14.0%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	167,248	$ 9,089,903
VIP Equity-Income Portfolio Initial Class (a)	367,712	9,615,670
VIP Growth & Income Portfolio Initial Class (a)	417,465	10,945,941
VIP Growth Portfolio Initial Class (a)	90,759	9,296,427
VIP Mid Cap Portfolio Initial Class (a)	64,778	2,666,893
VIP Value Portfolio Initial Class (a)	385,660	7,049,870
VIP Value Strategies Portfolio Initial Class (a)	210,597	3,453,793
TOTAL DOMESTIC EQUITY FUNDS		
(Cost $26,151,846)		**52,118,497**

International Equity Funds – 18.5%

VIP Emerging Markets Portfolio Initial Class (a)	2,412,242	30,346,002
VIP Overseas Portfolio Initial Class (a)	1,309,567	38,344,118
TOTAL INTERNATIONAL EQUITY FUNDS		
(Cost $44,740,634)		**68,690,120**

Bond Funds – 53.5%

Fidelity Inflation-Protected Bond Index Fund (a)	4,255,909	47,495,943
Fidelity International Bond Index Fund (a)	628,604	6,273,471
Fidelity Long-Term Treasury Bond Index Fund (a)	737,152	10,872,986
VIP High Income Portfolio Initial Class (a)	1,412,481	7,415,524
VIP Investment Grade Bond Portfolio Initial Class (a)	9,498,782	126,808,735
TOTAL BOND FUNDS		
(Cost $189,529,959)		**198,866,659**

Short-Term Funds – 14.0%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b)		
(Cost $51,966,048)	51,966,048	**51,966,048**
TOTAL INVESTMENT IN SECURITIES – 100.0%		
(Cost $312,388,487)		**371,641,324**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(70,293)**
NET ASSETS – 100%		**$371,571,031**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$—	$51,524	$51,524	$—	$—	$—	$—	0.0%
Total	$—	$51,524	$51,524	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 35,132,778	$ 18,483,035	$ 6,332,707	$ 2,040,558	$ 47,898	$ 164,939	$ 47,495,943
Fidelity International Bond Index Fund	—	6,428,919	123,358	10,459	(687)	(31,403)	6,273,471
Fidelity Long-Term Treasury Bond Index Fund	8,376,139	6,222,100	3,205,085	287,154	(187,353)	(332,815)	10,872,986
VIP Contrafund Portfolio Initial Class	9,707,849	2,996,358	4,871,037	1,176,630	1,246,738	9,995	9,089,903
VIP Emerging Markets Portfolio Initial Class	34,764,770	12,969,598	12,935,079	4,308,650	1,187,940	(5,641,227)	30,346,002
VIP Equity-Income Portfolio Initial Class	10,245,807	3,687,024	5,334,182	1,305,793	559,530	457,491	9,615,670
VIP Government Money Market Portfolio Initial Class 0.01%	59,231,528	10,479,718	17,745,198	5,890	—	—	51,966,048
VIP Growth & Income Portfolio Initial Class	11,670,164	3,495,354	6,153,916	820,195	1,069,269	865,070	10,945,941
VIP Growth Portfolio Initial Class	9,891,611	3,822,977	4,490,444	2,047,693	1,076,396	(1,004,113)	9,296,427
VIP High Income Portfolio Initial Class	7,267,154	1,554,005	1,334,075	397,933	(2,021)	(69,539)	7,415,524
VIP Investment Grade Bond Portfolio Initial Class	130,290,954	30,093,769	26,751,882	6,117,782	(313,384)	(6,510,722)	126,808,735
VIP Mid Cap Portfolio Initial Class	2,829,582	890,145	1,282,712	426,851	237,811	(7,933)	2,666,893
VIP Overseas Portfolio Initial Class	32,950,569	15,040,804	13,197,819	2,976,985	700,253	2,850,311	38,344,118
VIP Value Portfolio Initial Class	7,493,877	2,482,594	4,084,425	891,671	828,121	329,703	7,049,870
VIP Value Strategies Portfolio Initial Class	3,666,342	1,041,613	2,007,786	341,355	479,713	273,911	3,453,793
	$363,519,124	$119,688,013	$109,849,705	$23,155,599	$6,930,224	$ (8,646,332)	$371,641,324

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$ 52,118,497	$ 52,118,497	$ —	$ —
International Equity Funds	68,690,120	68,690,120	—	—
Bond Funds	198,866,659	198,866,659	—	—
Short-Term Funds	51,966,048	51,966,048	—	—
Total Investments in Securities:	$371,641,324	$371,641,324	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $312,388,487)	$ 371,641,324	
Total Investment in Securities (cost $312,388,487)		$ 371,641,324
Receivable for investments sold		4,957,654
Receivable for fund shares sold		33,381
Total assets		376,632,359
Liabilities		
Payable for investments purchased	$ 4,707,081	
Payable for fund shares redeemed	283,952	
Distribution and service plan fees payable	70,295	
Total liabilities		5,061,328
Net Assets		$ 371,571,031
Net Assets consist of:		
Paid in capital		$ 290,727,254
Total accumulated earnings (loss)		80,843,777
Net Assets		$ 371,571,031
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($16,685,350 ÷ 1,154,804 shares)		$ 14.45
Service Class:		
Net Asset Value, offering price and redemption price per share ($27,359,794 ÷ 1,896,601 shares)		$ 14.43
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($327,525,887 ÷ 22,848,641 shares)		$ 14.33

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 6,823,685
Expenses		
Distribution and service plan fees	$ 850,740	
Independent trustees' fees and expenses	1,116	
Total expenses		851,856
Net investment income (loss)		5,971,829
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	6,930,224	
Capital gain distributions from underlying funds:		
Affiliated issuers	16,331,914	
Total net realized gain (loss)		23,262,138
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	(8,646,332)	
Total change in net unrealized appreciation (depreciation)		(8,646,332)
Net gain (loss)		14,615,806
Net increase (decrease) in net assets resulting from operations		$ 20,587,635

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 5,971,829	$ 3,676,555
Net realized gain (loss)	23,262,138	10,533,931
Change in net unrealized appreciation (depreciation)	(8,646,332)	24,612,013
Net increase (decrease) in net assets resulting from operations	20,587,635	38,822,499
Distributions to shareholders	(16,036,037)	(17,970,235)
Share transactions – net increase (decrease)	3,567,481	17,689,139
Total increase (decrease) in net assets	8,119,079	38,541,403
Net Assets		
Beginning of period	363,451,952	324,910,549
End of period	$ 371,571,031	$ 363,451,952

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2010 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.28	$ 13.42	$ 12.32	$ 13.43	$ 12.31
Income from Investment Operations					
Net investment income (loss) [A]	.26	.18	.28	.22	.20
Net realized and unrealized gain (loss)	.56	1.44	1.65	(.75)	1.39
Total from investment operations	.82	1.62	1.93	(.53)	1.59
Distributions from net investment income	(.15)	(.18)	(.28)	(.22)	(.21)
Distributions from net realized gain	(.50)	(.58)	(.55)	(.37)	(.26)
Total distributions	(.65)	(.76)	(.83)	(.58)[B]	(.47)
Net asset value, end of period	$ 14.45	$ 14.28	$ 13.42	$ 12.32	$ 13.43
Total Return [C,D]	5.89%	12.49%	16.09%	(4.00)%	13.08%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.82%	1.34%	2.15%	1.66%	1.56%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 16,685	$ 19,195	$ 17,895	$ 16,991	$ 18,519
Portfolio turnover rate [H]	29%	40%	28%	31%	22%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2010 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.26	$ 13.40	$ 12.30	$ 13.41	$ 12.30
Income from Investment Operations					
Net investment income (loss) [A]	.25	.16	.27	.20	.19
Net realized and unrealized gain (loss)	.56	1.44	1.64	(.74)	1.38
Total from investment operations	.81	1.60	1.91	(.54)	1.57
Distributions from net investment income	(.14)	(.16)	(.27)	(.20)	(.19)
Distributions from net realized gain	(.50)	(.58)	(.55)	(.37)	(.26)
Total distributions	(.64)	(.74)	(.81)[B]	(.57)	(.46)[B]
Net asset value, end of period	$ 14.43	$ 14.26	$ 13.40	$ 12.30	$ 13.41
Total Return [C,D]	5.79%	12.39%	16.00%	(4.10)%	12.90%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.72%	1.24%	2.05%	1.56%	1.46%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 27,360	$ 26,484	$ 26,232	$ 23,851	$ 27,597
Portfolio turnover rate [G]	29%	40%	28%	31%	22%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2010 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.17	$ 13.32	$ 12.24	$ 13.35	$ 12.24
Income from Investment Operations					
Net investment income (loss) [A]	.22	.14	.24	.18	.17
Net realized and unrealized gain (loss)	.56	1.43	1.63	(.74)	1.38
Total from investment operations	.78	1.57	1.87	(.56)	1.55
Distributions from net investment income	(.12)	(.14)	(.25)	(.19)	(.17)
Distributions from net realized gain	(.50)	(.58)	(.55)	(.37)	(.26)
Total distributions	(.62)	(.72)	(.79)[B]	(.55)[B]	(.44)[B]
Net asset value, end of period	$ 14.33	$ 14.17	$ 13.32	$ 12.24	$ 13.35
Total Return [C,D]	5.60%	12.24%	15.75%	(4.26)%	12.80%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.57%	1.09%	1.90%	1.41%	1.31%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 327,526	$ 317,773	$ 280,783	$ 243,940	$ 269,507
Portfolio turnover rate [G]	29%	40%	28%	31%	22%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2015 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

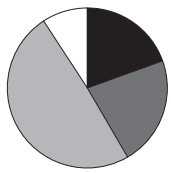
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	30.8
VIP Overseas Portfolio Initial Class	12.9
Fidelity Inflation-Protected Bond Index Fund	11.6
VIP Emerging Markets Portfolio Initial Class	9.2
VIP Government Money Market Portfolio Initial Class 0.01%	9.2
VIP Growth & Income Portfolio Initial Class	4.1
VIP Equity-Income Portfolio Initial Class	3.6
VIP Growth Portfolio Initial Class	3.5
VIP Contrafund Portfolio Initial Class	3.4
Fidelity Long-Term Treasury Bond Index Fund	3.0
	91.3

Asset Allocation (% of fund's net assets)

Period end

Domestic Equity Funds	19.5%
International Equity Funds	22.1%
Bond Funds	49.2%
Short-Term Funds	9.2%



VIP Freedom 2015 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 19.5%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	57,113	$ 3,104,087
VIP Equity-Income Portfolio Initial Class (a)	125,567	3,283,575
VIP Growth & Income Portfolio Initial Class (a)	142,558	3,737,872
VIP Growth Portfolio Initial Class (a)	30,993	3,174,616
VIP Mid Cap Portfolio Initial Class (a)	22,120	910,684
VIP Value Portfolio Initial Class (a)	131,695	2,407,382
VIP Value Strategies Portfolio Initial Class (a)	71,915	1,179,399
TOTAL DOMESTIC EQUITY FUNDS (Cost $6,752,577)		**17,797,615**

International Equity Funds – 22.1%

VIP Emerging Markets Portfolio Initial Class (a)	670,238	8,431,594
VIP Overseas Portfolio Initial Class (a)	402,910	11,797,215
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $12,122,375)		**20,228,809**

Bond Funds – 49.2%

Fidelity Inflation-Protected Bond Index Fund (a)	946,325	10,560,985
Fidelity International Bond Index Fund (a)	166,332	1,659,989
Fidelity Long-Term Treasury Bond Index Fund (a)	184,227	2,717,346
VIP High Income Portfolio Initial Class (a)	347,052	1,822,024
VIP Investment Grade Bond Portfolio Initial Class (a)	2,105,951	28,114,446
TOTAL BOND FUNDS (Cost $42,085,904)		**44,874,790**

Short-Term Funds – 9.2%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b) (Cost $8,384,578)	8,384,578	**8,384,578**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $69,345,434)		**91,285,792**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(9,227)**
NET ASSETS – 100%		**$91,276,565**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 8,304,718	$ 5,462,128	$ 3,248,328	$ 447,675	$ 20,422	$ 22,045	$10,560,985
Fidelity International Bond Index Fund	—	1,744,615	76,135	2,791	(326)	(8,165)	1,659,989
Fidelity Long-Term Treasury Bond Index Fund	2,282,752	1,933,281	1,348,139	73,130	(59,892)	(90,656)	2,717,346
VIP Contrafund Portfolio Initial Class	3,601,690	1,258,284	2,191,140	408,834	618,493	(183,240)	3,104,087
VIP Emerging Markets Portfolio Initial Class	10,582,173	4,392,845	5,310,838	1,219,310	558,525	(1,791,111)	8,431,594
VIP Equity-Income Portfolio Initial Class	3,801,195	1,488,679	2,372,617	449,791	264,164	102,154	3,283,575
VIP Government Money Market Portfolio Initial Class 0.01%	12,022,658	3,274,117	6,912,197	1,091	—	—	8,384,578
VIP Growth & Income Portfolio Initial Class	4,329,594	1,477,172	2,757,148	285,467	605,500	82,754	3,737,872
VIP Growth Portfolio Initial Class	3,669,953	1,586,574	2,103,278	718,008	626,419	(605,052)	3,174,616
VIP High Income Portfolio Initial Class	1,980,531	584,729	725,913	98,948	4,133	(21,456)	1,822,024
VIP Investment Grade Bond Portfolio Initial Class	31,821,686	10,656,641	12,778,345	1,381,104	(142,238)	(1,443,298)	28,114,446
VIP Mid Cap Portfolio Initial Class	1,049,803	383,036	609,579	145,990	136,513	(49,089)	910,684
VIP Overseas Portfolio Initial Class	11,481,288	5,365,188	6,195,861	944,328	608,049	538,551	11,797,215
VIP Value Portfolio Initial Class	2,780,278	1,026,749	1,822,379	303,978	444,280	(21,546)	2,407,382
VIP Value Strategies Portfolio Initial Class	1,360,234	454,822	908,601	116,600	242,041	30,903	1,179,399
	$99,068,553	$41,088,860	$49,360,498	$6,597,045	$3,926,083	$ (3,437,206)	$91,285,792

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$17,797,615	$17,797,615	$ —	$ —
International Equity Funds	20,228,809	20,228,809	—	—
Bond Funds	44,874,790	44,874,790	—	—
Short-Term Funds	8,384,578	8,384,578	—	—
Total Investments in Securities:	$91,285,792	$91,285,792	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $69,345,434)	$ 91,285,792	
Total Investment in Securities (cost $69,345,434)		$ 91,285,792
Cash		439
Receivable for investments sold		1,513,347
Receivable for fund shares sold		17,869
Total assets		92,817,447
Liabilities		
Payable for investments purchased	$ 1,377,349	
Payable for fund shares redeemed	154,126	
Distribution and service plan fees payable	9,407	
Total liabilities		1,540,882
Net Assets		$ 91,276,565
Net Assets consist of:		
Paid in capital		$ 61,165,193
Total accumulated earnings (loss)		30,111,372
Net Assets		$ 91,276,565
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($33,324,664 ÷ 2,311,051 shares)		$ 14.42
Service Class:		
Net Asset Value, offering price and redemption price per share ($20,808,463 ÷ 1,446,684 shares)		$ 14.38
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($37,143,438 ÷ 2,591,740 shares)		$ 14.33

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 1,669,196
Expenses		
Distribution and service plan fees	$ 116,796	
Independent trustees' fees and expenses	287	
Total expenses		117,083
Net investment income (loss)		1,552,113
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	3,926,083	
Capital gain distributions from underlying funds:		
Affiliated issuers	4,927,849	
Total net realized gain (loss)		8,853,932
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	(3,437,206)	
Total change in net unrealized appreciation (depreciation)		(3,437,206)
Net gain (loss)		5,416,726
Net increase (decrease) in net assets resulting from operations		$ 6,968,839

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 1,552,113	$ 1,079,978
Net realized gain (loss)	8,853,932	3,398,937
Change in net unrealized appreciation (depreciation)	(3,437,206)	7,018,007
Net increase (decrease) in net assets resulting from operations	6,968,839	11,496,922
Distributions to shareholders	(4,911,196)	(5,646,407)
Share transactions – net increase (decrease)	(9,839,978)	(733,588)
Total increase (decrease) in net assets	(7,782,335)	5,116,927
Net Assets		
Beginning of period	99,058,900	93,941,973
End of period	$ 91,276,565	$ 99,058,900

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2015 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.12	$ 13.20	$ 12.26	$ 13.68	$ 12.39
Income from Investment Operations					
Net investment income (loss) [A]	.25	.17	.28	.20	.20
Net realized and unrealized gain (loss)	.81	1.57	1.86	(.87)	1.64
Total from investment operations	1.06	1.74	2.14	(.67)	1.84
Distributions from net investment income	(.16)	(.17)	(.27)	(.22)	(.21)
Distributions from net realized gain	(.60)	(.65)	(.94)	(.53)	(.34)
Total distributions	(.76)	(.82)	(1.20)[B]	(.75)	(.55)
Net asset value, end of period	$ 14.42	$ 14.12	$ 13.20	$ 12.26	$ 13.68
Total Return [C,D]	7.69%	13.76%	18.35%	(5.07)%	15.10%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.75%	1.33%	2.22%	1.52%	1.51%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 33,325	$ 35,010	$ 32,215	$ 29,361	$ 33,249
Portfolio turnover rate [H]	43%	58%	39%	33%	27%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2015 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.08	$ 13.17	$ 12.24	$ 13.65	$ 12.37
Income from Investment Operations					
Net investment income (loss) [A]	.24	.16	.27	.19	.18
Net realized and unrealized gain (loss)	.80	1.56	1.85	(.86)	1.64
Total from investment operations	1.04	1.72	2.12	(.67)	1.82
Distributions from net investment income	(.14)	(.16)	(.26)	(.20)	(.19)
Distributions from net realized gain	(.60)	(.65)	(.94)	(.53)	(.34)
Total distributions	(.74)	(.81)	(1.19)[B]	(.74)[B]	(.54)[B]
Net asset value, end of period	$ 14.38	$ 14.08	$ 13.17	$ 12.24	$ 13.65
Total Return [C,D]	7.59%	13.62%	18.21%	(5.11)%	14.93%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.65%	1.23%	2.12%	1.42%	1.41%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 20,808	$ 27,209	$ 22,763	$ 11,777	$ 17,058
Portfolio turnover rate [G]	43%	58%	39%	33%	27%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2015 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.04	$ 13.12	$ 12.20	$ 13.61	$ 12.33
Income from Investment Operations					
Net investment income (loss) [A]	.21	.14	.25	.17	.16
Net realized and unrealized gain (loss)	.80	1.57	1.84	(.86)	1.63
Total from investment operations	1.01	1.71	2.09	(.69)	1.79
Distributions from net investment income	(.12)	(.14)	(.23)	(.18)	(.17)
Distributions from net realized gain	(.60)	(.65)	(.94)	(.53)	(.34)
Total distributions	(.72)	(.79)	(1.17)	(.72)[B]	(.51)
Net asset value, end of period	$ 14.33	$ 14.04	$ 13.12	$ 12.20	$ 13.61
Total Return [C,D]	7.39%	13.56%	17.97%	(5.28)%	14.80%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.50%	1.08%	1.97%	1.27%	1.26%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 37,143	$ 36,840	$ 38,963	$ 35,222	$ 49,688
Portfolio turnover rate [G]	43%	58%	39%	33%	27%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2020 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

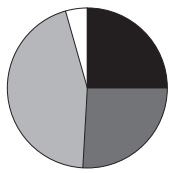
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	27.4
VIP Overseas Portfolio Initial Class	15.6
Fidelity Inflation-Protected Bond Index Fund	10.4
VIP Emerging Markets Portfolio Initial Class	10.3
VIP Growth & Income Portfolio Initial Class	5.2
VIP Equity-Income Portfolio Initial Class	4.6
VIP Growth Portfolio Initial Class	4.5
VIP Government Money Market Portfolio Initial Class 0.01%	4.4
VIP Contrafund Portfolio Initial Class	4.4
VIP Value Portfolio Initial Class	3.4
	90.2

Asset Allocation (% of fund's net assets)

Period end

Domestic Equity Funds	25.0%
International Equity Funds	25.9%
Bond Funds	44.7%
Short-Term Funds	4.4%



VIP Freedom 2020 Portfolio[SM]

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 25.0%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	609,562	$ 33,129,677
VIP Equity-Income Portfolio Initial Class (a)	1,340,132	35,044,442
VIP Growth & Income Portfolio Initial Class (a)	1,521,492	39,893,530
VIP Growth Portfolio Initial Class (a)	330,786	33,882,375
VIP Mid Cap Portfolio Initial Class (a)	236,079	9,719,372
VIP Value Portfolio Initial Class (a)	1,405,540	25,693,279
VIP Value Strategies Portfolio Initial Class (a)	767,507	12,587,111
TOTAL DOMESTIC EQUITY FUNDS (Cost $87,300,859)		**189,949,786**

International Equity Funds – 25.9%

VIP Emerging Markets Portfolio Initial Class (a)	6,217,737	78,219,127
VIP Overseas Portfolio Initial Class (a)	4,035,245	118,151,966
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $121,320,076)		**196,371,093**

Bond Funds – 44.7%

Fidelity Inflation-Protected Bond Index Fund (a)	7,069,730	78,898,191
Fidelity International Bond Index Fund (a)	1,489,423	14,864,445
Fidelity Long-Term Treasury Bond Index Fund (a)	1,542,086	22,745,767
VIP High Income Portfolio Initial Class (a)	2,885,742	15,150,144
VIP Investment Grade Bond Portfolio Initial Class (a)	15,553,064	207,633,401
TOTAL BOND FUNDS (Cost $323,222,466)		**339,291,948**

Short-Term Funds – 4.4%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b) (Cost $33,191,715)	33,191,715	**33,191,715**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $565,035,116)		**758,804,542**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(119,163)**
NET ASSETS – 100%		**$758,685,379**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 55,806,197	$ 36,110,416	$ 13,185,211	$ 3,302,430	$ 49,872	$ 116,917	$ 78,898,191
Fidelity International Bond Index Fund	—	15,378,359	439,596	24,684	(2,532)	(71,786)	14,864,445
Fidelity Long-Term Treasury Bond Index Fund	18,007,495	13,661,494	7,815,609	591,448	(366,740)	(740,873)	22,745,767
VIP Contrafund Portfolio Initial Class	35,651,655	8,315,430	15,348,094	4,222,074	5,218,542	(707,856)	33,129,677
VIP Emerging Markets Portfolio Initial Class	91,903,860	30,082,345	32,224,307	11,094,717	3,349,169	(14,891,940)	78,219,127
VIP Equity-Income Portfolio Initial Class	37,625,684	10,764,612	16,889,876	4,701,181	2,101,926	1,442,096	35,044,442
VIP Government Money Market Portfolio Initial Class 0.01%	64,685,797	10,021,219	41,515,301	5,628	—	—	33,191,715
VIP Growth & Income Portfolio Initial Class	42,856,034	9,947,044	19,738,307	2,951,985	4,590,607	2,238,152	39,893,530
VIP Growth Portfolio Initial Class	36,328,151	11,962,619	14,687,634	7,358,123	4,279,329	(4,000,090)	33,882,375
VIP High Income Portfolio Initial Class	15,623,512	3,037,308	3,359,391	817,007	(744)	(150,541)	15,150,144
VIP Investment Grade Bond Portfolio Initial Class	222,100,722	55,408,094	58,635,269	10,014,661	(460,132)	(10,780,014)	207,633,401
VIP Mid Cap Portfolio Initial Class	10,391,566	2,876,863	4,362,027	1,552,498	866,070	(53,100)	9,719,372
VIP Overseas Portfolio Initial Class	109,526,724	39,544,879	42,207,182	9,297,107	3,500,519	7,787,026	118,151,966
VIP Value Portfolio Initial Class	27,520,478	7,380,255	13,261,154	3,227,071	3,212,319	841,381	25,693,279
VIP Value Strategies Portfolio Initial Class	13,464,304	3,230,610	6,780,596	1,240,520	1,823,730	849,063	12,587,111
	$781,492,179	$257,721,547	$290,449,554	$60,401,134	$28,161,935	$ (18,121,565)	$758,804,542

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$189,949,786	$189,949,786	$ —	$ —
International Equity Funds	196,371,093	196,371,093	—	—
Bond Funds	339,291,948	339,291,948	—	—
Short-Term Funds	33,191,715	33,191,715	—	—
Total Investments in Securities:	$758,804,542	$758,804,542	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $565,035,116)	$ 758,804,542	
Total Investment in Securities (cost $565,035,116)		$ 758,804,542
Cash		220
Receivable for investments sold		14,364,407
Receivable for fund shares sold		101,340
Total assets		773,270,509
Liabilities		
Payable for investments purchased	$ 13,459,713	
Payable for fund shares redeemed	1,006,229	
Distribution and service plan fees payable	119,188	
Total liabilities		14,585,130
Net Assets		$ 758,685,379
Net Assets consist of:		
Paid in capital		$ 495,378,489
Total accumulated earnings (loss)		263,306,890
Net Assets		$ 758,685,379
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($82,875,271 ÷ 5,373,784 shares)		$ 15.42
Service Class:		
Net Asset Value, offering price and redemption price per share ($167,096,940 ÷ 10,874,363 shares)		$ 15.37
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($508,713,168 ÷ 33,234,669 shares)		$ 15.31

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 13,629,234
Expenses		
Distribution and service plan fees	$ 1,473,687	
Independent trustees' fees and expenses	2,312	
Total expenses before reductions	1,475,999	
Expense reductions	(2)	
Total expenses after reductions		1,475,997
Net investment income (loss)		12,153,237
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	28,161,935	
Capital gain distributions from underlying funds:		
Affiliated issuers	46,771,900	
Total net realized gain (loss)		74,933,835
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	(18,121,565)	
Total change in net unrealized appreciation (depreciation)		(18,121,565)
Net gain (loss)		56,812,270
Net increase (decrease) in net assets resulting from operations		$ 68,965,507

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 12,153,237	$ 7,914,451
Net realized gain (loss)	74,933,835	34,794,089
Change in net unrealized appreciation (depreciation)	(18,121,565)	58,672,361
Net increase (decrease) in net assets resulting from operations	68,965,507	101,380,901
Distributions to shareholders	(48,417,894)	(51,135,890)
Share transactions – net increase (decrease)	(43,232,044)	(22,496,103)
Total increase (decrease) in net assets	(22,684,431)	27,748,908
Net Assets		
Beginning of period	781,369,810	753,620,902
End of period	$ 758,685,379	$ 781,369,810

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2020 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 15.03	$ 14.01	$ 12.58	$ 14.03	$ 12.56
Income from Investment Operations					
Net investment income (loss) [A]	.27	.17	.28	.21	.21
Net realized and unrealized gain (loss)	1.11	1.84	2.16	(1.01)	1.84
Total from investment operations	1.38	2.01	2.44	(.80)	2.05
Distributions from net investment income	(.17)	(.18)	(.28)	(.21)	(.21)
Distributions from net realized gain	(.81)	(.80)	(.73)	(.44)	(.37)
Total distributions	(.99) [B]	(.99) [B]	(1.01)	(.65)	(.58)
Net asset value, end of period	$ 15.42	$ 15.03	$ 14.01	$ 12.58	$ 14.03
Total Return [C,D]	9.47%	15.06%	20.13%	(5.86)%	16.62%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—% [G]	—% [G]	—% [G]	—% [G]	—%
Expenses net of all reductions	—% [G]	—% [G]	—% [G]	—% [G]	—%
Net investment income (loss)	1.77%	1.27%	2.08%	1.50%	1.54%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 82,875	$ 80,503	$ 74,801	$ 63,490	$ 75,021
Portfolio turnover rate [H]	34%	40%	31%	28%	21%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2020 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.97	$ 13.96	$ 12.54	$ 13.99	$ 12.53
Income from Investment Operations					
Net investment income (loss) [A]	.25	.16	.26	.19	.19
Net realized and unrealized gain (loss)	1.12	1.82	2.16	(1.00)	1.84
Total from investment operations	1.37	1.98	2.42	(.81)	2.03
Distributions from net investment income	(.16)	(.17)	(.27)	(.20)	(.20)
Distributions from net realized gain	(.81)	(.80)	(.73)	(.44)	(.37)
Total distributions	(.97)	(.97)	(1.00)	(.64)	(.57)
Net asset value, end of period	$ 15.37	$ 14.97	$ 13.96	$ 12.54	$ 13.99
Total Return [B,C]	9.47%	14.92%	20.01%	(5.98)%	16.47%
Ratios to Average Net Assets [D,E]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.67%	1.17%	1.98%	1.40%	1.44%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 167,097	$ 178,229	$ 171,842	$ 132,086	$ 140,686
Portfolio turnover rate [F]	34%	40%	31%	28%	21%

A *Calculated based on average shares outstanding during the period.*
B *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
C *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
D *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
E *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
F *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2020 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 14.92	$ 13.92	$ 12.50	$ 13.94	$ 12.49
Income from Investment Operations					
Net investment income (loss) [A]	.23	.14	.24	.17	.17
Net realized and unrealized gain (loss)	1.11	1.81	2.16	(.99)	1.83
Total from investment operations	1.34	1.95	2.40	(.82)	2.00
Distributions from net investment income	(.13)	(.14)	(.25)	(.18)	(.17)
Distributions from net realized gain	(.81)	(.80)	(.73)	(.44)	(.37)
Total distributions	(.95) [B]	(.95) [B]	(.98)	(.62)	(.55) [B]
Net asset value, end of period	$ 15.31	$ 14.92	$ 13.92	$ 12.50	$ 13.94
Total Return [C,D]	9.26%	14.72%	19.88%	(6.08)%	16.26%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.51%	1.02%	1.83%	1.25%	1.29%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 508,713	$ 522,637	$ 506,978	$ 464,178	$ 556,429
Portfolio turnover rate [G]	34%	40%	31%	28%	21%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	24.8
VIP Overseas Portfolio Initial Class	17.4
VIP Emerging Markets Portfolio Initial Class	11.1
Fidelity Inflation-Protected Bond Index Fund	8.5
VIP Growth & Income Portfolio Initial Class	6.1
VIP Equity-Income Portfolio Initial Class	5.3
VIP Growth Portfolio Initial Class	5.2
VIP Contrafund Portfolio Initial Class	5.1
VIP Value Portfolio Initial Class	3.9
Fidelity Long-Term Treasury Bond Index Fund	3.4
	90.8

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2025 Portfolio[SM]

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 29.0%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	362,067	$ 19,678,366
VIP Equity-Income Portfolio Initial Class (a)	796,003	20,815,467
VIP Growth & Income Portfolio Initial Class (a)	903,734	23,695,903
VIP Growth Portfolio Initial Class (a)	196,480	20,125,466
VIP Mid Cap Portfolio Initial Class (a)	140,224	5,773,032
VIP Value Portfolio Initial Class (a)	834,855	15,261,149
VIP Value Strategies Portfolio Initial Class (a)	455,876	7,476,361
TOTAL DOMESTIC EQUITY FUNDS (Cost $70,976,893)		**112,825,744**

International Equity Funds – 28.5%

VIP Emerging Markets Portfolio Initial Class (a)	3,428,707	43,133,138
VIP Overseas Portfolio Initial Class (a)	2,321,491	67,973,251
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $84,344,867)		**111,106,389**

Bond Funds – 40.5%

Fidelity Inflation-Protected Bond Index Fund (a)	2,952,099	32,945,426
Fidelity International Bond Index Fund (a)	710,535	7,091,139
Fidelity Long-Term Treasury Bond Index Fund (a)	906,720	13,374,126
VIP High Income Portfolio Initial Class (a)	1,482,560	7,783,442
VIP Investment Grade Bond Portfolio Initial Class (a)	7,239,003	96,640,695
TOTAL BOND FUNDS (Cost $154,453,009)		**157,834,828**

Short-Term Funds – 2.0%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b) (Cost $7,981,124)	7,981,124	**7,981,124**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $317,755,893)		**389,748,085**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(39,867)**
NET ASSETS – 100%		**$389,708,218**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 20,013,026	$ 17,202,749	$ 4,344,021	$ 1,395,754	$ (6,411)	$ 80,083	$ 32,945,426
Fidelity International Bond Index Fund	—	7,395,104	269,262	11,477	(1,797)	(32,906)	7,091,139
Fidelity Long-Term Treasury Bond Index Fund	7,273,757	9,767,685	3,274,521	288,509	(160,801)	(231,994)	13,374,126
VIP Contrafund Portfolio Initial Class	16,550,098	7,681,812	6,945,485	2,304,676	387,445	2,004,496	19,678,366
VIP Emerging Markets Portfolio Initial Class	39,644,903	22,728,597	12,771,519	5,679,488	44,318	(6,513,161)	43,133,138
VIP Equity-Income Portfolio Initial Class	17,466,263	9,106,595	7,428,425	2,619,203	76,157	1,594,877	20,815,467
VIP Government Money Market Portfolio Initial Class 0.01%	16,220,300	6,116,839	14,356,014	1,556	(1)	—	7,981,124
VIP Growth & Income Portfolio Initial Class	19,894,340	9,043,633	8,684,449	1,580,706	119,494	3,322,885	23,695,903
VIP Growth Portfolio Initial Class	16,864,291	9,666,629	6,616,761	3,824,855	267,838	(56,531)	20,125,466
VIP High Income Portfolio Initial Class	6,310,969	2,837,388	1,274,942	400,935	2,778	(92,751)	7,783,442
VIP Investment Grade Bond Portfolio Initial Class	81,694,180	40,911,547	21,333,681	4,330,342	(169,283)	(4,462,068)	96,640,695
VIP Mid Cap Portfolio Initial Class	4,823,974	2,539,258	1,895,892	913,509	49,133	256,559	5,773,032
VIP Overseas Portfolio Initial Class	49,891,258	30,365,212	18,090,493	4,947,551	174,328	5,632,946	67,973,251
VIP Value Portfolio Initial Class	12,775,403	6,527,634	5,876,878	1,891,799	323,602	1,511,388	15,261,149
VIP Value Strategies Portfolio Initial Class	6,250,350	2,973,118	3,017,306	728,838	174,468	1,095,731	7,476,361
	$315,673,112	$184,863,800	$116,179,649	$30,919,198	$1,281,268	$ 4,109,554	$389,748,085

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$112,825,744	$112,825,744	$ —	$ —
International Equity Funds	111,106,389	111,106,389	—	—
Bond Funds	157,834,828	157,834,828	—	—
Short-Term Funds	7,981,124	7,981,124	—	—
Total Investments in Securities:	$389,748,085	$389,748,085	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $317,755,893)	$ 389,748,085	
Total Investment in Securities (cost $317,755,893)		$ 389,748,085
Cash		4,108
Receivable for investments sold		7,607,362
Receivable for fund shares sold		176,714
Total assets		397,536,269
Liabilities		
Payable for investments purchased	$ 6,697,069	
Payable for fund shares redeemed	1,087,722	
Distribution and service plan fees payable	43,260	
Total liabilities		7,828,051
Net Assets		$ 389,708,218
Net Assets consist of:		
Paid in capital		$ 295,999,801
Total accumulated earnings (loss)		93,708,417
Net Assets		$ 389,708,218
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($59,714,957 ÷ 3,351,477 shares)		$ 17.82
Service Class:		
Net Asset Value, offering price and redemption price per share ($199,247,593 ÷ 11,218,702 shares)		$ 17.76
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($130,745,668 ÷ 7,406,386 shares)		$ 17.65

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 6,556,702
Expenses		
Distribution and service plan fees	$ 483,480	
Independent trustees' fees and expenses	1,052	
Total expenses before reductions	484,532	
Expense reductions	(2)	
Total expenses after reductions		484,530
Net investment income (loss)		6,072,172
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	1,281,268	
Capital gain distributions from underlying funds:		
Affiliated issuers	24,362,496	
Total net realized gain (loss)		25,643,764
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	4,109,554	
Total change in net unrealized appreciation (depreciation)		4,109,554
Net gain (loss)		29,753,318
Net increase (decrease) in net assets resulting from operations		$ 35,825,490

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 6,072,172	$ 3,113,213
Net realized gain (loss)	25,643,764	7,926,475
Change in net unrealized appreciation (depreciation)	4,109,554	30,838,532
Net increase (decrease) in net assets resulting from operations	35,825,490	41,878,220
Distributions to shareholders	(15,855,305)	(14,133,069)
Share transactions – net increase (decrease)	54,096,423	46,411,025
Total increase (decrease) in net assets	74,066,608	74,156,176
Net Assets		
Beginning of period	315,641,610	241,485,434
End of period	$ 389,708,218	$ 315,641,610

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2025 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 16.84	$ 15.34	$ 13.21	$ 14.64	$ 12.95
Income from Investment Operations					
Net investment income (loss) [A]	.32	.20	.30	.23	.22
Net realized and unrealized gain (loss)	1.47	2.16	2.53	(1.17)	2.06
Total from investment operations	1.79	2.36	2.83	(.94)	2.28
Distributions from net investment income	(.19)	(.19)	(.30)	(.21)	(.21)
Distributions from net realized gain	(.62)	(.67)	(.41)	(.28)	(.38)
Total distributions	(.81)	(.86)	(.70)[B]	(.49)	(.59)
Net asset value, end of period	$ 17.82	$ 16.84	$ 15.34	$ 13.21	$ 14.64
Total Return [C,D]	10.83%	15.95%	21.86%	(6.52)%	17.89%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.82%	1.33%	2.04%	1.57%	1.58%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 59,715	$ 55,624	$ 47,253	$ 38,096	$ 37,773
Portfolio turnover rate [H]	32%	61%	51%	32%	29%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2025 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 16.79	$ 15.30	$ 13.18	$ 14.61	$ 12.92
Income from Investment Operations					
Net investment income (loss) [A]	.30	.18	.28	.21	.21
Net realized and unrealized gain (loss)	1.46	2.15	2.53	(1.16)	2.06
Total from investment operations	1.76	2.33	2.81	(.95)	2.27
Distributions from net investment income	(.17)	(.18)	(.28)	(.19)	(.20)
Distributions from net realized gain	(.62)	(.67)	(.41)	(.28)	(.38)
Total distributions	(.79)	(.84)[B]	(.69)	(.48)[B]	(.58)
Net asset value, end of period	$ 17.76	$ 16.79	$ 15.30	$ 13.18	$ 14.61
Total Return [C,D]	10.71%	15.83%	21.70%	(6.61)%	17.84%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.72%	1.23%	1.94%	1.47%	1.48%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 199,248	$ 147,904	$ 96,430	$ 79,033	$ 69,430
Portfolio turnover rate [G]	32%	61%	51%	32%	29%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2025 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 16.69	$ 15.21	$ 13.11	$ 14.54	$ 12.87
Income from Investment Operations					
Net investment income (loss) [A]	.27	.16	.26	.19	.18
Net realized and unrealized gain (loss)	1.46	2.14	2.51	(1.16)	2.04
Total from investment operations	1.73	2.30	2.77	(.97)	2.22
Distributions from net investment income	(.15)	(.15)	(.26)	(.18)	(.18)
Distributions from net realized gain	(.62)	(.67)	(.41)	(.28)	(.38)
Total distributions	(.77)	(.82)	(.67)	(.46)	(.55) [B]
Net asset value, end of period	$ 17.65	$ 16.69	$ 15.21	$ 13.11	$ 14.54
Total Return [C,D]	10.55%	15.68%	21.51%	(6.78)%	17.57%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.57%	1.08%	1.79%	1.32%	1.33%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 130,746	$ 112,114	$ 97,802	$ 69,234	$ 63,568
Portfolio turnover rate [G]	32%	61%	51%	32%	29%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2030 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

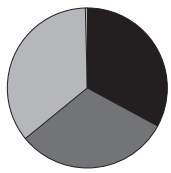
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Investment Grade Bond Portfolio Initial Class	22.1
VIP Overseas Portfolio Initial Class	19.3
VIP Emerging Markets Portfolio Initial Class	11.9
VIP Growth & Income Portfolio Initial Class	6.9
Fidelity Inflation-Protected Bond Index Fund	6.2
VIP Equity-Income Portfolio Initial Class	6.1
VIP Growth Portfolio Initial Class	5.9
VIP Contrafund Portfolio Initial Class	5.7
VIP Value Portfolio Initial Class	4.4
Fidelity Long-Term Treasury Bond Index Fund	3.6
	92.1

Asset Allocation (% of fund's net assets)

Period end

Domestic Equity Funds	32.9%
International Equity Funds	31.2%
Bond Funds	35.5%
Short-Term Funds	0.4%



VIP Freedom 2030 Portfolio[SM]

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 32.9%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	713,338	$ 38,769,905
VIP Equity-Income Portfolio Initial Class (a)	1,568,231	41,009,253
VIP Growth & Income Portfolio Initial Class (a)	1,780,512	46,685,013
VIP Growth Portfolio Initial Class (a)	387,101	39,650,760
VIP Mid Cap Portfolio Initial Class (a)	276,257	11,373,487
VIP Value Portfolio Initial Class (a)	1,644,780	30,066,582
VIP Value Strategies Portfolio Initial Class (a)	898,132	14,729,371
TOTAL DOMESTIC EQUITY FUNDS		
(Cost $136,279,326)		**222,284,371**

International Equity Funds – 31.2%

VIP Emerging Markets Portfolio Initial Class (a)	6,359,582	80,003,541
VIP Overseas Portfolio Initial Class (a)	4,460,113	130,592,101
TOTAL INTERNATIONAL EQUITY FUNDS		
(Cost $157,382,166)		**210,595,642**

Bond Funds – 35.5%

Fidelity Inflation-Protected Bond Index Fund (a)	3,771,227	42,086,896
Fidelity International Bond Index Fund (a)	1,063,229	10,611,029
Fidelity Long-Term Treasury Bond Index Fund (a)	1,669,764	24,629,023
VIP High Income Portfolio Initial Class (a)	2,571,744	13,501,658
VIP Investment Grade Bond Portfolio Initial Class (a)	11,187,881	149,358,215
TOTAL BOND FUNDS		
(Cost $235,521,248)		**240,186,821**

Short-Term Funds – 0.4%

VIP Government Money Market Portfolio Initial Class 0.01% (a) (b)		
(Cost $2,836,451)	2,836,451	**2,836,451**
TOTAL INVESTMENT IN SECURITIES – 100.0%		
(Cost $532,019,191)		**675,903,285**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(71,370)**
NET ASSETS – 100%		**$675,831,915**

Legend

(a) Affiliated Fund

(b) The rate quoted is the annualized seven-day yield of the fund at period end.

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$—	$405,132	$405,132	$—	$—	$—	$—	0.0%
Total	$—	$405,132	$405,132	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 29,783,413	$ 16,701,209	$ 4,701,424	$ 1,822,053	$ (285)	$ 303,983	$ 42,086,896
Fidelity International Bond Index Fund	—	10,895,042	233,173	16,992	(1,725)	(49,115)	10,611,029
Fidelity Long-Term Treasury Bond Index Fund	12,279,798	17,826,689	4,820,912	499,538	(241,535)	(415,017)	24,629,023
VIP Contrafund Portfolio Initial Class	32,382,026	13,679,194	11,884,928	4,510,129	638,108	3,955,505	38,769,905
VIP Emerging Markets Portfolio Initial Class	72,038,898	39,394,815	19,468,895	10,496,309	48,721	(12,009,998)	80,003,541
VIP Equity-Income Portfolio Initial Class	34,174,104	16,740,829	13,067,903	5,144,411	108,152	3,054,071	41,009,253
VIP Government Money Market Portfolio Initial Class 0.01%	5,966,821	6,934,171	10,064,541	658	—	—	2,836,451
VIP Growth & Income Portfolio Initial Class	38,924,885	16,522,112	15,380,388	3,106,958	314,361	6,304,043	46,685,013
VIP Growth Portfolio Initial Class	32,997,132	17,614,764	11,268,980	7,534,971	363,693	(55,849)	39,650,760
VIP High Income Portfolio Initial Class	10,654,461	4,662,698	1,650,509	691,600	2,794	(167,786)	13,501,658
VIP Investment Grade Bond Portfolio Initial Class	121,178,845	62,942,519	27,713,725	6,638,992	(333,338)	(6,716,086)	149,358,215
VIP Mid Cap Portfolio Initial Class	9,438,577	4,689,208	3,332,539	1,793,887	177,665	400,576	11,373,487
VIP Overseas Portfolio Initial Class	95,883,493	53,141,054	29,272,727	9,509,626	125,856	10,714,425	130,592,101
VIP Value Portfolio Initial Class	24,996,194	11,997,492	10,428,270	3,714,252	553,526	2,947,640	30,066,582
VIP Value Strategies Portfolio Initial Class	12,229,273	5,438,734	5,388,676	1,430,362	315,275	2,134,765	14,729,371
	$532,927,920	$299,180,530	$168,677,590	$56,910,738	$2,071,268	$ 10,401,157	$675,903,285

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$222,284,371	$222,284,371	$ —	$ —
International Equity Funds	210,595,642	210,595,642	—	—
Bond Funds	240,186,821	240,186,821	—	—
Short-Term Funds	2,836,451	2,836,451	—	—
Total Investments in Securities:	$675,903,285	$675,903,285	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $532,019,191)	$ 675,903,285	
Total Investment in Securities (cost $532,019,191)		$ 675,903,285
Cash		3,075
Receivable for investments sold		10,941,618
Receivable for fund shares sold		278,874
Total assets		687,126,852
Liabilities		
Payable for investments purchased	$ 9,844,163	
Payable for fund shares redeemed	1,376,755	
Distribution and service plan fees payable	74,019	
Total liabilities		11,294,937
Net Assets		$ 675,831,915
Net Assets consist of:		
Paid in capital		$ 492,943,266
Total accumulated earnings (loss)		182,888,649
Net Assets		$ 675,831,915
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($138,193,411 ÷ 7,708,334 shares)		$ 17.93
Service Class:		
Net Asset Value, offering price and redemption price per share ($294,595,047 ÷ 16,478,337 shares)		$ 17.88
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($243,043,457 ÷ 13,649,337 shares)		$ 17.81

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 10,860,851
Expenses		
Distribution and service plan fees	$ 816,885	
Independent trustees' fees and expenses	1,784	
Total expenses before reductions	818,669	
Expense reductions	(1)	
Total expenses after reductions		818,668
Net investment income (loss)		10,042,183
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	2,071,268	
Capital gain distributions from underlying funds:		
Affiliated issuers	46,049,887	
Total net realized gain (loss)		48,121,155
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	10,401,157	
Total change in net unrealized appreciation (depreciation)		10,401,157
Net gain (loss)		58,522,312
Net increase (decrease) in net assets resulting from operations		$ 68,564,495

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 10,042,183	$ 5,221,413
Net realized gain (loss)	48,121,155	16,784,674
Change in net unrealized appreciation (depreciation)	10,401,157	51,832,228
Net increase (decrease) in net assets resulting from operations	68,564,495	73,838,315
Distributions to shareholders	(31,178,354)	(26,551,803)
Share transactions – net increase (decrease)	105,572,827	50,646,251
Total increase (decrease) in net assets	142,958,968	97,932,763
Net Assets		
Beginning of period	532,872,947	434,940,184
End of period	$ 675,831,915	$ 532,872,947

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2030 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 16.83	$ 15.28	$ 12.98	$ 14.67	$ 12.75
Income from Investment Operations					
Net investment income (loss) [A]	.31	.19	.30	.20	.20
Net realized and unrealized gain (loss)	1.72	2.28	2.80	(1.32)	2.41
Total from investment operations	2.03	2.47	3.10	(1.12)	2.61
Distributions from net investment income	(.19)	(.19)	(.29)	(.20)	(.20)
Distributions from net realized gain	(.74)	(.74)	(.51)	(.37)	(.49)
Total distributions	(.93)	(.92) [B]	(.80)	(.57)	(.69)
Net asset value, end of period	$ 17.93	$ 16.83	$ 15.28	$ 12.98	$ 14.67
Total Return [C,D]	12.37%	16.89%	24.43%	(7.78)%	20.96%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—% [G]	—% [G]	—% [G]	—% [G]	—%
Expenses net of all reductions	—% [G]	—% [G]	—% [G]	—% [G]	—%
Net investment income (loss)	1.77%	1.31%	2.09%	1.42%	1.48%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 138,193	$ 113,727	$ 93,564	$ 71,004	$ 74,247
Portfolio turnover rate [H]	28%	46%	30%	29%	26%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount represents less than .005%.*

H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2030 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 16.79	$ 15.25	$ 12.95	$ 14.64	$ 12.73
Income from Investment Operations					
Net investment income (loss) [A]	.29	.18	.29	.19	.19
Net realized and unrealized gain (loss)	1.72	2.27	2.79	(1.32)	2.40
Total from investment operations	2.01	2.45	3.08	(1.13)	2.59
Distributions from net investment income	(.18)	(.17)	(.28)	(.19)	(.19)
Distributions from net realized gain	(.74)	(.74)	(.51)	(.37)	(.49)
Total distributions	(.92)	(.91)	(.78) [B]	(.56)	(.68)
Net asset value, end of period	$ 17.88	$ 16.79	$ 15.25	$ 12.95	$ 14.64
Total Return [C,D]	12.24%	16.76%	24.37%	(7.88)%	20.82%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.67%	1.21%	1.99%	1.32%	1.38%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 294,595	$ 225,149	$ 168,105	$ 121,155	$ 111,029
Portfolio turnover rate [G]	28%	46%	30%	29%	26%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2030 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 16.73	$ 15.19	$ 12.91	$ 14.60	$ 12.69
Income from Investment Operations					
Net investment income (loss) [A]	.27	.16	.26	.17	.17
Net realized and unrealized gain (loss)	1.70	2.26	2.78	(1.32)	2.40
Total from investment operations	1.97	2.42	3.04	(1.15)	2.57
Distributions from net investment income	(.15)	(.15)	(.26)	(.17)	(.16)
Distributions from net realized gain	(.74)	(.74)	(.51)	(.37)	(.49)
Total distributions	(.89)	(.88) [B]	(.76) [B]	(.54)	(.66) [B]
Net asset value, end of period	$ 17.81	$ 16.73	$ 15.19	$ 12.91	$ 14.60
Total Return [C,D]	12.07%	16.64%	24.11%	(8.05)%	20.69%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.52%	1.06%	1.84%	1.17%	1.23%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 243,043	$ 193,997	$ 173,271	$ 130,567	$ 144,577
Portfolio turnover rate [G]	28%	46%	30%	29%	26%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2035 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	23.5
VIP Emerging Markets Portfolio Initial Class	13.6
VIP Investment Grade Bond Portfolio Initial Class	12.1
VIP Growth & Income Portfolio Initial Class	8.8
VIP Equity-Income Portfolio Initial Class	7.8
VIP Growth Portfolio Initial Class	7.5
VIP Contrafund Portfolio Initial Class	7.3
VIP Value Portfolio Initial Class	5.7
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	2.8
	92.9

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2035 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 42.0%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	287,328	$ 15,616,284
VIP Equity-Income Portfolio Initial Class (a)	631,654	16,517,751
VIP Growth & Income Portfolio Initial Class (a)	717,174	18,804,297
VIP Growth Portfolio Initial Class (a)	155,922	15,971,085
VIP Mid Cap Portfolio Initial Class (a)	111,270	4,581,003
VIP Value Portfolio Initial Class (a)	662,492	12,110,363
VIP Value Strategies Portfolio Initial Class (a)	361,748	5,932,671
TOTAL DOMESTIC EQUITY FUNDS (Cost $67,469,691)		**89,533,454**

International Equity Funds – 37.1%

VIP Emerging Markets Portfolio Initial Class (a)	2,304,233	28,987,255
VIP Overseas Portfolio Initial Class (a)	1,704,758	49,915,329
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $64,668,835)		**78,902,584**

Bond Funds – 20.9%

Fidelity Inflation-Protected Bond Index Fund (a)	427,636	4,772,420
Fidelity International Bond Index Fund (a)	279,712	2,791,522
Fidelity Long-Term Treasury Bond Index Fund (a)	546,789	8,065,134
VIP High Income Portfolio Initial Class (a)	608,143	3,192,751
VIP Investment Grade Bond Portfolio Initial Class (a)	1,925,220	25,701,690
TOTAL BOND FUNDS (Cost $44,207,439)		**44,523,517**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $176,345,965)		**212,959,555**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(29,715)**
NET ASSETS – 100%		**$212,929,840**

Legend

(a) Affiliated Fund

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$9	$—	$9	$—	$—	$—	$—	0.0%
Total	$9	$—	$9	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 3,137,030	$ 2,432,750	$ 830,125	$ 203,333	$ 448	$ 32,317	$ 4,772,420
Fidelity International Bond Index Fund	—	2,904,397	99,630	4,400	(582)	(12,663)	2,791,522
Fidelity Long-Term Treasury Bond Index Fund	3,608,584	6,586,573	1,947,307	155,914	(82,312)	(100,404)	8,065,134
VIP Contrafund Portfolio Initial Class	12,030,066	7,308,774	5,539,500	1,771,089	225,192	1,591,752	15,616,284
VIP Emerging Markets Portfolio Initial Class	24,093,645	17,185,144	7,912,681	3,704,604	(69,276)	(4,309,577)	28,987,255
VIP Equity-Income Portfolio Initial Class	12,695,397	8,203,481	5,611,358	2,019,649	55,768	1,174,463	16,517,751
VIP Government Money Market Portfolio Initial Class 0.01%	313,117	10,664	323,781	3	—	—	—
VIP Growth & Income Portfolio Initial Class	14,460,466	8,245,672	6,483,280	1,204,837	59,515	2,521,924	18,804,297
VIP Growth Portfolio Initial Class	12,258,848	8,741,526	5,212,519	2,896,440	143,197	40,033	15,971,085
VIP High Income Portfolio Initial Class	3,130,984	1,706,047	1,610,431	166,839	(22,995)	(10,854)	3,192,751
VIP Investment Grade Bond Portfolio Initial Class	18,783,979	15,711,262	7,657,950	1,109,567	(73,111)	(1,062,490)	25,701,690
VIP Mid Cap Portfolio Initial Class	3,506,419	2,311,300	1,440,594	717,454	10,269	193,609	4,581,003
VIP Overseas Portfolio Initial Class	34,747,453	24,177,714	13,242,785	3,553,109	72,351	4,160,596	49,915,329
VIP Value Portfolio Initial Class	9,286,069	5,973,672	4,476,914	1,479,839	73,998	1,253,538	12,110,363
VIP Value Strategies Portfolio Initial Class	4,543,120	2,685,410	2,233,079	571,417	62,192	875,028	5,932,671
	$156,595,177	$114,184,386	$64,621,934	$19,558,494	$ 454,654	$ 6,347,272	$212,959,555

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$ 89,533,454	$ 89,533,454	$ —	$ —
International Equity Funds	78,902,584	78,902,584	—	—
Bond Funds	44,523,517	44,523,517	—	—
Total Investments in Securities:	$212,959,555	$212,959,555	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $176,345,965)	212,959,555	
Total Investment in Securities (cost $176,345,965)		$ 212,959,555
Cash		9
Receivable for investments sold		2,746,142
Receivable for fund shares sold		89,837
Total assets		215,795,543
Liabilities		
Payable for investments purchased	$ 2,635,799	
Payable for fund shares redeemed	200,174	
Distribution and service plan fees payable	29,730	
Total liabilities		2,865,703
Net Assets		$ 212,929,840
Net Assets consist of:		
Paid in capital		$ 162,714,315
Total accumulated earnings (loss)		50,215,525
Net Assets		$ 212,929,840
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($17,426,395 ÷ 579,957 shares)		$ 30.05
Service Class:		
Net Asset Value, offering price and redemption price per share ($82,275,354 ÷ 2,745,779 shares)		$ 29.96
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($113,228,091 ÷ 3,801,815 shares)		$ 29.78

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 2,897,899
Expenses		
Distribution and service plan fees	$ 326,527	
Independent trustees' fees and expenses	547	
Total expenses		327,074
Net investment income (loss)		2,570,825
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	454,654	
Capital gain distributions from underlying funds:		
Affiliated issuers	16,660,595	
Total net realized gain (loss)		17,115,249
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	6,347,272	
Total change in net unrealized appreciation (depreciation)		6,347,272
Net gain (loss)		23,462,521
Net increase (decrease) in net assets resulting from operations		$ 26,033,346

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 2,570,825	$ 1,288,058
Net realized gain (loss)	17,115,249	4,159,434
Change in net unrealized appreciation (depreciation)	6,347,272	18,356,912
Net increase (decrease) in net assets resulting from operations	26,033,346	23,804,404
Distributions to shareholders	(8,795,165)	(6,485,254)
Share transactions – net increase (decrease)	39,118,407	24,454,816
Total increase (decrease) in net assets	56,356,588	41,773,966
Net Assets		
Beginning of period	156,573,252	114,799,286
End of period	$ 212,929,840	$ 156,573,252

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2035 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 27.34	$ 24.35	$ 20.07	$ 22.88	$ 19.39
Income from Investment Operations					
Net investment income (loss) [A]	.45	.28	.48	.29	.30
Net realized and unrealized gain (loss)	3.69	4.01	4.92	(2.39)	4.14
Total from investment operations	4.14	4.29	5.40	(2.10)	4.44
Distributions from net investment income	(.30)	(.27)	(.41)	(.26)	(.27)
Distributions from net realized gain	(1.13)	(1.04)	(.71)	(.45)	(.69)
Total distributions	(1.43)	(1.30)[B]	(1.12)	(.71)	(.95)[B]
Net asset value, end of period	$ 30.05	$ 27.34	$ 24.35	$ 20.07	$ 22.88
Total Return [C,D]	15.46%	18.28%	27.49%	(9.30)%	23.35%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.53%	1.20%	2.13%	1.30%	1.42%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 17,426	$ 17,852	$ 12,846	$ 7,977	$ 6,197
Portfolio turnover rate [H]	34%	55%	29%	27%	25%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2035 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 27.27	$ 24.30	$ 20.04	$ 22.84	$ 19.36
Income from Investment Operations					
Net investment income (loss) [A]	.42	.26	.46	.27	.28
Net realized and unrealized gain (loss)	3.67	3.99	4.90	(2.38)	4.13
Total from investment operations	4.09	4.25	5.36	(2.11)	4.41
Distributions from net investment income	(.27)	(.25)	(.39)	(.25)	(.25)
Distributions from net realized gain	(1.13)	(1.04)	(.71)	(.45)	(.69)
Total distributions	(1.40)	(1.28)[B]	(1.10)	(.69)[B]	(.93)[B]
Net asset value, end of period	$ 29.96	$ 27.27	$ 24.30	$ 20.04	$ 22.84
Total Return [C,D]	15.32%	18.15%	27.33%	(9.36)%	23.24%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.43%	1.10%	2.03%	1.20%	1.32%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 82,275	$ 51,598	$ 30,573	$ 12,303	$ 8,385
Portfolio turnover rate [G]	34%	55%	29%	27%	25%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2035 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 27.11	$ 24.17	$ 19.94	$ 22.73	$ 19.27
Income from Investment Operations					
Net investment income (loss) [A]	.37	.22	.42	.24	.25
Net realized and unrealized gain (loss)	3.66	3.97	4.88	(2.37)	4.11
Total from investment operations	4.03	4.19	5.30	(2.13)	4.36
Distributions from net investment income	(.23)	(.21)	(.36)	(.22)	(.22)
Distributions from net realized gain	(1.13)	(1.04)	(.71)	(.45)	(.69)
Total distributions	(1.36)	(1.25)	(1.07)	(.66)[B]	(.90)[B]
Net asset value, end of period	$ 29.78	$ 27.11	$ 24.17	$ 19.94	$ 22.73
Total Return [C,D]	15.18%	17.96%	27.13%	(9.50)%	23.07%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.28%	.95%	1.88%	1.05%	1.17%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 113,228	$ 87,124	$ 71,380	$ 45,013	$ 41,677
Portfolio turnover rate [G]	34%	55%	29%	27%	25%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2040 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	26.8
VIP Emerging Markets Portfolio Initial Class	15.0
VIP Growth & Income Portfolio Initial Class	10.3
VIP Equity-Income Portfolio Initial Class	9.0
VIP Growth Portfolio Initial Class	8.7
VIP Contrafund Portfolio Initial Class	8.6
VIP Value Portfolio Initial Class	6.6
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	3.3
VIP Mid Cap Portfolio Initial Class	2.5
	94.6

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2040 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 49.0%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	324,920	$ 17,659,408
VIP Equity-Income Portfolio Initial Class (a)	714,272	18,678,220
VIP Growth & Income Portfolio Initial Class (a)	810,986	21,264,053
VIP Growth Portfolio Initial Class (a)	176,323	18,060,762
VIP Mid Cap Portfolio Initial Class (a)	125,824	5,180,173
VIP Value Portfolio Initial Class (a)	749,143	13,694,335
VIP Value Strategies Portfolio Initial Class (a)	409,058	6,708,545
TOTAL DOMESTIC EQUITY FUNDS (Cost $75,342,101)		**101,245,496**

International Equity Funds – 41.8%

VIP Emerging Markets Portfolio Initial Class (a)	2,456,526	30,903,098
VIP Overseas Portfolio Initial Class (a)	1,888,575	55,297,478
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $69,841,242)		**86,200,576**

Bond Funds – 9.2%

Fidelity Inflation-Protected Bond Index Fund (a)	371,975	4,151,241
Fidelity International Bond Index Fund (a)	111,798	1,115,740
Fidelity Long-Term Treasury Bond Index Fund (a)	530,255	7,821,260
VIP High Income Portfolio Initial Class (a)	589,733	3,096,099
VIP Investment Grade Bond Portfolio Initial Class (a)	209,382	2,795,247
TOTAL BOND FUNDS (Cost $18,412,424)		**18,979,587**

Short-Term Funds – 0.0%

Fidelity Cash Central Fund 0.08% (b) (Cost $824)	824	**824**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $163,596,591)		**206,426,483**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(17,559)**
NET ASSETS – 100%		**$206,408,924**

Legend

(a) Affiliated Fund

(b) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$2,100	$—	$1,276	$—	$—	$—	$824	0.0%
Total	$2,100	$—	$1,276	$—	$—	$—	$824	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 3,015,724	$ 2,001,583	$ 906,440	$ 181,827	$ 456	$ 39,918	$ 4,151,241
Fidelity International Bond Index Fund	—	1,159,904	39,157	1,685	(281)	(4,726)	1,115,740
Fidelity Long-Term Treasury Bond Index Fund	3,469,059	6,308,943	1,785,959	150,275	(71,994)	(98,789)	7,821,260
VIP Contrafund Portfolio Initial Class	13,077,143	7,986,223	5,373,940	1,960,751	170,495	1,799,487	17,659,408
VIP Emerging Markets Portfolio Initial Class	24,925,471	18,207,270	7,583,648	3,903,908	(63,445)	(4,582,550)	30,903,098
VIP Equity-Income Portfolio Initial Class	13,799,404	8,899,207	5,310,564	2,253,850	924	1,289,249	18,678,220
VIP Government Money Market Portfolio Initial Class 0.01%	300,700	4,085	304,785	2	—	—	—
VIP Growth & Income Portfolio Initial Class	15,718,713	9,108,688	6,340,498	1,336,728	43,100	2,734,050	21,264,053
VIP Growth Portfolio Initial Class	13,326,401	9,551,909	5,000,055	3,194,504	98,367	84,140	18,060,762
VIP High Income Portfolio Initial Class	3,009,962	1,663,206	1,543,095	161,232	(28,631)	(5,343)	3,096,099
VIP Investment Grade Bond Portfolio Initial Class	3,689,937	2,574,989	3,315,685	150,103	(20,511)	(133,483)	2,795,247
VIP Mid Cap Portfolio Initial Class	3,811,563	2,490,662	1,320,915	806,529	12,242	186,621	5,180,173
VIP Overseas Portfolio Initial Class	37,375,927	25,659,754	12,259,516	3,881,558	28,927	4,492,386	55,297,478
VIP Value Portfolio Initial Class	10,094,146	6,538,445	4,325,866	1,664,104	46,128	1,341,482	13,694,335
VIP Value Strategies Portfolio Initial Class	4,938,425	2,917,594	2,145,954	642,706	31,776	966,704	6,708,545
	$150,552,575	$105,072,462	$57,556,077	$20,289,762	$ 247,553	$ 8,109,146	$206,425,659

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$101,245,496	$101,245,496	$ —	$ —
International Equity Funds	86,200,576	86,200,576	—	—
Bond Funds	18,979,587	18,979,587	—	—
Short-Term Funds	824	824	—	—
Total Investments in Securities:	$206,426,483	$206,426,483	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

	December 31, 2021
Assets	
Investment in securities, at value — See accompanying schedule:	
Fidelity Central Funds (cost $824)	$ 824
Other affiliated issuers (cost $163,595,767)	206,425,659
Total Investment in Securities (cost $163,596,591)	$ 206,426,483
Cash	456
Receivable for investments sold	2,561,213
Receivable for fund shares sold	120,559
Total assets	209,108,711
Liabilities	
Payable for investments purchased	$ 2,294,911
Payable for fund shares redeemed	386,863
Distribution and service plan fees payable	18,013
Total liabilities	2,699,787
Net Assets	$ 206,408,924
Net Assets consist of:	
Paid in capital	$ 149,175,463
Total accumulated earnings (loss)	57,233,461
Net Assets	$ 206,408,924
Net Asset Value and Maximum Offering Price	
Initial Class:	
Net Asset Value, offering price and redemption price per share ($45,822,058 ÷ 1,577,969 shares)	$ 29.04
Service Class:	
Net Asset Value, offering price and redemption price per share ($119,061,991 ÷ 4,109,786 shares)	$ 28.97
Service Class 2:	
Net Asset Value, offering price and redemption price per share ($41,524,875 ÷ 1,440,095 shares)	$ 28.83

Statement of Operations

	Year ended December 31, 2021
Investment Income	
Dividends:	
Affiliated issuers	$ 2,627,047
Expenses	
Distribution and service plan fees	$ 193,228
Independent trustees' fees and expenses	524
Total expenses	193,752
Net investment income (loss)	2,433,295
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investment securities:	
Affiliated issuers	247,553
Capital gain distributions from underlying funds:	
Affiliated issuers	17,662,715
Total net realized gain (loss)	17,910,268
Change in net unrealized appreciation (depreciation) on:	
Investment securities:	
Affiliated issuers	8,109,146
Total change in net unrealized appreciation (depreciation)	8,109,146
Net gain (loss)	26,019,414
Net increase (decrease) in net assets resulting from operations	$ 28,452,709

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 2,433,295	$ 1,152,699
Net realized gain (loss)	17,910,268	4,700,577
Change in net unrealized appreciation (depreciation)	8,109,146	18,310,837
Net increase (decrease) in net assets resulting from operations	28,452,709	24,164,113
Distributions to shareholders	(9,012,010)	(7,009,502)
Share transactions – net increase (decrease)	36,426,608	19,212,268
Total increase (decrease) in net assets	55,867,307	36,366,879
Net Assets		
Beginning of period	150,541,617	114,174,738
End of period	$ 206,408,924	$ 150,541,617

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2040 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 25.96	$ 23.08	$ 18.94	$ 21.76	$ 18.39
Income from Investment Operations					
Net investment income (loss) [A]	.41	.24	.40	.27	.28
Net realized and unrealized gain (loss)	4.11	4.02	4.88	(2.39)	3.98
Total from investment operations	4.52	4.26	5.28	(2.12)	4.26
Distributions from net investment income	(.26)	(.23)	(.39)	(.25)	(.25)
Distributions from net realized gain	(1.18)	(1.16)	(.75)	(.45)	(.64)
Total distributions	(1.44)	(1.38)[B]	(1.14)	(.70)	(.89)
Net asset value, end of period	$ 29.04	$ 25.96	$ 23.08	$ 18.94	$ 21.76
Total Return [C,D]	17.83%	19.28%	28.52%	(9.88)%	23.60%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.45%	1.07%	1.86%	1.26%	1.39%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 45,822	$ 34,365	$ 27,284	$ 19,652	$ 16,561
Portfolio turnover rate [H]	32%	49%	36%	39%	26%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2040 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 25.91	$ 23.04	$ 18.91	$ 21.72	$ 18.37
Income from Investment Operations					
Net investment income (loss) [A]	.38	.21	.37	.25	.26
Net realized and unrealized gain (loss)	4.10	4.02	4.88	(2.38)	3.96
Total from investment operations	4.48	4.23	5.25	(2.13)	4.22
Distributions from net investment income	(.24)	(.21)	(.37)	(.23)	(.23)
Distributions from net realized gain	(1.18)	(1.16)	(.75)	(.45)	(.64)
Total distributions	(1.42)	(1.36)[B]	(1.12)	(.68)	(.87)
Net asset value, end of period	$ 28.97	$ 25.91	$ 23.04	$ 18.91	$ 21.72
Total Return [C,D]	17.68%	19.16%	28.39%	(9.94)%	23.42%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.35%	.97%	1.76%	1.16%	1.29%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 119,062	$ 85,197	$ 63,170	$ 48,429	$ 45,492
Portfolio turnover rate [G]	32%	49%	36%	39%	26%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2040 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 25.80	$ 22.95	$ 18.84	$ 21.65	$ 18.30
Income from Investment Operations					
Net investment income (loss) [A]	.33	.18	.34	.22	.23
Net realized and unrealized gain (loss)	4.08	4.00	4.86	(2.38)	3.95
Total from investment operations	4.41	4.18	5.20	(2.16)	4.18
Distributions from net investment income	(.20)	(.17)	(.34)	(.20)	(.19)
Distributions from net realized gain	(1.18)	(1.15)	(.75)	(.45)	(.64)
Total distributions	(1.38)	(1.33)[B]	(1.09)	(.65)	(.83)
Net asset value, end of period	$ 28.83	$ 25.80	$ 22.95	$ 18.84	$ 21.65
Total Return [C,D]	17.50%	18.99%	28.23%	(10.12)%	23.30%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.20%	.82%	1.61%	1.01%	1.14%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 41,525	$ 30,980	$ 23,721	$ 15,391	$ 16,380
Portfolio turnover rate [G]	32%	49%	36%	39%	26%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2045 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	26.9
VIP Emerging Markets Portfolio Initial Class	15.0
VIP Growth & Income Portfolio Initial Class	10.3
VIP Equity-Income Portfolio Initial Class	9.1
VIP Growth Portfolio Initial Class	8.8
VIP Contrafund Portfolio Initial Class	8.6
VIP Value Portfolio Initial Class	6.7
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	3.3
VIP Mid Cap Portfolio Initial Class	2.5
	95.0

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2045 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 49.3%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	170,136	$ 9,246,885
VIP Equity-Income Portfolio Initial Class (a)	374,004	9,780,201
VIP Growth & Income Portfolio Initial Class (a)	424,647	11,134,256
VIP Growth Portfolio Initial Class (a)	92,327	9,457,011
VIP Mid Cap Portfolio Initial Class (a)	65,883	2,712,422
VIP Value Portfolio Initial Class (a)	392,265	7,170,600
VIP Value Strategies Portfolio Initial Class (a)	214,188	3,512,688
TOTAL DOMESTIC EQUITY FUNDS (Cost $40,440,435)		**53,014,063**

International Equity Funds – 41.9%

VIP Emerging Markets Portfolio Initial Class (a)	1,283,566	16,147,255
VIP Overseas Portfolio Initial Class (a)	987,884	28,925,248
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $37,016,879)		**45,072,503**

Bond Funds – 8.8%

Fidelity Inflation-Protected Bond Index Fund (a)	193,715	2,161,858
Fidelity International Bond Index Fund (a)	53,916	538,081
Fidelity Long-Term Treasury Bond Index Fund (a)	276,137	4,073,020
VIP High Income Portfolio Initial Class (a)	307,124	1,612,399
VIP Investment Grade Bond Portfolio Initial Class (a)	76,763	1,024,783
TOTAL BOND FUNDS (Cost $9,131,882)		**9,410,141**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $86,589,196)		**107,496,707**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(16,858)**
NET ASSETS – 100%		**$107,479,849**

Legend

(a) Affiliated Fund

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$900	$—	$900	$—	$—	$—	$—	0.0%
Total	$900	$—	$900	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 1,637,430	$ 926,112	$ 423,683	$ 94,228	$ 992	$ 21,007	$ 2,161,858
Fidelity International Bond Index Fund	—	563,397	22,737	856	(129)	(2,450)	538,081
Fidelity Long-Term Treasury Bond Index Fund	1,883,597	3,179,667	892,168	79,490	(39,431)	(58,645)	4,073,020
VIP Contrafund Portfolio Initial Class	7,100,261	3,682,311	2,587,550	1,039,771	116,278	935,585	9,246,885
VIP Emerging Markets Portfolio Initial Class	13,532,750	8,534,446	3,488,964	2,063,261	(36,366)	(2,394,611)	16,147,255
VIP Equity-Income Portfolio Initial Class	7,492,668	4,070,620	2,487,106	1,189,344	20,557	683,462	9,780,201
VIP Government Money Market Portfolio Initial Class 0.01%	163,305	3,009	166,314	1	—	—	—
VIP Growth & Income Portfolio Initial Class	8,534,374	4,068,985	2,963,448	710,490	30,111	1,464,234	11,134,256
VIP Growth Portfolio Initial Class	7,235,530	4,542,825	2,416,813	1,708,917	68,885	26,584	9,457,011
VIP High Income Portfolio Initial Class	1,634,291	761,857	766,375	84,682	(9,806)	(7,568)	1,612,399
VIP Investment Grade Bond Portfolio Initial Class	2,003,485	1,188,026	2,093,013	70,428	(11,004)	(62,711)	1,024,783
VIP Mid Cap Portfolio Initial Class	2,069,512	1,142,124	617,156	421,822	11,418	106,524	2,712,422
VIP Overseas Portfolio Initial Class	20,293,269	12,180,598	5,954,552	2,056,258	14,580	2,391,353	28,925,248
VIP Value Portfolio Initial Class	5,480,655	2,979,930	2,054,823	870,465	72,589	692,249	7,170,600
VIP Value Strategies Portfolio Initial Class	2,681,333	1,310,388	1,022,650	336,141	25,341	518,276	3,512,688
	$81,742,460	$49,134,295	$27,957,352	$10,726,154	$ 264,015	$ 4,313,289	$107,496,707

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$ 53,014,063	$ 53,014,063	$ —	$ —
International Equity Funds	45,072,503	45,072,503	—	—
Bond Funds	9,410,141	9,410,141	—	—
Total Investments in Securities:	$107,496,707	$107,496,707	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $86,589,196)	$ 107,496,707	
Total Investment in Securities (cost $86,589,196)		$ 107,496,707
Cash		900
Receivable for investments sold		1,307,660
Receivable for fund shares sold		30,382
Total assets		108,835,649
Liabilities		
Payable for investments purchased	$ 1,155,336	
Payable for fund shares redeemed	182,703	
Distribution and service plan fees payable	17,761	
Total liabilities		1,355,800
Net Assets		$ 107,479,849
Net Assets consist of:		
Paid in capital		$ 78,865,162
Total accumulated earnings (loss)		28,614,687
Net Assets		$ 107,479,849
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($6,865,613 ÷ 234,316 shares)		$ 29.30
Service Class:		
Net Asset Value, offering price and redemption price per share ($22,218,194 ÷ 760,253 shares)		$ 29.22
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($78,396,042 ÷ 2,696,611 shares)		$ 29.07

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 1,373,307
Expenses		
Distribution and service plan fees	$ 198,590	
Independent trustees' fees and expenses	280	
Total expenses		198,870
Net investment income (loss)		1,174,437
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	264,015	
Capital gain distributions from underlying funds:		
Affiliated issuers	9,352,847	
Total net realized gain (loss)		9,616,862
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	4,313,289	
Total change in net unrealized appreciation (depreciation)		4,313,289
Net gain (loss)		13,930,151
Net increase (decrease) in net assets resulting from operations		$ 15,104,588

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 1,174,437	$ 563,175
Net realized gain (loss)	9,616,862	2,232,889
Change in net unrealized appreciation (depreciation)	4,313,289	10,278,186
Net increase (decrease) in net assets resulting from operations	15,104,588	13,074,250
Distributions to shareholders	(4,377,051)	(3,303,391)
Share transactions – net increase (decrease)	15,022,841	15,056,889
Total increase (decrease) in net assets	25,750,378	24,827,748
Net Assets		
Beginning of period	81,729,471	56,901,723
End of period	$ 107,479,849	$ 81,729,471

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2045 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 26.09	$ 23.08	$ 18.91	$ 21.64	$ 18.31
Income from Investment Operations					
Net investment income (loss) [A]	.40	.25	.43	.27	.30
Net realized and unrealized gain (loss)	4.16	4.03	4.85	(2.39)	3.93
Total from investment operations	4.56	4.28	5.28	(2.12)	4.23
Distributions from net investment income	(.27)	(.22)	(.37)	(.25)	(.24)
Distributions from net realized gain	(1.08)	(1.05)	(.74)	(.37)	(.66)
Total distributions	(1.35)	(1.27)	(1.11)	(.61)[B]	(.90)
Net asset value, end of period	$ 29.30	$ 26.09	$ 23.08	$ 18.91	$ 21.64
Total Return [C,D]	17.83%	19.27%	28.57%	(9.89)%	23.59%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.42%	1.12%	2.01%	1.25%	1.46%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 6,866	$ 5,282	$ 3,686	$ 2,583	$ 1,491
Portfolio turnover rate [H]	29%	38%	25%	42%	23%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2045 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 26.03	$ 23.03	$ 18.88	$ 21.61	$ 18.30
Income from Investment Operations					
Net investment income (loss) [A]	.37	.23	.41	.24	.28
Net realized and unrealized gain (loss)	4.14	4.02	4.83	(2.37)	3.92
Total from investment operations	4.51	4.25	5.24	(2.13)	4.20
Distributions from net investment income	(.24)	(.21)	(.35)	(.23)	(.23)
Distributions from net realized gain	(1.08)	(1.05)	(.74)	(.37)	(.66)
Total distributions	(1.32)	(1.25)[B]	(1.09)	(.60)	(.89)
Net asset value, end of period	$ 29.22	$ 26.03	$ 23.03	$ 18.88	$ 21.61
Total Return [C,D]	17.69%	19.18%	28.40%	(9.97)%	23.42%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.32%	1.02%	1.91%	1.15%	1.36%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 22,218	$ 13,322	$ 7,345	$ 3,900	$ 1,923
Portfolio turnover rate [G]	29%	38%	25%	42%	23%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2045 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 25.90	$ 22.93	$ 18.80	$ 21.52	$ 18.22
Income from Investment Operations					
Net investment income (loss) [A]	.33	.19	.37	.21	.24
Net realized and unrealized gain (loss)	4.12	4.00	4.82	(2.37)	3.92
Total from investment operations	4.45	4.19	5.19	(2.16)	4.16
Distributions from net investment income	(.20)	(.17)	(.33)	(.20)	(.20)
Distributions from net realized gain	(1.08)	(1.05)	(.74)	(.37)	(.66)
Total distributions	(1.28)	(1.22)	(1.06)[B]	(.56)[B]	(.86)
Net asset value, end of period	$ 29.07	$ 25.90	$ 22.93	$ 18.80	$ 21.52
Total Return [C,D]	17.53%	18.97%	28.25%	(10.13)%	23.30%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.17%	.87%	1.76%	1.00%	1.21%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 78,396	$ 63,126	$ 45,871	$ 28,298	$ 27,399
Portfolio turnover rate [G]	29%	38%	25%	42%	23%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

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G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	26.9
VIP Emerging Markets Portfolio Initial Class	15.0
VIP Growth & Income Portfolio Initial Class	10.3
VIP Equity-Income Portfolio Initial Class	9.1
VIP Growth Portfolio Initial Class	8.8
VIP Contrafund Portfolio Initial Class	8.6
VIP Value Portfolio Initial Class	6.7
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	3.3
VIP Mid Cap Portfolio Initial Class	2.5
	95.0

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2050 Portfolio[SM]

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 49.3%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	153,554	$ 8,345,650
VIP Equity-Income Portfolio Initial Class (a)	337,551	8,826,950
VIP Growth & Income Portfolio Initial Class (a)	383,256	10,048,982
VIP Growth Portfolio Initial Class (a)	83,329	8,535,341
VIP Mid Cap Portfolio Initial Class (a)	59,462	2,448,058
VIP Value Portfolio Initial Class (a)	354,031	6,471,684
VIP Value Strategies Portfolio Initial Class (a)	193,311	3,170,293
TOTAL DOMESTIC EQUITY FUNDS (Cost $36,974,652)		**47,846,958**

International Equity Funds – 41.9%

VIP Emerging Markets Portfolio Initial Class (a)	1,158,449	14,573,282
VIP Overseas Portfolio Initial Class (a)	891,615	26,106,477
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $33,990,312)		**40,679,759**

Bond Funds – 8.8%

Fidelity Inflation-Protected Bond Index Fund (a)	174,838	1,951,188
Fidelity International Bond Index Fund (a)	48,661	485,638
Fidelity Long-Term Treasury Bond Index Fund (a)	249,230	3,676,148
VIP High Income Portfolio Initial Class (a)	277,191	1,455,253
VIP Investment Grade Bond Portfolio Initial Class (a)	69,282	924,917
TOTAL BOND FUNDS (Cost $8,230,253)		**8,493,144**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $79,195,217)		**97,019,861**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(11,645)**
NET ASSETS – 100%		**$97,008,216**

Legend

(a) Affiliated Fund

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$616	$—	$616	$—	$—	$—	$—	0.0%
Total	$616	$—	$616	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 1,372,191	$ 944,628	$ 383,489	$ 85,001	$ 36	$ 17,822	$ 1,951,188
Fidelity International Bond Index Fund	—	509,535	21,657	764	(175)	(2,065)	485,638
Fidelity Long-Term Treasury Bond Index Fund	1,578,446	2,976,240	803,057	69,853	(29,928)	(45,553)	3,676,148
VIP Contrafund Portfolio Initial Class	5,950,011	3,778,746	2,288,168	915,554	39,215	865,846	8,345,650
VIP Emerging Markets Portfolio Initial Class	11,340,951	8,516,808	3,078,392	1,830,384	(39,948)	(2,166,137)	14,573,282
VIP Equity-Income Portfolio Initial Class	6,278,779	4,257,422	2,275,253	1,061,433	23,908	542,094	8,826,950
VIP Government Money Market Portfolio Initial Class 0.01%	136,874	2,112	138,986	1	—	—	—
VIP Growth & Income Portfolio Initial Class	7,151,897	4,346,115	2,705,568	627,239	22,952	1,233,586	10,048,982
VIP Growth Portfolio Initial Class	6,063,332	4,531,165	2,130,414	1,487,414	21,689	49,569	8,535,341
VIP High Income Portfolio Initial Class	1,369,570	762,747	658,724	76,364	(7,034)	(11,306)	1,455,253
VIP Investment Grade Bond Portfolio Initial Class	1,678,955	1,163,318	1,853,846	61,956	(10,457)	(53,053)	924,917
VIP Mid Cap Portfolio Initial Class	1,734,234	1,184,170	552,380	380,827	3,315	78,719	2,448,058
VIP Overseas Portfolio Initial Class	17,005,863	12,237,483	5,174,056	1,819,272	8,172	2,029,015	26,106,477
VIP Value Portfolio Initial Class	4,592,766	3,114,156	1,843,661	788,718	28,900	579,523	6,471,684
VIP Value Strategies Portfolio Initial Class	2,246,949	1,391,873	916,530	304,451	22,347	425,654	3,170,293
	$68,500,818	$49,716,518	$24,824,181	$9,509,231	$ 82,992	$ 3,543,714	$97,019,861

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$47,846,958	$47,846,958	$ —	$ —
International Equity Funds	40,679,759	40,679,759	—	—
Bond Funds	8,493,144	8,493,144	—	—
Total Investments in Securities:	$97,019,861	$97,019,861	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $79,195,217)	$ 97,019,861	
Total Investment in Securities (cost $79,195,217)		$ 97,019,861
Cash		617
Receivable for investments sold		1,163,263
Receivable for fund shares sold		66,075
Total assets		98,249,816
Liabilities		
Payable for investments purchased	$ 1,122,005	
Payable for fund shares redeemed	107,332	
Distribution and service plan fees payable	12,263	
Total liabilities		1,241,600
Net Assets		$ 97,008,216
Net Assets consist of:		
Paid in capital		$ 72,850,525
Total accumulated earnings (loss)		24,157,691
Net Assets		$ 97,008,216
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($19,102,438 ÷ 724,653 shares)		$ 26.36
Service Class:		
Net Asset Value, offering price and redemption price per share ($30,244,491 ÷ 1,150,582 shares)		$ 26.29
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($47,661,287 ÷ 1,820,750 shares)		$ 26.18

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 1,241,270
Expenses		
Distribution and service plan fees	$ 129,092	
Independent trustees' fees and expenses	241	
Total expenses		129,333
Net investment income (loss)		1,111,937
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	82,992	
Capital gain distributions from underlying funds:		
Affiliated issuers	8,267,961	
Total net realized gain (loss)		8,350,953
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	3,543,714	
Total change in net unrealized appreciation (depreciation)		3,543,714
Net gain (loss)		11,894,667
Net increase (decrease) in net assets resulting from operations		$ 13,006,604

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 1,111,937	$ 483,689
Net realized gain (loss)	8,350,953	1,747,009
Change in net unrealized appreciation (depreciation)	3,543,714	8,433,190
Net increase (decrease) in net assets resulting from operations	13,006,604	10,663,888
Distributions to shareholders	(3,806,546)	(2,599,691)
Share transactions – net increase (decrease)	19,315,048	15,318,743
Total increase (decrease) in net assets	28,515,106	23,382,940
Net Assets		
Beginning of period	68,493,110	45,110,170
End of period	$ 97,008,216	$ 68,493,110

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2050 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 23.45	$ 20.68	$ 16.88	$ 19.50	$ 16.55
Income from Investment Operations					
Net investment income (loss) [A]	.38	.22	.37	.26	.23
Net realized and unrealized gain (loss)	3.72	3.63	4.36	(2.15)	3.58
Total from investment operations	4.10	3.85	4.73	(1.89)	3.81
Distributions from net investment income	(.24)	(.20)	(.34)	(.21)	(.24)
Distributions from net realized gain	(.95)	(.88)	(.59)	(.52)	(.63)
Total distributions	(1.19)	(1.08)	(.93)	(.73)	(.86)[B]
Net asset value, end of period	$ 26.36	$ 23.45	$ 20.68	$ 16.88	$ 19.50
Total Return [C,D]	17.83%	19.28%	28.51%	(9.89)%	23.52%
Ratios to Average Net Assets [E,F]					
Expenses before reductions [G]	—%	—%	—%	—%	—%
Expenses net of fee waivers, if any	—%[G]	—%[G]	—%[G]	—%[G]	—%
Expenses net of all reductions	—%[G]	—%[G]	—%[G]	—%[G]	—%
Net investment income (loss)	1.48%	1.08%	1.96%	1.35%	1.27%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 19,102	$ 13,644	$ 10,317	$ 7,056	$ 5,826
Portfolio turnover rate [H]	30%	43%	30%	111%	46%

A *Calculated based on average shares outstanding during the period.*
B *Total distributions per share do not sum due to rounding.*
C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

VIP Freedom 2050 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 23.39	$ 20.63	$ 16.84	$ 19.47	$ 16.52
Income from Investment Operations					
Net investment income (loss) [A]	.35	.20	.35	.24	.21
Net realized and unrealized gain (loss)	3.72	3.62	4.35	(2.15)	3.59
Total from investment operations	4.07	3.82	4.70	(1.91)	3.80
Distributions from net investment income	(.22)	(.18)	(.32)	(.20)	(.22)
Distributions from net realized gain	(.95)	(.88)	(.59)	(.52)	(.63)
Total distributions	(1.17)	(1.06)	(.91)	(.72)	(.85)
Net asset value, end of period	$ 26.29	$ 23.39	$ 20.63	$ 16.84	$ 19.47
Total Return [B,C]	17.73%	19.17%	28.39%	(10.03)%	23.46%
Ratios to Average Net Assets [D,E]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.38%	.98%	1.86%	1.25%	1.17%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 30,244	$ 21,593	$ 14,242	$ 10,203	$ 6,748
Portfolio turnover rate [F]	30%	43%	30%	111%	46%

A *Calculated based on average shares outstanding during the period.*
B *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
C *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
D *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
E *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
F *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2050 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 23.31	$ 20.57	$ 16.80	$ 19.42	$ 16.47
Income from Investment Operations					
Net investment income (loss) [A]	.31	.17	.32	.21	.18
Net realized and unrealized gain (loss)	3.69	3.60	4.34	(2.13)	3.58
Total from investment operations	4.00	3.77	4.66	(1.92)	3.76
Distributions from net investment income	(.18)	(.15)	(.30)	(.18)	(.18)
Distributions from net realized gain	(.95)	(.88)	(.59)	(.52)	(.63)
Total distributions	(1.13)	(1.03)	(.89)	(.70)	(.81)
Net asset value, end of period	$ 26.18	$ 23.31	$ 20.57	$ 16.80	$ 19.42
Total Return [B,C]	17.51%	18.99%	28.22%	(10.13)%	23.30%
Ratios to Average Net Assets [D,E]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.25%	.25%	.25%	.25%	.25%
Expenses net of all reductions	.25%	.25%	.25%	.25%	.25%
Net investment income (loss)	1.23%	.83%	1.71%	1.10%	1.02%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 47,661	$ 33,256	$ 20,551	$ 10,262	$ 8,285
Portfolio turnover rate [F]	30%	43%	30%	111%	46%

A *Calculated based on average shares outstanding during the period.*

B *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

C *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

D *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

E *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

F *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2055 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	26.9
VIP Emerging Markets Portfolio Initial Class	15.0
VIP Growth & Income Portfolio Initial Class	10.3
VIP Equity-Income Portfolio Initial Class	9.1
VIP Growth Portfolio Initial Class	8.8
VIP Contrafund Portfolio Initial Class	8.6
VIP Value Portfolio Initial Class	6.7
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	3.3
VIP Mid Cap Portfolio Initial Class	2.5
	95.0

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2055 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 49.3%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	9,042	$ 491,432
VIP Equity-Income Portfolio Initial Class (a)	19,878	519,799
VIP Growth & Income Portfolio Initial Class (a)	22,569	591,747
VIP Growth Portfolio Initial Class (a)	4,907	502,599
VIP Mid Cap Portfolio Initial Class (a)	3,502	144,164
VIP Value Portfolio Initial Class (a)	20,848	381,102
VIP Value Strategies Portfolio Initial Class (a)	11,384	186,691
TOTAL DOMESTIC EQUITY FUNDS (Cost $2,448,011)		**2,817,534**

International Equity Funds – 41.9%

VIP Emerging Markets Portfolio Initial Class (a)	68,217	858,167
VIP Overseas Portfolio Initial Class (a)	52,509	1,537,470
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $2,232,740)		**2,395,637**

Bond Funds – 8.8%

Fidelity Inflation-Protected Bond Index Fund (a)	10,297	114,909
Fidelity International Bond Index Fund (a)	2,866	28,599
Fidelity Long-Term Treasury Bond Index Fund (a)	14,678	216,499
VIP High Income Portfolio Initial Class (a)	16,323	85,698
VIP Investment Grade Bond Portfolio Initial Class (a)	4,080	54,468
TOTAL BOND FUNDS (Cost $493,874)		**500,173**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $5,174,625)		**5,713,344**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(717)**
NET ASSETS – 100%		**$5,712,627**

Legend

(a) Affiliated Fund

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 48,435	$ 89,980	$ 23,949	$ 4,945	$ (96)	$ 539	$ 114,909
Fidelity International Bond Index Fund	—	30,530	1,795	45	(13)	(123)	28,599
Fidelity Long-Term Treasury Bond Index Fund	55,713	208,909	46,405	3,525	(1,383)	(335)	216,499
VIP Contrafund Portfolio Initial Class	210,005	372,267	132,075	48,739	385	40,850	491,432
VIP Emerging Markets Portfolio Initial Class	400,235	769,506	180,356	97,851	(7,146)	(124,072)	858,167
VIP Equity-Income Portfolio Initial Class	221,608	409,061	130,177	57,339	(832)	20,139	519,799
VIP Government Money Market Portfolio Initial Class 0.01%	4,835	474	5,309	—	—	—	—
VIP Growth& Income Portfolio Initial Class	252,425	436,928	152,630	31,836	(532)	55,556	591,747

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
VIP Growth Portfolio Initial Class	$ 214,009	$ 414,256	$ 127,362	$ 72,962	$ (544)	$ 2,240	$ 502,599
VIP High Income Portfolio Initial Class	48,342	74,034	35,454	4,068	(241)	(983)	85,698
VIP Investment Grade Bond Portfolio Initial Class	59,263	98,172	100,095	3,111	(716)	(2,156)	54,468
VIP Mid Cap Portfolio Initial Class	61,211	116,618	33,004	22,190	(370)	(291)	144,164
VIP Overseas Portfolio Initial Class	600,262	1,161,295	317,425	95,976	(3,181)	96,519	1,537,470
VIP Value Portfolio Initial Class	162,102	302,184	101,609	45,335	(1,346)	19,771	381,102
VIP Value Strategies Portfolio Initial Class	79,305	141,354	50,642	17,556	(458)	17,132	186,691
	$2,417,750	$4,625,568	$1,438,287	$505,478	$ (16,473)	$ 124,786	$5,713,344

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$2,817,534	$2,817,534	$ —	$ —
International Equity Funds	2,395,637	2,395,637	—	—
Bond Funds	500,173	500,173	—	—
Total Investments in Securities:	$5,713,344	$5,713,344	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $5,174,625)	$ 5,713,344	
Total Investment in Securities (cost $5,174,625)		$ 5,713,344
Cash		16
Receivable for investments sold		105,762
Receivable for fund shares sold		23
Total assets		5,819,145
Liabilities		
Payable for investments purchased	$ 59,973	
Payable for fund shares redeemed	42,177	
Distributions payable	3,632	
Distribution and service plan fees payable	736	
Total liabilities		106,518
Net Assets		$ 5,712,627
Net Assets consist of:		
Paid in capital		$ 4,922,568
Total accumulated earnings (loss)		790,059
Net Assets		$ 5,712,627
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($501,001 ÷ 35,086 shares)		$ 14.28
Service Class:		
Net Asset Value, offering price and redemption price per share ($2,548,553 ÷ 178,621 shares)		$ 14.27
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($2,663,073 ÷ 186,903 shares)		$ 14.25

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 68,098
Expenses		
Distribution and service plan fees	$ 6,558	
Independent trustees' fees and expenses	11	
Total expenses		6,569
Net investment income (loss)		61,529
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	(16,473)	
Capital gain distributions from underlying funds:		
Affiliated issuers	437,380	
Total net realized gain (loss)		420,907
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	124,786	
Total change in net unrealized appreciation (depreciation)		124,786
Net gain (loss)		545,693
Net increase (decrease) in net assets resulting from operations		$ 607,222

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 61,529	$ 16,155
Net realized gain (loss)	420,907	62,457
Change in net unrealized appreciation (depreciation)	124,786	311,896
Net increase (decrease) in net assets resulting from operations	607,222	390,508
Distributions to shareholders	(235,468)	(75,641)
Share transactions – net increase (decrease)	2,923,390	747,309
Total increase (decrease) in net assets	3,295,144	1,062,176
Net Assets		
Beginning of period	2,417,483	1,355,307
End of period	$ 5,712,627	$ 2,417,483

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2055 Portfolio Initial Class

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.67	$ 10.98	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.23	.12	.16
Net realized and unrealized gain (loss)	2.02	1.99	1.02
Total from investment operations	2.25	2.11	1.18
Distributions from net investment income	(.17)	(.10)	(.15)
Distributions from net realized gain	(.46)	(.32)	(.06)
Total distributions	(.64) [C]	(.42)	(.20) [C]
Net asset value, end of period	$ 14.28	$ 12.67	$ 10.98
Total Return [D,E]	17.79%	19.28%	11.85%
Ratios to Average Net Assets [F,G]			
Expenses before reductions [H]	—%	—%	—% [I]
Expenses net of fee waivers, if any [H]	—%	—%	—% [I]
Expenses net of all reductions [H]	—%	—%	—% [I]
Net investment income (loss)	1.64%	1.09%	2.12% [I]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 501	$ 423	$ 366
Portfolio turnover rate [J]	35%	64%	24% [I]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total distributions per share do not sum due to rounding.*
D *Total returns for periods of less than one year are not annualized.*
E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
F *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
H *Amount represents less than .005%.*
I *Annualized*
J *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2055 Portfolio Service Class

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.66	$ 10.98	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.22	.11	.15
Net realized and unrealized gain (loss)	2.02	1.99	1.03
Total from investment operations	2.24	2.10	1.18
Distributions from net investment income	(.16)	(.09)	(.14)
Distributions from net realized gain	(.46)	(.32)	(.06)
Total distributions	(.63) [C]	(.42) [C]	(.20)
Net asset value, end of period	$ 14.27	$ 12.66	$ 10.98
Total Return [D,E]	17.72%	19.11%	11.78%
Ratios to Average Net Assets [F,G]			
Expenses before reductions	.10%	.10%	.10% [H]
Expenses net of fee waivers, if any	.10%	.10%	.10% [H]
Expenses net of all reductions	.10%	.10%	.10% [H]
Net investment income (loss)	1.54%	.99%	2.02% [H]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 2,549	$ 814	$ 399
Portfolio turnover rate [I]	35%	64%	24% [H]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total distributions per share do not sum due to rounding.*
D *Total returns for periods of less than one year are not annualized.*
E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
F *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
H *Annualized*
I *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2055 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.65	$ 10.97	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.20	.09	.14
Net realized and unrealized gain (loss)	2.01	1.99	1.02
Total from investment operations	2.21	2.08	1.16
Distributions from net investment income	(.15)	(.08)	(.13)
Distributions from net realized gain	(.46)	(.32)	(.06)
Total distributions	(.61)	(.40)	(.19)
Net asset value, end of period	$ 14.25	$ 12.65	$ 10.97
Total Return [C,D]	17.52%	19.01%	11.60%
Ratios to Average Net Assets [E,F]			
Expenses before reductions	.25%	.25%	.25%[G]
Expenses net of fee waivers, if any	.25%	.25%	.25%[G]
Expenses net of all reductions	.25%	.25%	.25%[G]
Net investment income (loss)	1.39%	.84%	1.87%[G]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 2,663	$ 1,180	$ 590
Portfolio turnover rate [H]	35%	64%	24%[G]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total returns for periods of less than one year are not annualized.*
D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Annualized*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2060 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	26.9
VIP Emerging Markets Portfolio Initial Class	15.0
VIP Growth & Income Portfolio Initial Class	10.3
VIP Equity-Income Portfolio Initial Class	9.1
VIP Growth Portfolio Initial Class	8.8
VIP Contrafund Portfolio Initial Class	8.6
VIP Value Portfolio Initial Class	6.7
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	3.3
VIP Mid Cap Portfolio Initial Class	2.5
	95.0

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2060 Portfolio℠

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 49.3%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	14,089	$ 765,743
VIP Equity-Income Portfolio Initial Class (a)	30,972	809,906
VIP Growth & Income Portfolio Initial Class (a)	35,165	922,033
VIP Growth Portfolio Initial Class (a)	7,646	783,146
VIP Mid Cap Portfolio Initial Class (a)	5,456	224,618
VIP Value Portfolio Initial Class (a)	32,484	593,802
VIP Value Strategies Portfolio Initial Class (a)	17,737	290,886
TOTAL DOMESTIC EQUITY FUNDS (Cost $3,667,670)		**4,390,134**

International Equity Funds – 41.9%

VIP Emerging Markets Portfolio Initial Class (a)	106,292	1,337,151
VIP Overseas Portfolio Initial Class (a)	81,809	2,395,363
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $3,384,613)		**3,732,514**

Bond Funds – 8.8%

Fidelity Inflation-Protected Bond Index Fund (a)	16,042	179,029
Fidelity International Bond Index Fund (a)	4,465	44,559
Fidelity Long-Term Treasury Bond Index Fund (a)	22,868	337,297
VIP High Income Portfolio Initial Class (a)	25,433	133,525
VIP Investment Grade Bond Portfolio Initial Class (a)	6,357	84,863
TOTAL BOND FUNDS (Cost $766,929)		**779,273**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $7,819,212)		**8,901,921**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(949)**
NET ASSETS – 100%		**$8,900,972**

Legend

(a) Affiliated Fund

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$16	$—	$16	$—	$—	$—	$—	0.0%
Total	$16	$—	$16	$—	$—	$—	$—	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

See accompanying notes which are an integral part of the financial statements.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 102,445	$ 153,350	$ 78,093	$ 7,854	$ (36)	$ 1,363	$ 179,029
Fidelity International Bond Index Fund	—	49,650	4,876	70	(50)	(165)	44,559
Fidelity Long-Term Treasury Bond Index Fund	117,844	360,567	137,491	6,064	(4,917)	1,294	337,297
VIP Contrafund Portfolio Initial Class	444,197	631,613	391,860	79,591	12,028	69,765	765,743
VIP Emerging Markets Portfolio Initial Class	846,529	1,308,162	614,910	159,431	(8,787)	(193,843)	1,337,151
VIP Equity-Income Portfolio Initial Class	468,745	690,428	393,595	92,983	3,344	40,984	809,906
VIP Government Money Market Portfolio Initial Class 0.01%	10,223	210	10,433	—	—	—	—
VIP Growth & Income Portfolio Initial Class	533,919	741,758	457,157	53,321	2,485	101,028	922,033
VIP Growth Portfolio Initial Class	452,658	701,402	383,589	124,535	8,044	4,631	783,146
VIP High Income Portfolio Initial Class	102,247	127,611	94,974	6,658	(103)	(1,256)	133,525
VIP Investment Grade Bond Portfolio Initial Class	125,346	168,318	204,001	5,237	(843)	(3,957)	84,863
VIP Mid Cap Portfolio Initial Class	129,472	193,148	102,035	34,636	972	3,061	224,618
VIP Overseas Portfolio Initial Class	1,269,625	1,970,005	1,025,371	157,489	6,751	174,353	2,395,363
VIP Value Portfolio Initial Class	342,874	509,537	302,250	71,310	1,788	41,853	593,802
VIP Value Strategies Portfolio Initial Class	167,744	238,134	149,209	27,566	1,925	32,292	290,886
	$5,113,868	$7,843,893	$4,349,844	$826,745	$ 22,601	$ 271,403	$8,901,921

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$4,390,134	$4,390,134	$ —	$ —
International Equity Funds	3,732,514	3,732,514	—	—
Bond Funds	779,273	779,273	—	—
Total Investments in Securities:	$8,901,921	$8,901,921	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $7,819,212)	$ 8,901,921	
Total Investment in Securities (cost $7,819,212)		$ 8,901,921
Receivable for investments sold		104,544
Receivable for fund shares sold		5,147
Total assets		9,011,612
Liabilities		
Payable for investments purchased	$ 103,732	
Payable for fund shares redeemed	2,747	
Distributions payable	3,211	
Distribution and service plan fees payable	950	
Total liabilities		110,640
Net Assets		$ 8,900,972
Net Assets consist of:		
Paid in capital		$ 7,476,046
Total accumulated earnings (loss)		1,424,926
Net Assets		$ 8,900,972
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($522,862 ÷ 36,863 shares)		$ 14.18
Service Class:		
Net Asset Value, offering price and redemption price per share ($6,124,077 ÷ 432,068 shares)		$ 14.17
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($2,254,033 ÷ 159,258 shares)		$ 14.15

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 110,018
Expenses		
Distribution and service plan fees	$ 9,370	
Independent trustees' fees and expenses	21	
Total expenses		9,391
Net investment income (loss)		100,627
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	22,601	
Capital gain distributions from underlying funds:		
Affiliated issuers	716,727	
Total net realized gain (loss)		739,328
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	271,403	
Total change in net unrealized appreciation (depreciation)		271,403
Net gain (loss)		1,010,731
Net increase (decrease) in net assets resulting from operations		$ 1,111,358

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 100,627	$ 36,913
Net realized gain (loss)	739,328	62,708
Change in net unrealized appreciation (depreciation)	271,403	705,260
Net increase (decrease) in net assets resulting from operations	1,111,358	804,881
Distributions to shareholders	(423,109)	(175,724)
Share transactions – net increase (decrease)	3,099,350	3,197,125
Total increase (decrease) in net assets	3,787,599	3,826,282
Net Assets		
Beginning of period	5,113,373	1,287,091
End of period	$ 8,900,972	$ 5,113,373

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2060 Portfolio Initial Class

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.65	$ 10.99	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.21	.13	.16
Net realized and unrealized gain (loss)	2.04	1.99	1.02
Total from investment operations	2.25	2.12	1.18
Distributions from net investment income	(.18)	(.11)	(.15)
Distributions from net realized gain	(.54)	(.35)	(.05)
Total distributions	(.72)	(.46)	(.19) [C]
Net asset value, end of period	$ 14.18	$ 12.65	$ 10.99
Total Return [D,E]	17.79%	19.30%	11.86%
Ratios to Average Net Assets [F,G]			
Expenses before reductions [H]	—%	—%	—% [I]
Expenses net of fee waivers, if any [H]	—%	—%	—% [I]
Expenses net of all reductions [H]	—%	—%	—% [I]
Net investment income (loss)	1.51%	1.18%	2.18% [I]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 523	$ 422	$ 366
Portfolio turnover rate [J]	60%	68%	23% [I]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total distributions per share do not sum due to rounding.*
D *Total returns for periods of less than one year are not annualized.*
E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
F *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
H *Amount represents less than .005%.*
I *Annualized*
J *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2060 Portfolio Service Class

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.65	$ 10.99	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.20	.12	.15
Net realized and unrealized gain (loss)	2.03	1.99	1.03
Total from investment operations	2.23	2.11	1.18
Distributions from net investment income	(.17)	(.10)	(.14)
Distributions from net realized gain	(.54)	(.35)	(.05)
Total distributions	(.71)	(.45)	(.19)
Net asset value, end of period	$ 14.17	$ 12.65	$ 10.99
Total Return [C,D]	17.62%	19.22%	11.80%
Ratios to Average Net Assets [E,F]			
Expenses before reductions	.10%	.10%	.10%[G]
Expenses net of fee waivers, if any	.10%	.10%	.10%[G]
Expenses net of all reductions	.10%	.10%	.10%[G]
Net investment income (loss)	1.41%	1.08%	2.08%[G]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 6,124	$ 3,530	$ 445
Portfolio turnover rate [H]	60%	68%	23%[G]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total returns for periods of less than one year are not annualized.*
D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Annualized*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2060 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.63	$ 10.98	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.18	.10	.14
Net realized and unrealized gain (loss)	2.03	1.99	1.02
Total from investment operations	2.21	2.09	1.16
Distributions from net investment income	(.15)	(.09)	(.13)
Distributions from net realized gain	(.54)	(.35)	(.05)
Total distributions	(.69)	(.44)	(.18)
Net asset value, end of period	$ 14.15	$ 12.63	$ 10.98
Total Return [C,D]	17.52%	19.04%	11.61%
Ratios to Average Net Assets [E,F]			
Expenses before reductions	.25%	.25%	.25%[G]
Expenses net of fee waivers, if any	.25%	.25%	.25%[G]
Expenses net of all reductions	.25%	.25%	.25%[G]
Net investment income (loss)	1.26%	.93%	1.93%[G]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 2,254	$ 1,161	$ 475
Portfolio turnover rate [H]	60%	68%	23%[G]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total returns for periods of less than one year are not annualized.*
D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Annualized*
H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2065 Portfolio[SM]

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Overseas Portfolio Initial Class	26.9
VIP Emerging Markets Portfolio Initial Class	15.0
VIP Growth & Income Portfolio Initial Class	10.3
VIP Equity-Income Portfolio Initial Class	9.1
VIP Growth Portfolio Initial Class	8.8
VIP Contrafund Portfolio Initial Class	8.6
VIP Value Portfolio Initial Class	6.7
Fidelity Long-Term Treasury Bond Index Fund	3.8
VIP Value Strategies Portfolio Initial Class	3.3
VIP Mid Cap Portfolio Initial Class	2.5
	95.0

Asset Allocation (% of fund's net assets)

Period end



VIP Freedom 2065 Portfolio[SM]

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Domestic Equity Funds – 49.3%

	Shares	Value
VIP Contrafund Portfolio Initial Class (a)	3,585	$ 194,870
VIP Equity-Income Portfolio Initial Class (a)	7,882	206,114
VIP Growth & Income Portfolio Initial Class (a)	8,949	234,638
VIP Growth Portfolio Initial Class (a)	1,946	199,303
VIP Mid Cap Portfolio Initial Class (a)	1,389	57,166
VIP Value Portfolio Initial Class (a)	8,267	151,115
VIP Value Strategies Portfolio Initial Class (a)	4,514	74,025
TOTAL DOMESTIC EQUITY FUNDS (Cost $949,755)		**1,117,231**

International Equity Funds – 41.9%

VIP Emerging Markets Portfolio Initial Class (a)	27,048	340,266
VIP Overseas Portfolio Initial Class (a)	20,823	609,706
TOTAL INTERNATIONAL EQUITY FUNDS (Cost $856,590)		**949,972**

Bond Funds – 8.8%

Fidelity Inflation-Protected Bond Index Fund (a)	4,083	45,569
Fidelity International Bond Index Fund (a)	1,136	11,340
Fidelity Long-Term Treasury Bond Index Fund (a)	5,821	85,861
VIP High Income Portfolio Initial Class (a)	6,473	33,983
VIP Investment Grade Bond Portfolio Initial Class (a)	1,618	21,600
TOTAL BOND FUNDS (Cost $194,253)		**198,353**
TOTAL INVESTMENT IN SECURITIES – 100.0% (Cost $2,000,598)		**2,265,556**
NET OTHER ASSETS (LIABILITIES) – 0.0%		**(203)**
NET ASSETS – 100%		**$2,265,353**

Legend

(a) Affiliated Fund

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Inflation-Protected Bond Index Fund	$ 25,854	$ 25,274	$ 5,450	$ 2,048	$ (16)	$ (93)	$ 45,569
Fidelity International Bond Index Fund	—	11,831	447	16	(7)	(37)	11,340
Fidelity Long-Term Treasury Bond Index Fund	29,742	69,469	11,979	1,374	(794)	(577)	85,861
VIP Contrafund Portfolio Initial Class	112,096	103,476	33,295	20,048	1,279	11,314	194,870
VIP Emerging Markets Portfolio Initial Class	213,543	217,192	41,783	40,694	(432)	(48,254)	340,266
VIP Equity-Income Portfolio Initial Class	118,290	114,712	32,468	23,898	24	5,556	206,114
VIP Government Money Market Portfolio Initial Class 0.01%	2,581	1	2,582	—	—	—	—
VIP Growth & Income Portfolio Initial Class	134,735	118,779	39,118	13,676	577	19,665	234,638

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
VIP Growth Portfolio Initial Class	$ 114,229	$ 120,286	$ 31,048	$ 31,462	$ 767	$ (4,931)	$ 199,303
VIP High Income Portfolio Initial Class	25,802	19,123	10,311	1,745	(73)	(558)	33,983
VIP Investment Grade Bond Portfolio Initial Class	31,633	24,890	33,535	1,340	(224)	(1,164)	21,600
VIP Mid Cap Portfolio Initial Class	32,734	32,286	7,034	8,892	276	(1,096)	57,166
VIP Overseas Portfolio Initial Class	320,449	336,591	74,378	40,167	(717)	27,761	609,706
VIP Value Portfolio Initial Class	86,527	85,031	27,498	18,468	1,287	5,768	151,115
VIP Value Strategies Portfolio Initial Class	42,270	38,535	13,555	7,130	882	5,893	74,025
	$1,290,485	$1,317,476	$364,481	$210,958	$2,829	$ 19,247	$2,265,556

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Domestic Equity Funds	$1,117,231	$1,117,231	$ —	$ —
International Equity Funds	949,972	949,972	—	—
Bond Funds	198,353	198,353	—	—
Total Investments in Securities:	$2,265,556	$2,265,556	$ —	$ —

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Affiliated issuers (cost $2,000,598)	$ 2,265,556	
Total Investment in Securities (cost $2,000,598)		$ 2,265,556
Cash		11
Receivable for investments sold		28,804
Receivable for fund shares sold		250
Total assets		2,294,621
Liabilities		
Payable for investments purchased	$ 24,656	
Payable for fund shares redeemed	93	
Distributions payable	4,300	
Distribution and service plan fees payable	219	
Total liabilities		29,268
Net Assets		$ 2,265,353
Net Assets consist of:		
Paid in capital		$ 1,900,721
Total accumulated earnings (loss)		364,632
Net Assets		$ 2,265,353
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($481,799 ÷ 34,618 shares)		$ 13.92
Service Class:		
Net Asset Value, offering price and redemption price per share ($1,224,213 ÷ 88,034 shares)		$ 13.91
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($559,341 ÷ 40,233 shares)		$ 13.90

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 28,594
Expenses		
Distribution and service plan fees	$ 1,889	
Independent trustees' fees and expenses	4	
Total expenses		1,893
Net investment income (loss)		26,701
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Affiliated issuers	2,829	
Capital gain distributions from underlying funds:		
Affiliated issuers	182,364	
Total net realized gain (loss)		185,193
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Affiliated issuers	19,247	
Total change in net unrealized appreciation (depreciation)		19,247
Net gain (loss)		204,440
Net increase (decrease) in net assets resulting from operations		$ 231,141

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 26,701	$ 10,457
Net realized gain (loss)	185,193	51,150
Change in net unrealized appreciation (depreciation)	19,247	152,875
Net increase (decrease) in net assets resulting from operations	231,141	214,482
Distributions to shareholders	(116,286)	(61,034)
Share transactions – net increase (decrease)	860,127	40,591
Total increase (decrease) in net assets	974,982	194,039
Net Assets		
Beginning of period	1,290,371	1,096,332
End of period	$ 2,265,353	$ 1,290,371

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Freedom 2065 Portfolio Initial Class

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.47	$ 10.96	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.25	.12	.15
Net realized and unrealized gain (loss)	1.96	1.99	1.03
Total from investment operations	2.21	2.11	1.18
Distributions from net investment income	(.18)	(.11)	(.15)
Distributions from net realized gain	(.58)	(.49)	(.07)
Total distributions	(.76)	(.60)	(.22)
Net asset value, end of period	$ 13.92	$ 12.47	$ 10.96
Total Return [C,D]	17.81%	19.35%	11.79%
Ratios to Average Net Assets [E,F]			
Expenses before reductions [G]	—%	—%	—%[H]
Expenses net of fee waivers, if any [G]	—%	—%	—%[H]
Expenses net of all reductions [G]	—%	—%	—%[H]
Net investment income (loss)	1.82%	1.07%	2.01%[H]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 482	$ 416	$ 365
Portfolio turnover rate [I]	24%	34%	24%[H]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total returns for periods of less than one year are not annualized.*
D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
G *Amount represents less than .005%.*
H *Annualized*
I *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2065 Portfolio Service Class

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.46	$ 10.96	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.24	.11	.14
Net realized and unrealized gain (loss)	1.97	1.98	1.03
Total from investment operations	2.21	2.09	1.17
Distributions from net investment income	(.17)	(.10)	(.14)
Distributions from net realized gain	(.58)	(.49)	(.07)
Total distributions	(.76) [C]	(.59)	(.21)
Net asset value, end of period	$ 13.91	$ 12.46	$ 10.96
Total Return [D,E]	17.77%	19.16%	11.72%
Ratios to Average Net Assets [F,G]			
Expenses before reductions	.10%	.10%	.10% [H]
Expenses net of fee waivers, if any	.10%	.10%	.10% [H]
Expenses net of all reductions	.10%	.10%	.10% [H]
Net investment income (loss)	1.72%	.97%	1.91% [H]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 1,224	$ 416	$ 365
Portfolio turnover rate [I]	24%	34%	24% [H]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*
B *Calculated based on average shares outstanding during the period.*
C *Total distributions per share do not sum due to rounding.*
D *Total returns for periods of less than one year are not annualized.*
E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
F *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*
G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*
H *Annualized*
I *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Freedom 2065 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019 [A]
Selected Per–Share Data			
Net asset value, beginning of period	$ 12.46	$ 10.96	$ 10.00
Income from Investment Operations			
Net investment income (loss) [B]	.22	.09	.13
Net realized and unrealized gain (loss)	1.95	1.99	1.03
Total from investment operations	2.17	2.08	1.16
Distributions from net investment income	(.15)	(.09)	(.13)
Distributions from net realized gain	(.58)	(.49)	(.07)
Total distributions	(.73)	(.58)	(.20)
Net asset value, end of period	$ 13.90	$ 12.46	$ 10.96
Total Return [C,D]	17.47%	19.03%	11.61%
Ratios to Average Net Assets [E,F]			
Expenses before reductions	.25%	.25%	.25%[G]
Expenses net of fee waivers, if any	.25%	.25%	.25%[G]
Expenses net of all reductions	.25%	.25%	.25%[G]
Net investment income (loss)	1.57%	.82%	1.76%[G]
Supplemental Data			
Net assets, end of period (000 omitted)	$ 559	$ 459	$ 365
Portfolio turnover rate [H]	24%	34%	24%[G]

A *For the period April 11, 2019 (commencement of operations) through December 31, 2019.*

B *Calculated based on average shares outstanding during the period.*

C *Total returns for periods of less than one year are not annualized.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Annualized*

H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Freedom Income Portfolio, VIP Freedom 2005 Portfolio, VIP Freedom 2010 Portfolio, VIP Freedom 2015 Portfolio, VIP Freedom 2020 Portfolio, VIP Freedom 2025 Portfolio, VIP Freedom 2030 Portfolio, VIP Freedom 2035 Portfolio, VIP Freedom 2040 Portfolio, VIP Freedom 2045 Portfolio, VIP Freedom 2050 Portfolio, VIP Freedom 2055 Portfolio, VIP Freedom 2060 Portfolio and VIP Freedom 2065 Portfolio (the Funds) are funds of Variable Insurance Products Fund V (the Trust). The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Each Fund is authorized to issue an unlimited number of shares. Shares of each Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. Each Fund offers three classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares, and Service Class 2 shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

Funds may invest in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the investing fund. These strategies are consistent with the investment objectives of the investing fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio[a]
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission website or upon request.

3. Significant Accounting Policies.

Each Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services – Investment Companies*. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. Each Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. The following summarizes the significant accounting policies of each Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. Each Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value each Fund's investments by major category are as follows. Investments in open-end mutual funds are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy. The aggregate value of investments by input level as of December 31, 2021 is included at the end of each Fund's Schedule of Investments.

Investment Transactions and Income. For financial reporting purposes, the Funds' investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost. Income and capital gain distributions from any underlying mutual funds or exchange-traded funds (ETFs) are recorded on the ex-dividend date.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's

expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Income Tax Information and Distributions to Shareholders. Each year, each Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2021, each Fund did not have any unrecognized tax benefits in the financial statements; nor is each Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. Each Fund files a U.S. federal tax return, in addition to state and local tax returns as required. Each Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to the short-term gain distributions from the underlying mutual funds or exchange-traded funds (ETFs)and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows for each Fund:

	Tax cost	Gross unrealized appreciation	Gross unrealized depreciation	Net unrealized appreciation (depreciation)
VIP Freedom Income Portfolio	$ 71,825,291	$ 6,791,714	$ (438,510)	$ 6,353,204
VIP Freedom 2005 Portfolio	12,577,891	1,589,017	(29,046)	1,559,971
VIP Freedom 2010 Portfolio	313,428,620	59,719,627	(1,506,923)	58,212,704
VIP Freedom 2015 Portfolio	69,670,112	21,858,108	(242,428)	21,615,680
VIP Freedom 2020 Portfolio	566,823,022	193,835,550	(1,854,030)	191,981,520
VIP Freedom 2025 Portfolio	319,418,305	73,356,330	(3,026,550)	70,329,780
VIP Freedom 2030 Portfolio	536,452,750	144,806,175	(5,355,640)	139,450,535
VIP Freedom 2035 Portfolio	177,658,686	37,261,388	(1,960,519)	35,300,869
VIP Freedom 2040 Portfolio	165,043,333	42,957,753	(1,574,603)	41,383,150
VIP Freedom 2045 Portfolio	87,389,513	20,886,075	(778,881)	20,107,194
VIP Freedom 2050 Portfolio	80,187,121	17,733,359	(900,619)	16,832,740
VIP Freedom 2055 Portfolio	5,201,659	620,419	(108,734)	511,685
VIP Freedom 2060 Portfolio	7,923,068	1,108,732	(129,879)	978,853
VIP Freedom 2065 Portfolio	2,009,333	309,798	(53,575)	256,223

The tax-based components of distributable earnings as of period end were as follows for each Fund:

	Undistributed ordinary income	Undistributed long-term capital gain	Net unrealized appreciation (depreciation) on securities and other investments
VIP Freedom Income Portfolio	$ 673,185	$ 2,311,496	$ 6,353,204
VIP Freedom 2005 Portfolio	117,859	737,528	1,559,971
VIP Freedom 2010 Portfolio	2,998,780	19,632,293	58,212,704
VIP Freedom 2015 Portfolio	696,400	7,799,294	21,615,680
VIP Freedom 2020 Portfolio	5,500,838	65,824,532	191,981,520
VIP Freedom 2025 Portfolio	2,643,564	20,735,073	70,329,780
VIP Freedom 2030 Portfolio	4,068,460	39,369,655	139,450,535
VIP Freedom 2035 Portfolio	922,184	13,992,471	35,300,869
VIP Freedom 2040 Portfolio	911,592	14,938,721	41,383,150
VIP Freedom 2045 Portfolio	484,576	8,022,914	20,107,194
VIP Freedom 2050 Portfolio	427,051	6,897,901	16,832,740
VIP Freedom 2055 Portfolio	7,318	271,056	511,685
VIP Freedom 2060 Portfolio	15,883	430,188	978,853
VIP Freedom 2065 Portfolio	1,143	107,266	256,223

Due to large subscriptions in a prior period, VIP Freedom 2060 Portfolio is subject to an annual limit on its use of some of its unrealized capital losses to offset capital gains in future periods. If those capital losses are realized and the limitation prevents the Fund from using any of those capital losses in a future period, those capital losses will be available to offset capital gains in subsequent periods.

The tax character of distributions paid was as follows:

December 31, 2021

	Ordinary Income	Long-term Capital Gains	Total
VIP Freedom Income Portfolio	$ 1,486,190	$ 873,870	$ 2,360,060
VIP Freedom 2005 Portfolio	295,046	247,258	542,304
VIP Freedom 2010 Portfolio	7,123,989	8,912,048	16,036,037
VIP Freedom 2015 Portfolio	1,987,621	2,923,575	4,911,196
VIP Freedom 2020 Portfolio	16,803,376	31,614,518	48,417,894
VIP Freedom 2025 Portfolio	8,845,417	7,009,888	15,855,305
VIP Freedom 2030 Portfolio	15,458,861	15,719,493	31,178,354
VIP Freedom 2035 Portfolio	4,909,698	3,885,467	8,795,165
VIP Freedom 2040 Portfolio	4,729,534	4,282,476	9,012,010
VIP Freedom 2045 Portfolio	2,366,059	2,010,992	4,377,051
VIP Freedom 2050 Portfolio	2,152,826	1,653,720	3,806,546
VIP Freedom 2055 Portfolio	143,739	91,729	235,468
VIP Freedom 2060 Portfolio	245,751	177,358	423,109
VIP Freedom 2065 Portfolio	62,755	53,531	116,286

December 31, 2020

	Ordinary Income	Long-term Capital Gains	Total
VIP Freedom Income Portfolio	$ 1,148,041	$ 828,360	$ 1,976,401
VIP Freedom 2005 Portfolio	276,488	300,526	577,014
VIP Freedom 2010 Portfolio	5,642,325	12,327,910	17,970,235
VIP Freedom 2015 Portfolio	1,784,373	3,862,034	5,646,407
VIP Freedom 2020 Portfolio	11,512,339	39,623,551	51,135,890
VIP Freedom 2025 Portfolio	4,908,286	9,224,783	14,133,069
VIP Freedom 2030 Portfolio	7,496,261	19,055,542	26,551,803
VIP Freedom 2035 Portfolio	2,120,394	4,364,860	6,485,254
VIP Freedom 2040 Portfolio	2,002,014	5,007,488	7,009,502
VIP Freedom 2045 Portfolio	1,078,074	2,225,317	3,303,391
VIP Freedom 2050 Portfolio	904,626	1,695,065	2,599,691
VIP Freedom 2055 Portfolio	30,784	44,857	75,641
VIP Freedom 2060 Portfolio	76,734	98,990	175,724
VIP Freedom 2065 Portfolio	22,794	38,240	61,034

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases ($)	Sales ($)
VIP Freedom Income Portfolio	43,612,349	41,197,616
VIP Freedom 2005 Portfolio	4,574,675	6,286,396
VIP Freedom 2010 Portfolio	119,688,013	109,849,705
VIP Freedom 2015 Portfolio	41,088,860	49,360,498
VIP Freedom 2020 Portfolio	257,721,547	290,449,554
VIP Freedom 2025 Portfolio	184,863,800	116,179,649
VIP Freedom 2030 Portfolio	299,180,530	168,677,590
VIP Freedom 2035 Portfolio	114,184,386	64,621,934
VIP Freedom 2040 Portfolio	105,072,462	57,556,077
VIP Freedom 2045 Portfolio	49,134,295	27,957,352
VIP Freedom 2050 Portfolio	49,716,518	24,824,181
VIP Freedom 2055 Portfolio	4,625,568	1,438,287
VIP Freedom 2060 Portfolio	7,843,893	4,349,844
VIP Freedom 2065 Portfolio	1,317,476	364,481

5. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company LLC (the investment adviser), provides the Funds with investment management related services. The Funds do not pay any fees for these services.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Funds have adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Company LLC (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were reallowed to insurance companies for the distribution of shares and providing shareholder support services were as follows:

	Service Class	Service Class 2	Total
VIP Freedom Income Portfolio	$ 34,597	$ 70,965	$ 105,562
VIP Freedom 2005 Portfolio	4,409	684	5,093
VIP Freedom 2010 Portfolio	27,377	823,363	850,740
VIP Freedom 2015 Portfolio	23,803	92,993	116,796
VIP Freedom 2020 Portfolio	169,854	1,303,833	1,473,687
VIP Freedom 2025 Portfolio	177,296	306,184	483,480
VIP Freedom 2030 Portfolio	265,352	551,533	816,885
VIP Freedom 2035 Portfolio	72,094	254,433	326,527
VIP Freedom 2040 Portfolio	104,632	88,596	193,228
VIP Freedom 2045 Portfolio	18,501	180,089	198,590
VIP Freedom 2050 Portfolio	26,577	102,515	129,092
VIP Freedom 2055 Portfolio	1,710	4,848	6,558
VIP Freedom 2060 Portfolio	5,038	4,332	9,370
VIP Freedom 2065 Portfolio	573	1,316	1,889

Interfund Trades. Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. During the period there were no interfund trades

6. Expense Reductions.

Through arrangements with each applicable Fund's custodian, credits realized as a result of certain uninvested cash balances were used to reduce each applicable Fund's or class' expenses. All of the applicable expense reductions are noted in the table below.

	Custodian credits
VIP Freedom 2020 Portfolio	2
VIP Freedom 2025 Portfolio	2
VIP Freedom 2030 Portfolio	1

7. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Freedom Income Portfolio		
Distributions to shareholders		
Initial Class	$ 520,146	$ 484,012
Service Class	1,014,662	836,015
Service Class 2	825,252	656,374
Total	$ 2,360,060	$ 1,976,401
VIP Freedom 2005 Portfolio		
Distributions to shareholders		
Initial Class	$ 365,421	$ 382,732
Service Class	168,577	186,858
Service Class 2	8,306	7,424
Total	$ 542,304	$ 577,014

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Freedom 2010 Portfolio		
Distributions to shareholders		
Initial Class	$ 824,964	$ 1,061,790
Service Class	1,179,118	1,525,398
Service Class 2	14,031,955	15,383,047
Total	$16,036,037	$17,970,235
VIP Freedom 2015 Portfolio		
Distributions to shareholders		
Initial Class	$ 1,774,737	$ 2,033,812
Service Class	1,274,657	1,491,165
Service Class 2	1,861,802	2,121,430
Total	$ 4,911,196	$ 5,646,407
VIP Freedom 2020 Portfolio		
Distributions to shareholders		
Initial Class	$ 5,188,585	$ 5,314,838
Service Class	10,935,604	11,797,061
Service Class 2	32,293,705	34,023,991
Total	$48,417,894	$51,135,890
VIP Freedom 2025 Portfolio		
Distributions to shareholders		
Initial Class	$ 2,652,492	$ 2,679,763
Service Class	7,818,315	6,149,457
Service Class 2	5,384,498	5,303,849
Total	$15,855,305	$14,133,069
VIP Freedom 2030 Portfolio		
Distributions to shareholders		
Initial Class	$ 6,616,973	$ 5,841,068
Service Class	13,521,497	10,623,238
Service Class 2	11,039,884	10,087,497
Total	$31,178,354	$26,551,803
VIP Freedom 2035 Portfolio		
Distributions to shareholders		
Initial Class	$ 711,419	$ 747,584
Service Class	3,336,825	1,949,191
Service Class 2	4,746,921	3,788,479
Total	$ 8,795,165	$ 6,485,254
VIP Freedom 2040 Portfolio		
Distributions to shareholders		
Initial Class	$ 2,057,211	$ 1,677,759
Service Class	5,162,679	3,902,093
Service Class 2	1,792,120	1,429,650
Total	$ 9,012,010	$ 7,009,502
VIP Freedom 2045 Portfolio		
Distributions to shareholders		
Initial Class	$ 266,012	$ 217,739
Service Class	863,207	472,924
Service Class 2	3,247,832	2,612,728
Total	$ 4,377,051	$ 3,303,391
VIP Freedom 2050 Portfolio		
Distributions to shareholders		
Initial Class	$ 760,959	$ 567,067
Service Class	1,215,158	867,482
Service Class 2	1,830,429	1,165,142
Total	$ 3,806,546	$ 2,599,691

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Freedom 2055 Portfolio		
Distributions to shareholders		
Initial Class	$ 22,272	$ 14,159
Service Class	105,576	25,236
Service Class 2	107,620	36,246
Total	$ 235,468	$ 75,641
VIP Freedom 2060 Portfolio		
Distributions to shareholders		
Initial Class	$ 26,394	$ 15,305
Service Class	291,414	121,297
Service Class 2	105,301	39,122
Total	$ 423,109	$ 175,724
VIP Freedom 2065 Portfolio		
Distributions to shareholders		
Initial Class	$ 26,253	$ 20,133
Service Class	61,118	19,766
Service Class 2	28,915	21,135
Total	$ 116,286	$ 61,034

8. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Freedom Income Portfolio				
Initial Class				
Shares sold	358,189	552,815	$ 4,588,127	$ 6,628,090
Reinvestment of distributions	41,021	39,522	520,146	484,012
Shares redeemed	(388,318)	(520,401)	(4,961,909)	(6,242,382)
Net increase (decrease)	10,892	71,936	$ 146,364	$ 869,720
Service Class				
Shares sold	1,600,092	1,968,709	$ 20,377,343	$ 24,051,604
Reinvestment of distributions	80,084	68,376	1,014,662	836,015
Shares redeemed	(1,696,496)	(1,550,110)	(21,622,979)	(18,791,928)
Net increase (decrease)	(16,320)	486,975	$ (230,974)	$ 6,095,691
Service Class 2				
Shares sold	950,903	1,794,123	$ 12,082,840	$ 21,728,081
Reinvestment of distributions	65,416	53,777	825,252	656,374
Shares redeemed	(939,259)	(1,226,432)	(11,930,017)	(14,743,655)
Net increase (decrease)	77,060	621,468	$ 978,075	$ 7,640,800
VIP Freedom 2005 Portfolio				
Initial Class				
Shares sold	3,446	102,610	$ 47,400	$ 1,299,891
Reinvestment of distributions	26,966	29,486	365,421	382,732
Shares redeemed	(49,308)	(126,358)	(677,936)	(1,618,161)
Net increase (decrease)	(18,896)	5,738	$ (265,115)	$ 64,462
Service Class				
Shares sold	130,776	310,180	$ 1,787,955	$ 4,030,290
Reinvestment of distributions	12,364	14,265	168,577	186,858
Shares redeemed	(260,296)	(241,761)	(3,559,968)	(3,115,043)
Net increase (decrease)	(117,156)	82,684	$ (1,603,436)	$ 1,102,105

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
Service Class 2				
Shares sold	10,669	7,829	$ 144,020	$ 104,515
Reinvestment of distributions	615	575	8,306	7,424
Shares redeemed	(17,396)	(1,357)	(237,149)	(16,979)
Net increase (decrease)	(6,112)	7,047	$ (84,823)	$ 94,960
VIP Freedom 2010 Portfolio				
Initial Class				
Shares sold	179,853	489,835	$ 2,581,137	$ 6,415,215
Reinvestment of distributions	58,074	79,472	824,964	1,061,790
Shares redeemed	(427,107)	(558,825)	(6,102,315)	(7,238,865)
Net increase (decrease)	(189,180)	10,482	$ (2,696,214)	$ 238,140
Service Class				
Shares sold	389,588	942,684	$ 5,560,403	$ 12,546,994
Reinvestment of distributions	83,107	114,589	1,179,118	1,525,398
Shares redeemed	(433,308)	(1,157,763)	(6,235,828)	(15,229,370)
Net increase (decrease)	39,387	(100,490)	$ 503,693	$ (1,156,978)
Service Class 2				
Shares sold	2,756,110	2,770,168	$ 39,085,291	$ 36,777,945
Reinvestment of distributions	995,668	1,160,404	14,031,955	15,383,047
Shares redeemed	(3,323,054)	(2,582,942)	(47,357,244)	(33,553,015)
Net increase (decrease)	428,724	1,347,630	$ 5,760,002	$ 18,607,977
VIP Freedom 2015 Portfolio				
Initial Class				
Shares sold	277,058	620,726	$ 3,975,397	$ 7,918,410
Reinvestment of distributions	126,112	154,939	1,774,737	2,033,812
Shares redeemed	(571,619)	(737,634)	(8,195,215)	(9,086,686)
Net increase (decrease)	(168,449)	38,031	$ (2,445,081)	$ 865,536
Service Class				
Shares sold	641,202	1,369,703	$ 9,110,496	$ 17,305,188
Reinvestment of distributions	90,966	113,838	1,274,657	1,491,165
Shares redeemed	(1,217,382)	(1,280,648)	(17,291,685)	(15,855,790)
Net increase (decrease)	(485,214)	202,893	$ (6,906,532)	$ 2,940,563
Service Class 2				
Shares sold	868,218	630,624	$ 12,305,767	$ 7,919,327
Reinvestment of distributions	133,189	163,109	1,861,802	2,121,430
Shares redeemed	(1,034,161)	(1,138,399)	(14,655,934)	(14,580,444)
Net increase (decrease)	(32,754)	(344,666)	$ (488,365)	$ (4,539,687)
VIP Freedom 2020 Portfolio				
Initial Class				
Shares sold	1,430,874	1,897,964	$ 21,753,158	$ 25,807,646
Reinvestment of distributions	347,867	386,522	5,188,585	5,314,838
Shares redeemed	(1,762,447)	(2,266,332)	(26,729,953)	(30,233,566)
Net increase (decrease)	16,294	18,154	$ 211,790	$ 888,918
Service Class				
Shares sold	2,735,016	3,443,575	$ 41,162,814	$ 46,267,509
Reinvestment of distributions	736,652	862,629	10,935,604	11,797,061
Shares redeemed	(4,499,252)	(4,710,547)	(67,703,468)	(63,442,317)
Net increase (decrease)	(1,027,584)	(404,343)	$ (15,605,050)	$ (5,377,747)
Service Class 2				
Shares sold	1,467,186	1,549,604	$ 22,086,029	$ 20,817,403
Reinvestment of distributions	2,185,191	2,501,532	32,293,705	34,023,991

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
Shares redeemed	(5,447,540)	(5,451,945)	(82,218,518)	(72,848,668)
Net increase (decrease)	(1,795,163)	(1,400,809)	$ (27,838,784)	$ (18,007,274)
VIP Freedom 2025 Portfolio				
Initial Class				
Shares sold	683,306	1,004,460	$ 11,859,005	$ 14,982,710
Reinvestment of distributions	153,765	173,519	2,652,492	2,679,763
Shares redeemed	(789,018)	(955,265)	(13,881,934)	(13,825,370)
Net increase (decrease)	48,053	222,714	$ 629,563	$ 3,837,103
Service Class				
Shares sold	4,053,650	6,692,712	$ 70,364,320	$ 101,177,814
Reinvestment of distributions	453,741	398,021	7,818,315	6,149,457
Shares redeemed	(2,098,476)	(4,584,417)	(36,573,439)	(68,648,010)
Net increase (decrease)	2,408,915	2,506,316	$ 41,609,196	$ 38,679,261
Service Class 2				
Shares sold	1,913,234	2,139,387	$ 33,251,596	$ 31,188,910
Reinvestment of distributions	315,106	347,604	5,384,498	5,303,849
Shares redeemed	(1,538,377)	(2,198,968)	(26,778,430)	(32,598,098)
Net increase (decrease)	689,963	288,023	$ 11,857,664	$ 3,894,661
VIP Freedom 2030 Portfolio				
Initial Class				
Shares sold	1,741,665	1,696,990	$ 30,689,811	$ 25,110,224
Reinvestment of distributions	383,653	382,273	6,616,973	5,841,068
Shares redeemed	(1,172,674)	(1,446,224)	(20,626,295)	(20,699,851)
Net increase (decrease)	952,644	633,039	$ 16,680,489	$ 10,251,441
Service Class				
Shares sold	5,043,335	5,313,444	$ 87,778,513	$ 79,014,310
Reinvestment of distributions	786,039	696,027	13,521,497	10,623,238
Shares redeemed	(2,759,531)	(3,626,073)	(48,040,103)	(52,784,403)
Net increase (decrease)	3,069,843	2,383,398	$ 53,259,907	$ 36,853,145
Service Class 2				
Shares sold	3,003,042	2,280,063	$ 52,397,892	$ 33,882,846
Reinvestment of distributions	644,889	667,252	11,039,884	10,087,497
Shares redeemed	(1,594,589)	(2,755,570)	(27,805,345)	(40,428,678)
Net increase (decrease)	2,053,342	191,745	$ 35,632,431	$ 3,541,665
VIP Freedom 2035 Portfolio				
Initial Class				
Shares sold	157,522	178,793	$ 4,647,283	$ 4,206,939
Reinvestment of distributions	24,766	30,176	711,419	747,584
Shares redeemed	(255,386)	(83,516)	(7,262,497)	(1,915,633)
Net increase (decrease)	(73,098)	125,453	$ (1,903,795)	$ 3,038,890
Service Class				
Shares sold	1,529,539	1,688,024	$ 43,947,826	$ 39,337,723
Reinvestment of distributions	116,424	78,663	3,336,825	1,949,191
Shares redeemed	(792,525)	(1,132,662)	(23,072,580)	(26,455,568)
Net increase (decrease)	853,438	634,025	$ 24,212,071	$ 14,831,346
Service Class 2				
Shares sold	1,083,211	1,205,273	$ 31,352,246	$ 28,510,668
Reinvestment of distributions	167,006	155,111	4,746,921	3,788,479
Shares redeemed	(661,775)	(1,100,342)	(19,289,036)	(25,714,567)
Net increase (decrease)	588,442	260,042	$ 16,810,131	$ 6,584,580

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Freedom 2040 Portfolio				
Initial Class				
Shares sold	383,881	365,769	$ 10,680,284	$ 8,106,125
Reinvestment of distributions	74,970	72,430	2,057,211	1,677,759
Shares redeemed	(204,399)	(296,826)	(5,735,042)	(6,410,122)
Net increase (decrease)	254,452	141,373	$ 7,002,453	$ 3,373,762
Service Class				
Shares sold	1,532,626	1,690,640	$ 42,423,198	$ 36,587,034
Reinvestment of distributions	188,520	168,675	5,162,679	3,902,093
Shares redeemed	(899,581)	(1,313,297)	(24,907,500)	(28,344,613)
Net increase (decrease)	821,565	546,018	$ 22,678,377	$ 12,144,514
Service Class 2				
Shares sold	486,777	341,168	$ 13,670,651	$ 7,337,579
Reinvestment of distributions	65,826	62,254	1,792,120	1,429,650
Shares redeemed	(313,215)	(236,379)	(8,716,993)	(5,073,237)
Net increase (decrease)	239,388	167,043	$ 6,745,778	$ 3,693,992
VIP Freedom 2045 Portfolio				
Initial Class				
Shares sold	72,375	72,700	$ 2,051,727	$ 1,624,920
Reinvestment of distributions	9,560	9,277	266,012	217,739
Shares redeemed	(50,025)	(39,305)	(1,396,699)	(840,876)
Net increase (decrease)	31,910	42,672	$ 921,040	$ 1,001,783
Service Class				
Shares sold	362,971	457,384	$ 10,150,113	$ 10,064,107
Reinvestment of distributions	31,105	20,078	863,207	472,924
Shares redeemed	(145,573)	(284,591)	(4,074,959)	(6,186,765)
Net increase (decrease)	248,503	192,871	$ 6,938,361	$ 4,350,266
Service Class 2				
Shares sold	554,421	658,773	$ 15,570,080	$ 14,402,147
Reinvestment of distributions	118,258	112,618	3,247,832	2,612,728
Shares redeemed	(412,972)	(335,205)	(11,654,472)	(7,310,035)
Net increase (decrease)	259,707	436,186	$ 7,163,440	$ 9,704,840
VIP Freedom 2050 Portfolio				
Initial Class				
Shares sold	224,467	196,020	$ 5,743,259	$ 3,974,313
Reinvestment of distributions	30,419	26,877	760,959	567,067
Shares redeemed	(111,941)	(140,058)	(2,850,566)	(2,740,158)
Net increase (decrease)	142,945	82,839	$ 3,653,652	$ 1,801,222
Service Class				
Shares sold	474,852	624,475	$ 12,033,089	$ 12,445,184
Reinvestment of distributions	48,761	41,282	1,215,158	867,482
Shares redeemed	(296,057)	(432,979)	(7,543,563)	(8,367,357)
Net increase (decrease)	227,556	232,778	$ 5,704,684	$ 4,945,309
Service Class 2				
Shares sold	572,988	559,721	$ 14,512,083	$ 11,067,227
Reinvestment of distributions	73,786	55,496	1,830,429	1,165,142
Shares redeemed	(252,960)	(187,567)	(6,385,800)	(3,660,157)
Net increase (decrease)	393,814	427,650	$ 9,956,712	$ 8,572,212
VIP Freedom 2055 Portfolio				
Initial Class				
Shares sold	2,606	63	$ 36,840	$ 600

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
Reinvestment of distributions	70	2	1,006	26
Shares redeemed	(988)	(1)	(14,558)	(7)
Net increase (decrease)	1,688	64	$ 23,288	$ 619
Service Class				
Shares sold	141,156	63,050	$ 1,980,170	$ 704,283
Reinvestment of distributions	6,227	903	88,926	11,403
Shares redeemed	(33,068)	(35,996)	(471,496)	(408,422)
Net increase (decrease)	114,315	27,957	$ 1,597,600	$ 307,264
Service Class 2				
Shares sold	108,597	60,053	$ 1,518,650	$ 680,253
Reinvestment of distributions	6,452	1,808	91,926	22,813
Shares redeemed	(21,462)	(22,347)	(308,074)	(263,640)
Net increase (decrease)	93,587	39,514	$ 1,302,502	$ 439,426
VIP Freedom 2060 Portfolio				
Initial Class				
Shares sold	3,378	13	$ 48,051	$ 125
Reinvestment of distributions	168	–	2,394	–
Shares redeemed	(30)	–	(436)	–
Net increase (decrease)	3,516	13	$ 50,009	$ 125
Service Class				
Shares sold	302,250	330,217	$ 4,222,893	$ 3,653,051
Reinvestment of distributions	19,756	8,429	280,665	106,297
Shares redeemed	(169,112)	(100,016)	(2,388,594)	(1,097,799)
Net increase (decrease)	152,894	238,630	$ 2,114,964	$ 2,661,549
Service Class 2				
Shares sold	81,341	64,252	$ 1,138,823	$ 683,799
Reinvestment of distributions	6,128	1,942	86,950	24,489
Shares redeemed	(20,128)	(17,570)	(291,396)	(172,837)
Net increase (decrease)	67,341	48,624	$ 934,377	$ 535,451
VIP Freedom 2065 Portfolio				
Initial Class				
Shares sold	1,230	–	$ 16,991	$ –
Reinvestment of distributions	61	–	853	–
Shares redeemed	(7)	–	(96)	–
Net increase (decrease)	1,284	–	$ 17,748	$ –
Service Class				
Shares sold	52,267	–	$ 762,467	$ –
Reinvestment of distributions	2,578	–	35,951	–
Shares redeemed	(145)	–	(2,084)	–
Net increase (decrease)	54,700	–	$ 796,334	$ –
Service Class 2				
Shares sold	3,363	4,923	$ 45,834	$ 55,767
Reinvestment of distributions	332	147	4,616	1,836
Shares redeemed	(325)	(1,540)	(4,405)	(17,012)
Net increase (decrease)	3,370	3,530	$ 46,045	$ 40,591

9. Other.

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

Funds do not invest in underlying mutual funds for the purpose of exercising management or control; however, investments by funds within their principal investment strategies may represent a significant portion of the underlying mutual fund's net assets. At the end of the period, certain Funds were the owners of record of 10% or more of the total outstanding shares of the following underlying mutual funds as shown below.

Fund	Affiliated %	Number of Unaffiliated Shareholders	Unaffiliated Shareholders %
VIP: Freedom Income Portfolio	16%	2	45%
VIP: Freedom 2005 Portfolio	69%	1	20%
VIP: Freedom 2010 Portfolio	—	1	88%
VIP: Freedom 2015 Portfolio	28%	2	30%
VIP: Freedom 2020 Portfolio	—	1	69%
VIP: Freedom 2025 Portfolio	—	2	46%
VIP: Freedom 2030 Portfolio	—	1	44%
VIP: Freedom 2035 Portfolio	—	4	69%
VIP: Freedom 2040 Portfolio	—	3	63%
VIP: Freedom 2045 Portfolio	—	4	74%
VIP: Freedom 2050 Portfolio	—	4	73%
VIP: Freedom 2055 Portfolio	21%	2	68%
VIP: Freedom 2060 Portfolio	12%	2	80%
VIP: Freedom 2065 Portfolio	61%	1	33%

The Funds, in aggregate, were the owners of record of more than 20% of the total outstanding shares of the following underlying mutual funds.

Fund	% of shares held
VIP Emerging Markets Portfolio	27%
VIP Overseas Portfolio	25%
VIP Value Portfolio	25%

10. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Funds' performance.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund V and Shareholders of VIP Freedom Income Portfolio, VIP Freedom 2005 Portfolio, VIP Freedom 2010 Portfolio, VIP Freedom 2015 Portfolio, VIP Freedom 2020 Portfolio, VIP Freedom 2025 Portfolio, VIP Freedom 2030 Portfolio, VIP Freedom 2035 Portfolio, VIP Freedom 2040 Portfolio, VIP Freedom 2045 Portfolio, VIP Freedom 2050 Portfolio, VIP Freedom 2055 Portfolio, VIP Freedom 2060 Portfolio and VIP Freedom 2065 Portfolio

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statements of assets and liabilities of VIP Freedom Income Portfolio, VIP Freedom 2005 Portfolio, VIP Freedom 2010 Portfolio, VIP Freedom 2015 Portfolio, VIP Freedom 2020 Portfolio, VIP Freedom 2025 Portfolio, VIP Freedom 2030 Portfolio, VIP Freedom 2035 Portfolio, VIP Freedom 2040 Portfolio, VIP Freedom 2045 Portfolio, VIP Freedom 2050 Portfolio, VIP Freedom 2055 Portfolio, VIP Freedom 2060 Portfolio and VIP Freedom 2065 Portfolio (the "Funds"), each a fund of Variable Insurance Products Fund V, including the schedules of investments, as of December 31, 2021, the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, except for the financial highlights for VIP Freedom 2055 Portfolio, VIP Freedom 2060 Portfolio and VIP Freedom 2065 Portfolio, which are for each of the two years in the period then ended and for the period from April 11, 2019 (commencement of operations) to December 31, 2019; and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2021, and the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended (or for the period mentioned above), in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' 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 Funds 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. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion.

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. 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP
Boston, Massachusetts
February 11, 2022

We have served as the auditor of one or more of the Fidelity investment companies since 1999.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and funds, as applicable, are listed below. The Board of Trustees governs each fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee each fund's activities, review contractual arrangements with companies that provide services to each fund, oversee management of the risks associated with such activities and contractual arrangements, and review each fund's performance. If the interests of a fund and an underlying Fidelity® fund were to diverge, a conflict of interest could arise and affect how the Trustees and Members of the Advisory Board fulfill their fiduciary duties to the affected funds. FMR has structured the funds to avoid these potential conflicts, although there may be situations where a conflict of interest is unavoidable. In such instances, FMR, the Trustees, and Members of the Advisory Board would take reasonable steps to minimize and, if possible, eliminate the conflict. Each of the Trustees oversees 286 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the funds is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

Each fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing each fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the funds, is provided below.

Board Structure and Oversight Function. Abigail P. Johnson is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the funds. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Arthur E. Johnson serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The funds' Board oversees Fidelity's investment-grade bond, money market, asset allocation and certain equity funds, and other Boards oversee Fidelity's high income and other equity funds. The asset allocation funds may invest in Fidelity® funds that are overseen by such other Boards. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, each fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the funds' activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the funds' business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the funds are carried out by or through FMR, its affiliates, and other service providers, the funds' exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the funds' activities, oversight is exercised primarily through the Operations and Audit Committees. In addition, an ad hoc Board committee of Independent Trustees has worked with FMR to enhance the Board's oversight of investment and financial risks, legal and regulatory risks, technology risks, and operational risks, including the development of additional risk reporting to the Board. Appropriate personnel, including but not limited to the funds' Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the funds' Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Abigail P. Johnson (1961)

Year of Election or Appointment: 2009
Trustee
Chairman of the Board of Trustees

Ms. Johnson also serves as Trustee of other Fidelity® funds. Ms. Johnson serves as Chairman (2016-present), Chief Executive Officer (2014-present), and Director (2007-present) of FMR LLC (diversified financial services company), President of Fidelity Financial Services (2012-present) and President of Personal, Workplace and Institutional Services (2005-present). Ms. Johnson is Chairman and Director of Fidelity Management & Research Company LLC (investment adviser firm, 2011-present). Previously, Ms. Johnson served as Chairman and Director of FMR Co., Inc. (investment adviser firm, 2011-2019), Vice Chairman (2007-2016) and President (2013-2016) of FMR LLC, President and a Director of Fidelity Management & Research Company (2001-2005), a Trustee of other investment companies advised by Fidelity Management & Research Company, Fidelity Investments Money Management, Inc. (investment adviser firm), and FMR Co., Inc. (2001-2005), Senior Vice President of the Fidelity® funds (2001-2005), and managed a number of Fidelity® funds. Ms. Abigail P. Johnson and Mr. Arthur E. Johnson are not related.

Jennifer Toolin McAuliffe (1959)

Year of Election or Appointment: 2016
Trustee

Ms. McAuliffe also serves as Trustee of other Fidelity® funds and as Trustee of Fidelity Charitable (2020-present). Previously, Ms. McAuliffe served as Co-Head of Fixed Income of Fidelity Investments Limited (now known as FIL Limited (FIL)) (diversified financial services company), Director of Research for FIL's credit and quantitative teams in London, Hong Kong and Tokyo and Director of Research for taxable and municipal bonds at Fidelity Investments Money Management, Inc. Ms. McAuliffe previously served as a member of the Advisory Board of certain Fidelity® funds (2016). Ms. McAuliffe was previously a lawyer at Ropes & Gray LLP and currently serves as director or trustee of several not-for-profit entities.

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for each fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Elizabeth S. Acton (1951)

Year of Election or Appointment: 2013
Trustee

Ms. Acton also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Acton served as Executive Vice President, Finance (2011-2012), Executive Vice President, Chief Financial Officer (2002-2011) and Treasurer (2004-2005) of Comerica Incorporated (financial services). Prior to joining Comerica, Ms. Acton held a variety of positions at Ford Motor Company (1983-2002), including Vice President and Treasurer (2000-2002) and Executive Vice President and Chief Financial Officer of Ford Motor Credit Company (1998-2000). Ms. Acton currently serves as a member of the Board and Audit and Finance Committees of Beazer Homes USA, Inc. (homebuilding, 2012-present). Ms. Acton previously served as a member of the Advisory Board of certain Fidelity® funds (2013-2016).

Ann E. Dunwoody (1953)

Year of Election or Appointment: 2018
Trustee

General Dunwoody also serves as Trustee of other Fidelity® funds. General Dunwoody (United States Army, Retired) was the first woman in U.S. military history to achieve the rank of four-star general and prior to her retirement in 2012 held a variety of positions within the U.S. Army, including Commanding General, U.S. Army Material Command (2008-2012). General Dunwoody currently serves as President of First to Four LLC (leadership and mentoring services, 2012-present), a member of the Board and Nomination and Corporate Governance Committees of Kforce Inc. (professional staffing services, 2016-present) and a member of the Board of Automattic Inc. (software engineering, 2018-present). Previously, General Dunwoody served as a member of the Advisory Board and Nominating and Corporate Governance Committee of L3 Technologies, Inc. (communication, electronic, sensor and aerospace systems, 2013-2019) and a member of the Board and Audit and Sustainability and Corporate Responsibility Committees of Republic Services, Inc. (waste collection, disposal and recycling, 2013-2016). Ms. Dunwoody also serves on several boards for non-profit organizations, including as a member of the Board, Chair of the Nomination and Governance Committee and a member of the Audit Committee of Logistics Management Institute (consulting non-profit, 2012-present), a member of the Council of Trustees for the Association of the United States Army (advocacy non-profit, 2013-present), a member of the Board of Florida Institute of Technology (2015-present) and a member of the Board of ThanksUSA (military family education non-profit, 2014-present). General Dunwoody previously served as a member of the Advisory Board of certain Fidelity® funds (2018).

John Engler (1948)

Year of Election or Appointment: 2014
Trustee

Mr. Engler also serves as Trustee of other Fidelity® funds. Previously, Mr. Engler served as Governor of Michigan (1991-2003), President of the Business Roundtable (2011-2017) and interim President of Michigan State University (2018-2019). Mr. Engler currently serves as a member of the Board of Stride, Inc. (formerly K12 Inc.) (technology-based education company, 2012-present). Previously, Mr. Engler served as a member of the Board of Universal Forest Products (manufacturer and distributor of wood and wood-alternative products, 2003-2019) and Trustee of The Munder Funds (2003-2014). Mr. Engler previously served as a member of the Advisory Board of certain Fidelity® funds (2014-2016).

Robert F. Gartland (1951)

Year of Election or Appointment: 2010
Trustee

Mr. Gartland also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Gartland held a variety of positions at Morgan Stanley (financial services, 1979-2007), including Managing Director (1987-2007) and Chase Manhattan Bank (1975-1978). Mr. Gartland previously served as Chairman and an investor in Gartland & Mellina Group Corp. (consulting, 2009-2019), as a member of the Board of National Securities Clearing Corporation (1993-1996) and as Chairman of TradeWeb (2003-2004).

Arthur E. Johnson (1947)

Year of Election or Appointment: 2008
Trustee
Chairman of the Independent Trustees

Mr. Johnson also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Johnson served as Senior Vice President of Corporate Strategic Development of Lockheed Martin Corporation (defense contractor, 1999-2009). Mr. Johnson currently serves as a member of the Board of Booz Allen Hamilton (management consulting, 2011-present). Mr. Johnson previously served as a member of the Board of Eaton Corporation plc (diversified power management, 2009-2019) and a member of the Board of AGL Resources, Inc. (holding company, 2002-2016). Mr. Johnson previously served as Vice Chairman (2015-2018) of the Independent Trustees of certain Fidelity® funds. Mr. Arthur E. Johnson is not related to Ms. Abigail P. Johnson.

Michael E. Kenneally (1954)

Year of Election or Appointment: 2009
Trustee
Vice Chairman of the Independent Trustees

Mr. Kenneally also serves as Trustee of other Fidelity® funds. Prior to retirement, he was Chairman and Global Chief Executive Officer of Credit Suisse Asset Management. Previously, Mr. Kenneally was an Executive Vice President and the Chief Investment Officer for Bank of America. In this role, he was responsible for the investment management, strategy and products delivered to the bank's institutional, high-net-worth and retail clients. Earlier, Mr. Kenneally directed the organization's equity and quantitative research groups. He began his career in 1983 as a research analyst and then spent more than a dozen years as a portfolio manager for endowments, pension plans and mutual funds. He earned the Chartered Financial Analyst (CFA) designation in 1991.

Marie L. Knowles (1946)

Year of Election or Appointment: 2001
Trustee

Ms. Knowles also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Knowles held several positions at Atlantic Richfield Company (diversified energy), including Executive Vice President and Chief Financial Officer (1996-2000), Senior Vice President (1993-1996) and President of ARCO Transportation Company (pipeline and tanker operations, 1993-1996). Ms. Knowles currently serves as a member of the Board of McKesson Corporation (healthcare service, since 2002), a member of the Board of the Santa Catalina Island Company (real estate, 2009-present), a member of the Investment Company Institute Board of Governors and a member of the Governing Council of the Independent Directors Council (2014-present). Ms. Knowles also serves as a member of the Advisory Board for the School of Engineering of the University of Southern California. Ms. Knowles previously served as Chairman (2015-2018) and Vice Chairman (2012-2015) of the Independent Trustees of certain Fidelity® funds.

Mark A. Murray (1954)

Year of Election or Appointment: 2016
Trustee

Mr. Murray also serves as Trustee of other Fidelity® funds. Previously, Mr. Murray served as Co-Chief Executive Officer (2013-2016), President (2006-2013) and Vice Chairman (2013-2020) of Meijer, Inc. Mr. Murray serves as a member of the Board (2009-present) and Public Policy and Responsibility Committee (2009-present) and Chair of the Nuclear Review Committee (2019-present) of DTE Energy Company (diversified energy company). Mr. Murray previously served as a member of the Board of Spectrum Health (not-for-profit health system, 2015-2019) and as a member of the Board and Audit Committee and Chairman of the Nominating and Corporate Governance Committee of Universal Forest Products, Inc. (manufacturer and distributor of wood and wood-alternative products, 2004-2016). Mr. Murray also serves as a member of the Board of many community and professional organizations. Mr. Murray previously served as a member of the Advisory Board of certain Fidelity® funds (2016).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for each fund.

Advisory Board Members and Officers:

Correspondence intended for an officer may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Robert W. Helm (1957)

Year of Election or Appointment: 2021
Member of the Advisory Board

Mr. Helm also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Helm was formerly Deputy Chairman (2003-2020), partner (1991-2020) and an associate (1984-1991) of Dechert LLP (formerly Dechert Price & Rhoads). Mr. Helm currently serves on boards and committees of several not-for-profit organizations.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

David J. Carter (1973)

Year of Election or Appointment: 2020
Assistant Secretary

Mr. Carter also serves as Assistant Secretary of other funds. Mr. Carter serves as Vice President, Associate General Counsel (2010-present) and is an employee of Fidelity Investments (2005-present).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
President and Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2016
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Chris Maher (1972)

Year of Election or Appointment: 2013
Assistant Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2020
Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company LLC (investment adviser firm, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Compliance Officer of FMR Co., Inc. (investment adviser firm, 2016-2019), as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Brett Segaloff (1972)

Year of Election or Appointment: 2021
Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2013
Assistant Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Jim Wegmann (1979)

Year of Election or Appointment: 2021
Deputy Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

Vadim Zlotnikov (1962)

Year of Election or Appointment: 2019
Vice President

Mr. Zlotnikov also serves as Vice President of other funds. Mr. Zlotnikov serves as President of FIAM (Fidelity Institutional Asset Management) and is an employee of Fidelity Investments (2018-present). Previously, Mr. Zlotnikov served as President and Chief Investment Officer of Global Asset Allocation (2018-2020). Prior to joining Fidelity Investments, Mr. Zlotnikov served as Co-Head of Multi-Asset Solutions, Chief Market Strategist, and CIO of Systematic Strategies with AllianceBernstein (investment adviser firm, 2002-2018).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in a fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year 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 with the 5% hypothetical examples that appear in the shareholder reports of the other funds. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
VIP Freedom Income Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,012.50	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,011.50	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,010.80	$1.27
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2005 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,013.80	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,013.30	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,012.60	$1.27
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2010 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,018.50	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,018.20	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,016.70	$1.27
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2015 Portfolio				
Initial Class	-%-[C]			

Shareholder Expense Example – continued

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
Actual		$1,000.00	$1,023.10	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,022.70	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,022.10	$1.27
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2020 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,028.20	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,027.90	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,027.10	$1.28
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2025 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,031.80	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,031.00	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,030.30	$1.28
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2030 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,034.90	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,034.60	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,033.90	$1.28
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2035 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,041.90	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,041.10	$.51
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,040.30	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2040 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,048.10	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,047.20	$.52
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
Actual		$1,000.00	$1,046.50	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2045 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,048.20	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,047.40	$.52
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,046.50	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2050 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,048.10	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,047.70	$.52
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,047.00	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2055 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,048.30	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,047.60	$.52
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,047.20	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2060 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,047.80	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,047.00	$.52
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,046.70	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28
VIP Freedom 2065 Portfolio				
Initial Class	-%-[C]			
Actual		$1,000.00	$1,048.40	$—[D]
Hypothetical-[E]		$1,000.00	$1,025.21	$—[D]
Service Class	.10%			
Actual		$1,000.00	$1,048.00	$.52
Hypothetical-[E]		$1,000.00	$1,024.70	$.51
Service Class 2	.25%			
Actual		$1,000.00	$1,046.90	$1.29
Hypothetical-[E]		$1,000.00	$1,023.95	$1.28

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/ 365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.*

Shareholder Expense Example – continued

C *Amount represents less than .005%.*

D *Amount represents less than $.005.*

E *5% return per year before expenses*

Distributions (Unaudited)

The Board of Trustees of each fund voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities and dividends derived from net investment income:

	Pay Date	Record Date	Dividends	Capital Gains
VIP Freedom Income Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.115	$0.402
Service Class	02/04/2022	02/04/2022	$0.115	$0.402
Service Class 2	02/04/2022	02/04/2022	$0.115	$0.402
VIP Freedom 2005 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.121	$0.766
Service Class	02/04/2022	02/04/2022	$0.121	$0.766
Service Class 2	02/04/2022	02/04/2022	$0.121	$0.766
VIP Freedom 2010 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.114	$0.769
Service Class	02/04/2022	02/04/2022	$0.114	$0.769
Service Class 2	02/04/2022	02/04/2022	$0.114	$0.769
VIP Freedom 2015 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.110	$1.264
Service Class	02/04/2022	02/04/2022	$0.110	$1.264
Service Class 2	02/04/2022	02/04/2022	$0.110	$1.264
VIP Freedom 2020 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.111	$1.357
Service Class	02/04/2022	02/04/2022	$0.111	$1.357
Service Class 2	02/04/2022	02/04/2022	$0.111	$1.357
VIP Freedom 2025 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.120	$1.004
Service Class	02/04/2022	02/04/2022	$0.120	$1.004
Service Class 2	02/04/2022	02/04/2022	$0.120	$1.004
VIP Freedom 2030 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.100	$1.049
Service Class	02/04/2022	02/04/2022	$0.100	$1.049
Service Class 2	02/04/2022	02/04/2022	$0.100	$1.049
VIP Freedom 2035 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.112	$1.882
Service Class	02/04/2022	02/04/2022	$0.112	$1.882
Service Class 2	02/04/2022	02/04/2022	$0.112	$1.882
VIP Freedom 2040 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.113	$2.100
Service Class	02/04/2022	02/04/2022	$0.113	$2.100
Service Class 2	02/04/2022	02/04/2022	$0.113	$2.100
VIP Freedom 2045 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.112	$2.142
Service Class	02/04/2022	02/04/2022	$0.112	$2.142
Service Class 2	02/04/2022	02/04/2022	$0.112	$2.142
VIP Freedom 2050 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.101	$1.846
Service Class	02/04/2022	02/04/2022	$0.101	$1.846
Service Class 2	02/04/2022	02/04/2022	$0.101	$1.846
VIP Freedom 2055 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.000	$0.655
Service Class	02/04/2022	02/04/2022	$0.000	$0.655
Service Class 2	02/04/2022	02/04/2022	$0.000	$0.655
VIP Freedom 2060 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.000	$0.669
Service Class	02/04/2022	02/04/2022	$0.000	$0.669
Service Class 2	02/04/2022	02/04/2022	$0.000	$0.669
VIP Freedom 2065 Portfolio				
Initial Class	02/04/2022	02/04/2022	$0.000	$0.645
Service Class	02/04/2022	02/04/2022	$0.000	$0.645
Service Class 2	02/04/2022	02/04/2022	$0.000	$0.645

Distributions (Unaudited) – continued

The funds hereby designate as capital gain dividend the amounts noted below for the taxable year ended December 31, 2021, or, if subsequently determined to be different, the net capital gain of such year.

VIP Freedom Income Portfolio	$ 2,312,055
VIP Freedom 2005 Portfolio	$ 738,618
VIP Freedom 2010 Portfolio	$19,660,733
VIP Freedom 2015 Portfolio	$ 7,803,445
VIP Freedom 2020 Portfolio	$65,856,807
VIP Freedom 2025 Portfolio	$20,735,305
VIP Freedom 2030 Portfolio	$39,424,950
VIP Freedom 2035 Portfolio	$13,994,862
VIP Freedom 2040 Portfolio	$14,939,840
VIP Freedom 2045 Portfolio	$ 8,024,390
VIP Freedom 2050 Portfolio	$ 6,901,510
VIP Freedom 2055 Portfolio	$ 359,022
VIP Freedom 2060 Portfolio	$ 605,072
VIP Freedom 2065 Portfolio	$ 155,739

A percentage of the dividends distributed during the fiscal year for the following funds were derived from interest on U.S. Government securities which is generally exempt from state income tax

VIP Freedom Income Portfolio	
Initial Class	16.12%
Service Class	16.12%
Service Class 2	16.12%
VIP Freedom 2005 Portfolio	
Initial Class	14.51%
Service Class	14.51%
Service Class 2	14.51%
VIP Freedom 2010 Portfolio	
Initial Class	11.83%
Service Class	11.83%
Service Class 2	11.83%
VIP Freedom 2015 Portfolio	
Initial Class	9.37%
Service Class	9.37%
Service Class 2	9.37%
VIP Freedom 2020 Portfolio	
Initial Class	7.60%
Service Class	7.60%
Service Class 2	7.60%
VIP Freedom 2025 Portfolio	
Initial Class	6.40%
Service Class	6.40%
Service Class 2	6.40%
VIP Freedom 2030 Portfolio	
Initial Class	4.97%
Service Class	4.97%
Service Class 2	4.97%
VIP Freedom 2035 Portfolio	
Initial Class	2.29%
Service Class	2.29%
Service Class 2	2.29%
VIP Freedom 2040 Portfolio	
Initial Class	1.51%
Service Class	1.51%
Service Class 2	1.51%
VIP Freedom 2045 Portfolio	
Initial Class	1.49%
Service Class	1.49%
Service Class 2	1.49%

VIP Freedom 2050 Portfolio	
Initial Class	1.50%
Service Class	1.50%
Service Class 2	1.50%
VIP Freedom 2055 Portfolio	
Initial Class	1.52%
Service Class	1.52%
Service Class 2	1.52%
VIP Freedom 2060 Portfolio	
Initial Class	1.51%
Service Class	1.51%
Service Class 2	1.51%
VIP Freedom 2065 Portfolio	
Initial Class	1.47%
Service Class	1.47%
Service Class 2	1.47%

A percentage of the dividends distributed during the fiscal year for the following funds qualify for the dividends–received deduction for corporate shareholders:

	Initial Class	Service Class	Service Class 2
VIP Freedom Income Portfolio			
February 5, 2021	0%	0%	0%
December 15, 2021	5%	6%	6%
VIP Freedom 2005 Portfolio			
February 5, 2021	0%	0%	0%
December 15, 2021	7%	7%	8%
VIP Freedom 2010 Portfolio			
February 5, 2021	0%	0%	0%
December 15, 2021	10%	11%	12%
VIP Freedom 2015 Portfolio			
February 5, 2021	0%	0%	0%
December 15, 2021	13%	14%	15%
VIP Freedom 2020 Portfolio			
February 5, 2021	1%	1%	1%
December 15, 2021	16%	16%	18%
VIP Freedom 2025 Portfolio			
February 5, 2021	1%	1%	1%
December 15, 2021	17%	17%	19%
VIP Freedom 2030 Portfolio			
February 5, 2021	0%	0%	0%
December 15, 2021	19%	19%	20%
VIP Freedom 2035 Portfolio			
February 5, 2021	3%	3%	3%
December 15, 2021	22%	23%	25%
VIP Freedom 2040 Portfolio			
February 5, 2021	9%	9%	9%
December 15, 2021	26%	27%	29%
VIP Freedom 2045 Portfolio			
February 5, 2021	7%	7%	7%
December 15, 2021	27%	28%	29%
VIP Freedom 2050 Portfolio			
February 5, 2021	7%	7%	7%
December 15, 2021	27%	28%	29%
VIP Freedom 2055 Portfolio			
February 5, 2021	1%	1%	1%
December 30, 2021	22%	23%	24%
December 31, 2021	24%	24%	24%
VIP Freedom 2060 Portfolio			
February 5, 2021	2%	2%	2%
December 30, 2021	21%	21%	22%

Distributions (Unaudited) – continued

	Initial Class	Service Class	Service Class 2
December 31, 2021	22%	22%	22%
VIP Freedom 2065 Portfolio			
February 5, 2021	1%	1%	1%
December 30, 2021	23%	23%	25%
December 31, 2021	24%	24%	24%

The amounts per share which represent income derived from sources within, and taxes paid to, foreign countries or possessions of the United States are as follows:

	Pay Date	Income	Taxes
VIP Freedom Income Portfolio			
Initial Class	12/15/21	$0.0429	$0.0043
Service Class	12/15/21	$0.0406	$0.0043
Service Class 2	12/15/21	$0.0373	$0.0043
VIP Freedom 2005 Portfolio			
Initial Class	12/15/21	$0.0471	$0.0050
Service Class	12/15/21	$0.0443	$0.0050
Service Class 2	12/15/21	$0.0390	$0.0050
VIP Freedom 2010 Portfolio			
Initial Class	12/15/21	$0.0650	$0.0063
Service Class	12/15/21	$0.0617	$0.0063
Service Class 2	12/15/21	$0.0568	$0.0063
VIP Freedom 2015 Portfolio			
Initial Class	12/15/21	$0.0722	$0.0074
Service Class	12/15/21	$0.0683	$0.0074
Service Class 2	12/15/21	$0.0638	$0.0074
VIP Freedom 2020 Portfolio			
Initial Class	12/15/21	$0.0907	$0.0091
Service Class	12/15/21	$0.0866	$0.0091
Service Class 2	12/15/21	$0.0805	$0.0091
VIP Freedom 2025 Portfolio			
Initial Class	12/15/21	$0.1093	$0.0114
Service Class	12/15/21	$0.1052	$0.0114
Service Class 2	12/15/21	$0.0985	$0.0114
VIP Freedom 2030 Portfolio			
Initial Class	12/15/21	$0.1190	$0.0125
Service Class	12/15/21	$0.1147	$0.0125
Service Class 2	12/15/21	$0.1080	$0.0125
VIP Freedom 2035 Portfolio			
Initial Class	12/15/21	$0.2347	$0.0244
Service Class	12/15/21	$0.2265	$0.0244
Service Class 2	12/15/21	$0.2141	$0.0244
VIP Freedom 2040 Portfolio			
Initial Class	12/15/21	$0.2453	$0.0262
Service Class	12/15/21	$0.2365	$0.0262
Service Class 2	12/15/21	$0.2244	$0.0262
VIP Freedom 2045 Portfolio			
Initial Class	12/15/21	$0.2588	$0.0266
Service Class	12/15/21	$0.2500	$0.0266
Service Class 2	12/15/21	$0.2349	$0.0266
VIP Freedom 2050 Portfolio			
Initial Class	12/15/21	$0.2296	$0.0241
Service Class	12/15/21	$0.2215	$0.0241
Service Class 2	12/15/21	$0.2095	$0.0241
VIP Freedom 2055 Portfolio			
Initial Class	12/30/21	$0.1178	$0.0123
Service Class	12/30/21	$0.1143	$0.0123
Service Class 2	12/30/21	$0.1084	$0.0123
VIP Freedom 2060 Portfolio			
Initial Class	12/30/21	$0.1213	$0.0129

	Pay Date	Income	Taxes
Service Class	12/30/21	$0.1176	$0.0129
Service Class 2	12/30/21	$0.1126	$0.0129
VIP Freedom 2065 Portfolio			
Initial Class	12/30/21	$0.1203	$0.0129
Service Class	12/30/21	$0.1180	$0.0129
Service Class 2	12/30/21	$0.1093	$0.0129

Board Approval of Investment Advisory Contracts and Management Fees

VIP Freedom Funds

Each year, the Board of Trustees, including the Independent Trustees (together, the Board), votes on the renewal of the management contract with Fidelity Management & Research Company LLC (FMR) for each fund (the Advisory Contract). The Board, assisted by the advice of fund counsel and Independent Trustees' counsel, requests and considers a broad range of information relevant to the renewal of the Advisory Contracts throughout the year.

The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of each fund's Advisory Contract, including the services and support provided to each fund and its shareholders. The Board has established four standing committees (Committees) — Operations, Audit, Fair Valuation, and Governance and Nominating — each composed of and chaired by Independent Trustees with varying backgrounds, to which the Board has assigned specific subject matter responsibilities in order to enhance effective decision-making by the Board. The Operations Committee, of which all of the Independent Trustees are members, meets regularly throughout the year and considers, among other matters, information specifically related to the annual consideration of the renewal of each fund's Advisory Contract. The Board, acting directly and through its Committees, requests and receives information concerning the annual consideration of the renewal of each fund's Advisory Contract. The Board also meets as needed to review matters specifically related to the Board's annual consideration of the renewal of the Advisory Contracts. Members of the Board may also meet with trustees of other Fidelity funds through joint ad hoc committees to discuss certain matters relevant to all of the Fidelity funds.

At its September 2021 meeting, the Board unanimously determined to renew each fund's Advisory Contract. In reaching its determination, the Board considered all factors it believed relevant and reached a determination, with the assistance of fund counsel and Independent Trustees' counsel and through the exercise of its business judgment, that the renewal of the Advisory Contract was in the best interests of each fund and its shareholders and that the fact that no fees are payable under the Advisory Contracts was fair and reasonable. The Board's decision to renew the Advisory Contracts was not based on any single factor, but rather was based on a comprehensive consideration of all the information provided to the Board at its meetings throughout the year. In reaching its determination, the Board was aware that shareholders of each fund have a broad range of investment choices available to them, including a wide choice among funds offered by Fidelity's competitors, and that each fund's shareholders, who have the opportunity to review and weigh the disclosure provided by the fund in its prospectus and other public disclosures, have chosen to invest in that fund, which is part of the Fidelity family of funds.

Nature, Extent, and Quality of Services Provided. The Board considered Fidelity's staffing as it relates to the funds, including the backgrounds of investment personnel of FMR, and also considered the funds' investment objectives, strategies, and related investment philosophies. The Independent Trustees also had discussions with senior management of Fidelity's investment operations and investment groups with responsibility for the underlying Fidelity funds in which each fund invests. The Board considered the structure of the investment personnel compensation program and whether this structure provides appropriate incentives to act in the best interests of each fund. Additionally, the Board considered the portfolio managers' investments, if any, in the funds that they manage. The Board also considered the steps Fidelity had taken to ensure the continued provision of high quality services to the Fidelity funds during the COVID-19 pandemic, including the expansion of staff in client facing positions to maintain service levels in periods of high volumes and volatility.

Resources Dedicated to Investment Management and Support Services. The Board reviewed the general qualifications and capabilities of Fidelity's investment staff, including its size, education, experience, and resources, as well as Fidelity's approach to recruiting, training, managing, and compensating investment personnel. The Board noted the resources devoted to Fidelity's global investment organization, and that Fidelity's analysts have extensive resources, tools and capabilities that allow them to conduct sophisticated quantitative and fundamental analysis, as well as credit analysis of issuers, counterparties and guarantors. Further, the Board considered that Fidelity's investment professionals have sufficient access to global information and data so as to provide competitive investment results over time, and that those professionals also have access to sophisticated tools that permit them to assess portfolio construction and risk and performance attribution characteristics continuously, as well as to transmit new information and research conclusions rapidly around the world. Additionally, in its deliberations, the Board considered Fidelity's risk management, compliance, cybersecurity, and technology and operations capabilities and resources, which are integral parts of the investment management process.

Shareholder and Administrative Services. The Board considered (i) the nature, extent, quality, and cost of advisory, administrative, and shareholder services performed by Fidelity under the Advisory Contract and under separate agreements covering transfer agency, and pricing and bookkeeping services for each fund; (ii) the nature and extent of the supervision of third party service providers, principally custodians, subcustodians, and pricing vendors; and (iii) the resources devoted to, and the record of compliance with, each fund's compliance policies and procedures.

The Board noted that the growth of fund assets over time across the complex allows Fidelity to reinvest in the development of services designed to enhance the value and convenience of the Fidelity funds as investment vehicles. These services include 24-hour access to account information and market information over the Internet and through telephone representatives, investor education materials and asset allocation tools. The Board also considered that it reviews customer service metrics such as telephone response times, continuity of services on the website and metrics addressing services at Fidelity Investor Centers.

Investment in a Large Fund Family. The Board considered the benefits to shareholders of investing in a Fidelity fund, including the benefits of investing in a fund that is part of a large family of funds offering a variety of investment disciplines and providing a large variety of mutual fund investor services. The Board noted that Fidelity had taken, or had made recommendations to the Board that resulted in the Fidelity funds taking, a number of actions over the previous year that benefited particular funds, including: (i) continuing to dedicate additional resources to Fidelity's investment research process, which includes meetings with management of issuers of securities in which the funds invest; (ii) continuing efforts to enhance Fidelity's global research capabilities; (iii) launching new funds and ETFs with innovative structures, strategies and pricing and making other enhancements to meet client needs; (iv) launching new share classes of existing funds; (v) eliminating purchase minimums and broadening eligibility requirements for certain funds and share classes; (vi) reducing the holding period for the conversion of Class C shares to Class A shares; (vii) reducing management fees and total expenses for certain target date funds and classes and index funds; (viii) lowering expenses for certain existing funds and classes by implementing or lowering expense caps; (ix) rationalizing product lines and gaining increased efficiencies from fund mergers, liquidations, and share class consolidations; (x) continuing to develop, acquire and implement systems and technology to improve services to the funds and shareholders, strengthen information security, and increase efficiency; and (xi) continuing to implement enhancements to further strengthen Fidelity's product line to increase investors' probability of success in achieving their investment goals, including their retirement income goals.

Investment Performance. The Board considered whether each fund has operated in accordance with its investment objective, as well as its record of compliance with its investment restrictions and its performance history.

The Board took into account discussions that occur at Board meetings throughout the year with representatives of the investment adviser about fund investment performance. In this regard the Board noted that as part of regularly scheduled fund reviews and other reports to the Board on fund performance, the Board considers annualized return information for each fund for different time periods, measured against one or more appropriate securities market indices, including a customized blended index that reflects the respective weights of the fund's asset classes (each a benchmark index).The Board also reviews and considers information about performance attribution. In its evaluation of fund investment performance at meetings throughout the year, the Board gave particular attention to information indicating underperformance of certain Fidelity funds for specific time periods and discussed with the investment adviser the reasons for such underperformance.

In addition to reviewing absolute and relative fund performance, the Independent Trustees periodically consider the appropriateness of fund performance metrics in evaluating the results achieved. In general, the Independent Trustees believe that fund performance should be evaluated based on gross performance (before fees and expenses, including acquired fund fees and expenses, but after transaction costs, if any) compared to appropriate benchmark indices, over appropriate time periods that may include full market cycles, taking into account relevant factors including the following: general market conditions; the extent to which particular underlying funds affected performance; and fund cash flows and other factors. The Independent Trustees generally give greater weight to fund performance over longer time periods than over shorter time periods. Depending on the circumstances, the Independent Trustees may be satisfied with a fund's performance notwithstanding that it lags its benchmark index for certain periods.

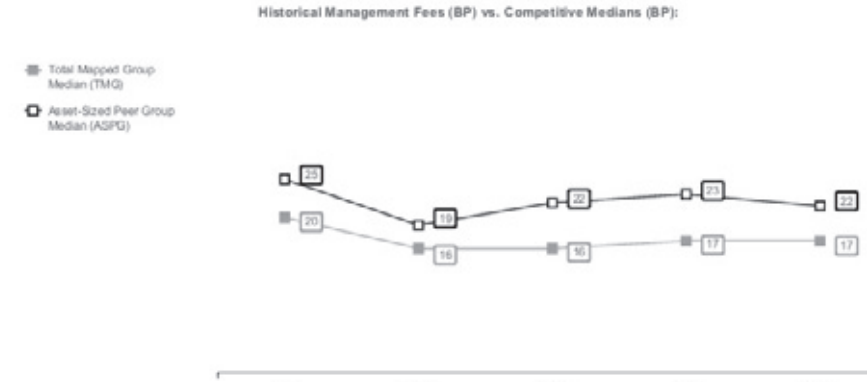
The Independent Trustees recognize that shareholders evaluate performance on a net basis over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included, for each fund except VIP Freedom 2055 Fund, VIP Freedom 2060 Fund, and VIP Freedom 2065 Fund, net cumulative calendar year total return information and an appropriate benchmark index for the most recent one-, three-, and five-year periods and, for VIP Freedom 2055 Fund, VIP Freedom 2060 Fund, and VIP Freedom 2065 Fund, net calendar year total return information and an appropriate benchmark index for the most recent one-year period. No performance peer group information was considered by the Board due to the fact that competitor funds differ significantly in their asset allocation strategy, degree of active management and glidepath construction. The Independent Trustees recognize that shareholders who are not investing through a tax-advantaged retirement account also consider tax consequences in evaluating performance.

Based on its review, the Board concluded that the nature, extent, and quality of services provided to each fund under the Advisory Contracts should continue to benefit the shareholders of each fund.

Competitiveness of Management Fee and Total Expense Ratio. The Board noted that the funds do not pay FMR a management fee for investment advisory services, and that each fund bears indirectly the fees and expenses, including the management fees, paid by the underlying Fidelity funds in which it invests. The Board considered each fund's management fee and total expense ratio compared to "mapped groups" of competitive funds and classes created for the purpose of facilitating the Trustees' competitive analysis of management fees and total expenses. Fidelity creates "mapped groups" by combining similar Lipper investment objective categories that have comparable investment mandates. Combining Lipper investment objective categories aids the Board's management fee and total expense ratio comparisons by broadening the competitive group used for comparison.

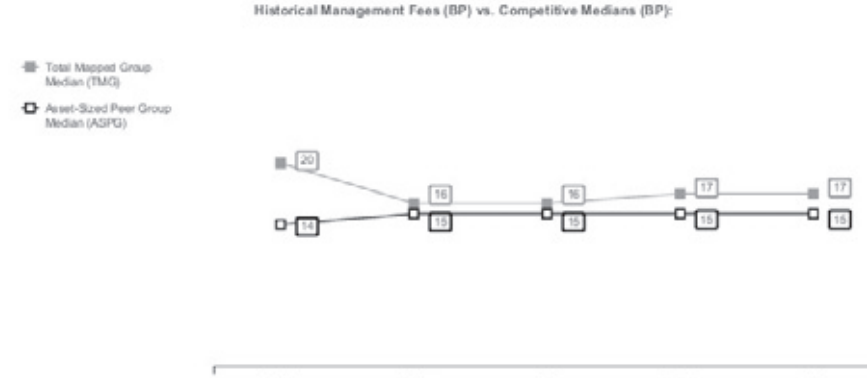
Management Fee. The Board considered two proprietary management fee comparisons for the 12-month (or shorter) periods shown in basis points (BP) in the charts below. The group of Lipper funds used by the Board for management fee comparisons is referred to below as the "Total Mapped Group." The Total Mapped Group comparison focuses on a fund's standing in terms of gross management fees before expense reimbursements or caps relative to the total universe of funds with comparable investment mandates, regardless of whether their management fee structures also are comparable. Funds with comparable investment mandates offer exposure to similar types of securities. Funds with comparable management fee structures have similar management fee contractual arrangements (*e.g.*, flat rate charged for advisory services, all-inclusive fee rate, *etc.*). "TMG %" represents the percentage of funds in the Total Mapped Group that had management fees that were lower than a fund's. For example, a hypothetical TMG % of 20% would mean that 80% of the funds in the Total Mapped Group had higher, and 20% had lower, management fees than a fund. The funds' actual TMG %s and the number of funds in the Total Mapped Group are in the charts below. The "Asset-Sized Peer Group" (ASPG) comparison focuses on a fund's standing relative to a subset of non-Fidelity funds within the Total Mapped Group that are similar in size and management fee structure. For example, if a fund is in the first quartile of the ASPG, the fund's management fee ranks in the least expensive or lowest 25% of funds in the ASPG. The ASPG represents at least 15% of the funds in the Total Mapped Group with comparable asset size and management fee structures, subject to a minimum of 50 funds (or all funds in the Total Mapped Group if fewer than 50). Additional information, such as the ASPG quartile in which a fund's management fee rate ranked, is also included in the charts and was considered by the Board.

VIP Freedom 2005 Portfolio



	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2010 Portfolio



	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2015 Portfolio



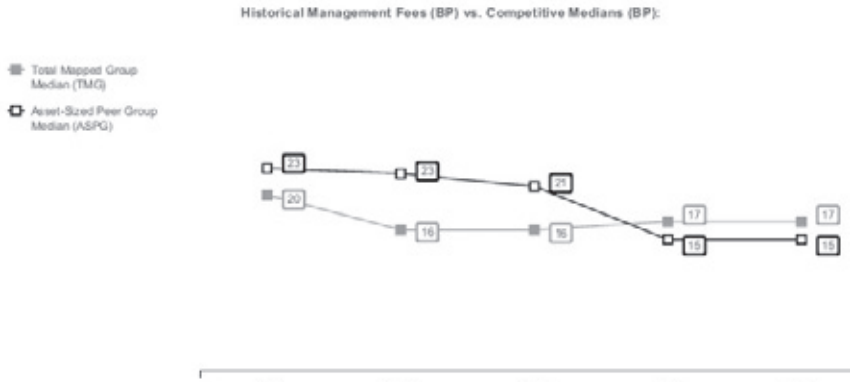
	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2020 Portfolio



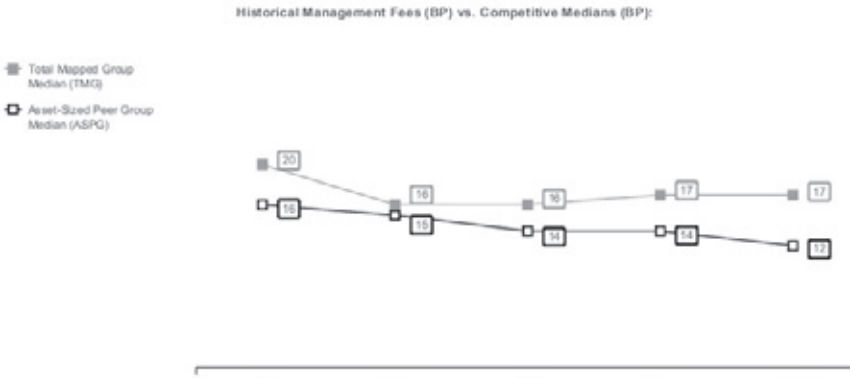
	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2025 Portfolio



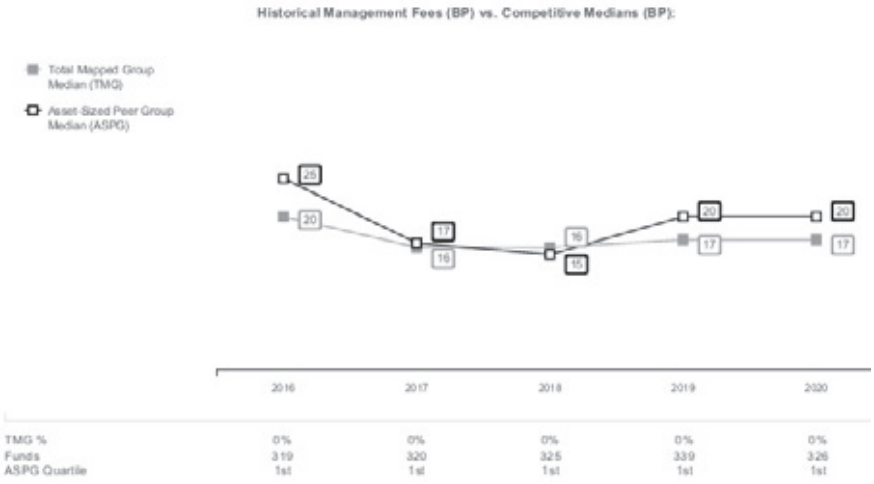
	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2030 Portfolio



	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2035 Portfolio



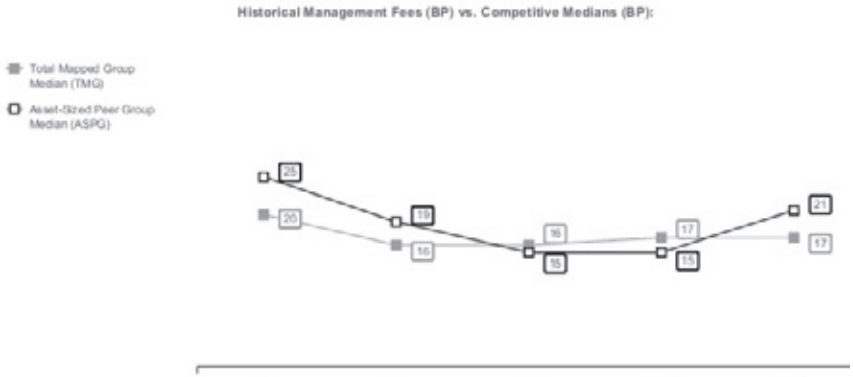
	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2040 Portfolio



	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2045 Portfolio



	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2050 Portfolio



	2016	2017	2018	2019	2020
TMG %	0%	0%	0%	0%	0%
Funds	319	320	325	339	326
ASPG Quartile	1st	1st	1st	1st	1st

VIP Freedom 2055 Portfolio



	2016	2017	2018	2019	2020
TMG %	-	-	-	0%	0%
Funds	-	-	-	339	326
ASPG Quartile	-	-	-	1st	1st

VIP Freedom 2060 Portfolio



	2016	2017	2018	2019	2020
TMG %	-	-	-	0%	0%
Funds	-	-	-	339	326
ASPG Quartile	-	-	-	1st	1st

VIP Freedom 2065 Portfolio



VIP Freedom Income Portfolio



The Board noted that the management fee rate of 0.00% for each fund ranked below the median of its Total Mapped Group and below the median of its ASPG for 2020. The Board further noted that many peer funds pay fund-level expenses, including management fees, to which the funds are not subject.

Based on its review, the Board concluded that each fund's management fee is fair and reasonable in light of the services that the fund receives and the other factors considered.

Total Expense Ratio. In its review of the total expense ratio of the representative class (Initial Class) of each fund, the Board considered fund-paid 12b-1 fees and noted that each fund invests in a class of shares of the underlying Fidelity fund that does not charge a 12b-1 fee to avoid charging fund-paid 12b-1 fees at both fund levels. The Board considered that the funds do not pay transfer agent fees. Instead, the applicable class of each underlying Fidelity fund bears its pro rata portion of each fund's transfer agent fee according to the percentage of each fund's assets invested in that underlying fund. The Board further noted that FMR pays all other expenses of each fund, with limited exceptions. Each fund's representative class is compared to those funds and classes in the Total Mapped Group (used by the Board for management fee comparisons) that have a similar sales load structure. The Board also considered a total expense ASPG comparison, which focuses on the total expenses of the representative class relative to a subset of non-Fidelity funds within the similar sales load structure group. The total expense ASPG is limited to 15 larger and 15 smaller classes of different funds, where possible. The total expense ASPG comparison excludes performance adjustments and fund-paid 12b-1 fees to eliminate variability in expenses relating to these items.

The Board noted that each fund offers multiple classes, each of which has a different 12b-1 fee structure, and that the multiple structures are intended to offer a range of pricing options for the intermediary market. The Board also noted that the total expense ratios of the classes of each fund vary primarily by the level of their 12b-1 fees.

The Board noted that the total expense ratio of each class of each fund ranked below the similar sales load structure group competitive median for 2020 and below the ASPG competitive median for 2020.

Fees Charged to Other Fidelity Clients. The Board also considered Fidelity fee structures and other information with respect to clients of Fidelity, such as other funds advised or subadvised by Fidelity, pension plan clients, and other institutional clients with similar mandates. The Board noted that a joint ad hoc committee created by it and the boards of other Fidelity funds periodically reviews and

compares Fidelity's institutional investment advisory business with its business of providing services to the Fidelity funds and also noted the most recent findings of the committee. The Board noted that the committee's review included a consideration of the differences in services provided, fees charged, and costs incurred, as well as competition in the markets serving the different categories of clients.

Based on its review of total expense ratios and fees charged to other Fidelity clients, the Board concluded that the total expense ratio of each class of each fund was reasonable in light of the services that the fund and its shareholders receive and the other factors considered.

Costs of the Services and Profitability. The Board considered the level of Fidelity's profits in respect of all the Fidelity funds, including the Fidelity funds in which the funds invest.

A public accounting firm has been engaged annually by the Board as part of the Board's assessment of Fidelity's profitability analysis. The engagement includes the review and assessment of the methodologies used by Fidelity in determining the revenues and expenses attributable to Fidelity's mutual fund business, and completion of agreed-upon procedures in respect of the mathematical accuracy of certain fund profitability information and its conformity to established allocation methodologies. After considering the reports issued under the engagement and information provided by Fidelity, the Board concluded that while other allocation methods may also be reasonable, Fidelity's profitability methodologies are reasonable in all material respects.

The Board also reviewed Fidelity's non-fund businesses and potential indirect benefits such businesses may have received as a result of their association with Fidelity's mutual fund business (i.e., fall-out benefits) as well as cases where Fidelity's affiliates may benefit from the funds' business. The Board considered areas where potential indirect benefits to the Fidelity funds from their relationships with Fidelity may exist. The Board's consideration of these matters was informed by the findings of a joint ad hoc committee created by it and the boards of other Fidelity funds to evaluate potential fall-out benefits.

The Board concluded that the costs of the services provided by and the profits realized by Fidelity in connection with the operation of each fund were not relevant to the renewal of each fund's Advisory Contract because the funds do not pay management fees and FMR pays all other expenses of each fund, with limited exceptions.

Economies of Scale. The Board concluded that because the funds do not pay management fees and FMR pays all other expenses of each fund, with limited exceptions, economies of scale cannot be realized by the funds, but may be realized by the other Fidelity funds in which each fund invests, many of which may benefit from breakpoints under the group fee arrangement.

Additional Information Requested by the Board. In order to develop fully the factual basis for consideration of the Fidelity funds' advisory contracts, the Board requested and received additional information on certain topics, including: (i) Fidelity's fund profitability methodology, profitability trends for certain funds, the allocation of various costs to different funds, and the impact of certain factors on fund profitability results; (ii) portfolio manager changes that have occurred during the past year and the amount of the investment that each portfolio manager has made in the Fidelity fund(s) that he or she manages; (iii) the extent to which current market conditions have affected retention and recruitment of personnel; (iv) the arrangements with and compensation paid to certain fund sub-advisers on behalf of the Fidelity funds and the treatment of such compensation within Fidelity's fund profitability methodology; (v) the terms of the funds' various management fee structures, including the basic group fee and the terms of Fidelity's voluntary expense limitation arrangements; (vi) Fidelity's transfer agent fee, expense, and service structures for different funds and classes relative to competitive trends; (vii) the impact on fund profitability of recent industry trends, such as the growth in passively managed funds and the continued waiver of money market fund fees; (viii) the types of management fee and total expense comparisons provided, and the challenges and limitations associated with such information; and (ix) explanations regarding the relative total expense ratios of certain funds and classes, total expense competitive trends and methodologies for total expense competitive comparisons. In addition, the Board considered its discussions with Fidelity regarding Fidelity's efforts to maintain the continuous investment and shareholder services necessary for the funds during the current pandemic and economic circumstances.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board concluded that the advisory fee arrangements are fair and reasonable, and that each fund's Advisory Contract should be renewed.



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Fidelity® Variable Insurance Products: FundsManager – 20%, 50%, 60%, 70%, 85% Portfolio

FundsManager 20% Portfolio

FundsManager 50% Portfolio

FundsManager 60% Portfolio

FundsManager 70% Portfolio

FundsManager 85% Portfolio

Annual Report
December 31, 2021



Fidelity INVESTMENTS

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Funds. This report is not authorized for distribution to prospective investors in the Funds unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Funds nor Fidelity Distributors Corporation is a bank.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and – given the wide variability in outcomes regarding the outbreak – significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action – in concert with the U.S. Federal Reserve and central banks around the world – to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

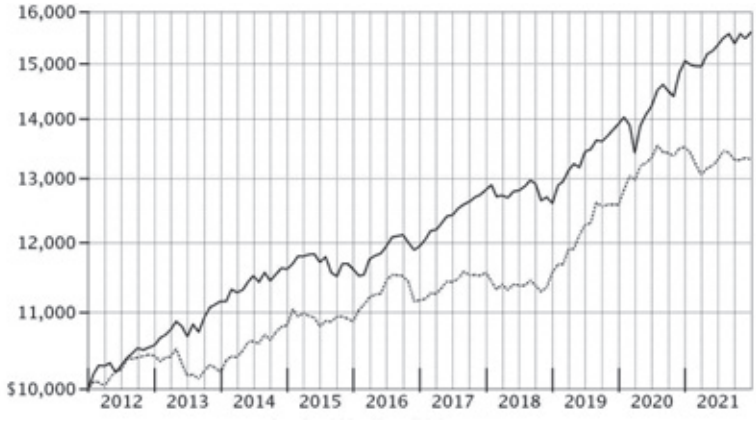
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Service Class	3.74%	5.50%	4.55%
Service Class 2	3.52%	5.34%	4.39%
Investor Class	3.65%	5.48%	4.55%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP FundsManager® 20% Portfolio - Investor Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index performed over the same period.



Period Ending Values

____ $15,602 VIP FundsManager® 20% Portfolio - Investor Class

..... $13,307 Bloomberg U.S. Aggregate Bond Index

Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

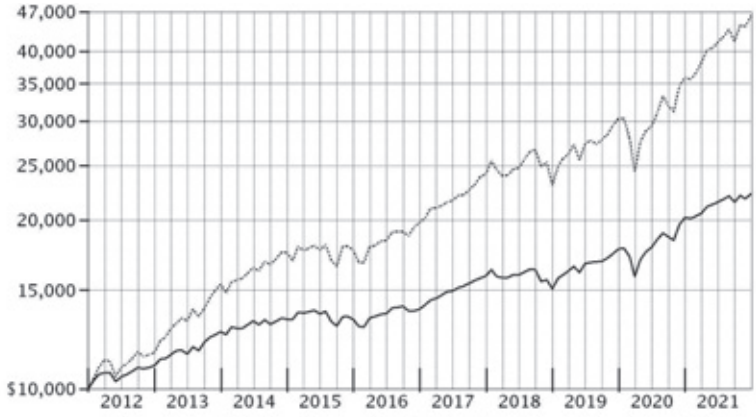
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Service Class	10.01%	9.91%	8.34%
Service Class 2	9.88%	9.75%	8.18%
Investor Class	10.02%	9.91%	8.33%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP FundsManager® 50% Portfolio - Investor Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$22,263 VIP FundsManager® 50% Portfolio - Investor Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

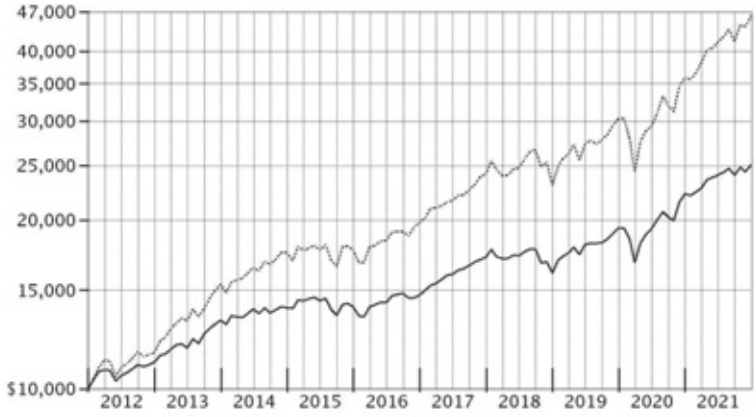
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Service Class	12.34%	11.27%	9.60%
Service Class 2	12.21%	11.10%	9.44%
Investor Class	12.34%	11.27%	9.61%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP FundsManager® 60% Portfolio - Investor Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

——— $25,041 VIP FundsManager® 60% Portfolio - Investor Class

..... $46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

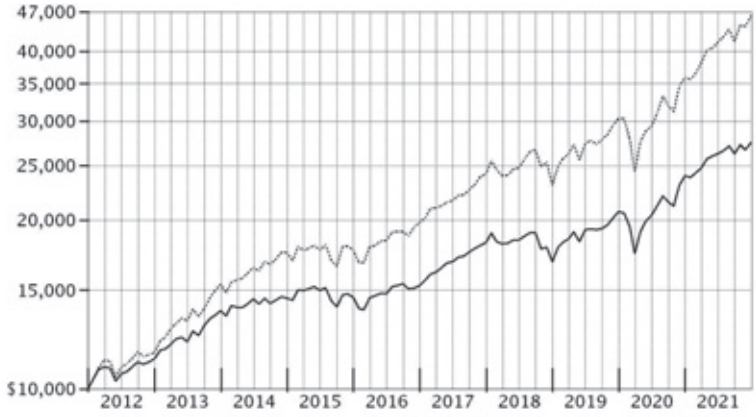
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Service Class	14.60%	12.45%	10.64%
Service Class 2	14.44%	12.28%	10.48%
Investor Class	14.52%	12.46%	10.64%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP FundsManager® 70% Portfolio - Investor Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

$27,498 VIP FundsManager® 70% Portfolio - Investor Class

$46,257 S&P 500® Index

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

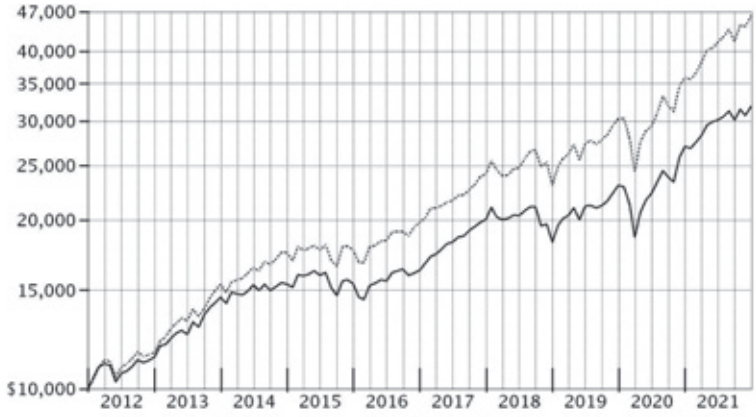
Average Annual Total Returns

Periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Service Class	18.02%	14.48%	12.35%
Service Class 2	17.64%	14.22%	12.14%
Investor Class	17.83%	14.40%	12.30%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP FundsManager® 85% Portfolio - Investor Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

——— $31,899 VIP FundsManager® 85% Portfolio - Investor Class

..... $46,257 S&P 500® Index

Management's Discussion of Fund Performance

Market Recap: For the 12 months ending December 31, 2021, global financial markets were influenced by several factors, including the broader reopening of businesses, an improved outlook for global economic growth, fiscal and monetary stimulus from U.S. and foreign governments, and the widespread distribution of COVID-19 vaccines. This backdrop was supportive of global equities until early September, when volatility and negative sentiment rose amid rising inflation, increasing bond yields, supply constraints and disruption, valuation concerns, and new, highly transmissible variants of the coronavirus. At the same time, strong corporate earnings growth amid an ongoing mid-cycle economic expansion in several countries continued to provide support for risk assets. International equities gained 7.98% for the year, according to the MSCI ACWI (All Country World Index) ex USA Index. By region, Canada (+27%) led the way, followed by the U.K. (+18%) and Europe ex U.K (+17%). Conversely, emerging markets (-2%) and Japan (+2%) lagged most. Asia Pacific Ex Japan (+5%) also underperformed the broader index. By sector, energy (+27%) outpaced all other sectors, driven by rising crude oil and natural gas prices. Financials (+17%), information technology (+16%) and industrials (+14%) also outperformed, whereas communication services and consumer discretionary (-6% each) notably struggled. By contrast, U.S. stocks were a bright spot on the world stage, with the broad Dow Jones U.S. Total Stock Market Index gaining 25.66% for the period. Among sectors, energy (+56%) was the top performer. Real estate (+39%), financials (+35%) and information technology (+30%) also showed strength. In contrast, the defensive-oriented utilities (+17%), consumer staples (+18%) and health care (+19%) segments notably lagged, along with communication services (+18%). Small-cap stocks substantially trailed their larger-cap counterparts. From a style standpoint, value stocks outpaced growth among small/mid-caps, but lagged in the large-cap segment. Commodities rose 27.11%, per the Bloomberg Commodity Index Total Return. Within fixed income, U.S. taxable investment-grade bonds returned -1.54%, according to the Bloomberg U.S. Aggregate Bond Index, amid rising market interest rates and inflation. In December, the U.S. Federal Reserve said it was time to retire the term "transitory" in describing U.S. inflation, and raised the prospects for three quarter-point rate hikes in 2022. Within the index, corporate bonds produced a return of -1.04%, topping U.S. Treasuries (-2.32%). Securitized segments also lost ground, including commercial mortgage-backed securities (-1.16%). Outside the index, U.S. corporate high-yield bonds added 5.35%, Treasury Inflation-Protected Securities (TIPS) rose 5.96%, and leveraged loans gained 5.42%, whereas emerging-markets debt returned -1.51%.

Comments from Lead Portfolio Manager Geoff Stein and Co-Portfolio Manager Avishek Hazrachoudhury: For the year, the Portfolios' share classes posted gains ranging from about 4% to 18%, with nearly all outpacing their respective Composite benchmarks. Positive asset class positioning fueled the Portfolios' returns versus Composite benchmarks, helping to offset the negative impact of security selection in 2021. Our fixed-income allocation strategy – underweighting cash and investment-grade (IG) bonds in favor of out-of-benchmark exposure to Treasury Inflation-Protected Securities (TIPS), high-yield credit, bank loans, emerging-markets (EM) debt and long-term U.S. Treasuries – largely aided the Portfolios' relative performance. (The more equity-heavy 60% and 70% Portfolios had modest cash overweightings with larger IG bond underweightings. The 85% Portfolio does not have a cash target so only had an IG bond underweighting.) Long-term U.S. Treasuries detracted, as longer-term bond yields rose during the period. Our core equity allocation strategy – an equal weighting in the U.S. combined with an underweighting in international developed markets (DM) and out-of-benchmark EM exposure – detracted versus Composite benchmarks, primarily due to positioning in the U.S. The Portfolios' holdings of value-oriented and low-volatility U.S. stock funds did not compare favorably to the performance of our equity benchmark. This was an additional factor weighing on the relative outcome of our U.S. equity positioning. However, out-of-index allocations in real estate investment trusts (REITs) and commodity securities contributed and substantially offset the negative impact of our core equity strategy. Turning to security selection, unfavorable stock picks in the U.S. hurt whereas favorable results in international developed-markets (DM) added value. Fidelity® Stock Selector All Cap Fund – the Portfolios' largest U.S. equity position by far – lagged its benchmark, the S&P 500 Index, due to subpar investment choices, particularly in the information technology, health care and consumer discretionary sectors. Within DM, Fidelity® Overseas Fund led the way, topping its benchmark, the MSCI EAFE Index, powered by security selection in Europe ex U.K., Japan and the U.S. Underweighting the lagging Japanese equity market also helped.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

VIP FundsManager® 20% Portfolio

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

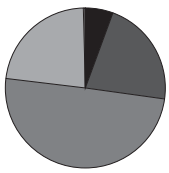
Top Holdings as of December 31, 2021

	% of fund's net assets
Fidelity U.S. Bond Index Fund	40.6
Fidelity Cash Central Fund 0.08%	22.7
VIP Stock Selector All Cap Portfolio Investor Class	15.8
Fidelity Floating Rate High Income Fund	3.2
Fidelity Inflation-Protected Bond Index Fund	2.6
Fidelity Long-Term Treasury Bond Index Fund	2.3
Fidelity Emerging Markets Fund	1.9
Fidelity Overseas Fund	1.7
Fidelity Real Estate Investment Portfolio	1.4
Fidelity Global Commodity Stock Fund	1.1
	93.3

Asset Allocation (% of fund's net assets)

Period end*

Domestic Equity Funds	5.6%
International Equity Funds	21.6%
Bond Funds	49.7%
Short-Term Funds	22.7%
Short-Term Investments	0.3%
Net Other Assets (Liabilities)	0.1%



* *Futures – 6.3%*

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Equity Funds – 27.2%

	Shares	Value
Fidelity Commodity Strategy Fund (a)	961,217	$ 8,429,872
Fidelity Contrafund (a)	127,920	2,399,788
Fidelity Emerging Markets Discovery Fund (a)	240,313	3,852,210
Fidelity Emerging Markets Fund (a)	428,051	18,684,409
Fidelity Equity-Income Fund (a)	59,153	4,154,910
Fidelity Global Commodity Stock Fund (a)	649,978	10,555,648
Fidelity International Capital Appreciation Fund (a)	116,374	3,305,032
Fidelity International Discovery Fund (a)	78,763	4,168,918
Fidelity International Enhanced Index Fund (a)	345,883	3,853,134
Fidelity International Small Cap Fund (a)	49,828	1,609,428
Fidelity International Small Cap Opportunities Fund (a)	119,350	3,167,545
Fidelity International Value Fund (a)	238,280	2,218,390
Fidelity Large Cap Value Enhanced Index Fund (a)	81,084	1,299,784
Fidelity Low-Priced Stock Fund (a)	95,450	5,134,244
Fidelity Overseas Fund (a)	243,078	16,461,272
Fidelity Real Estate Investment Portfolio (a)	255,822	13,819,513
Fidelity U.S. Low Volatility Equity Fund (a)	643,956	7,708,147
Fidelity Value Discovery Fund (a)	53,536	2,049,355
VIP Stock Selector All Cap Portfolio Investor Class (a)	15,529,193	157,776,597
TOTAL EQUITY FUNDS (Cost $242,676,232)		**270,648,196**

Fixed-Income Funds – 49.7%

Fidelity Floating Rate High Income Fund (a)	3,396,762	32,167,333
Fidelity High Income Fund (a)	880,616	7,652,550
Fidelity Inflation-Protected Bond Index Fund (a)	2,377,478	26,532,651
Fidelity Long-Term Treasury Bond Index Fund (a)	1,536,582	22,664,579
Fidelity New Markets Income Fund (a)	150,535	2,143,622
Fidelity U.S. Bond Index Fund (a)	33,741,372	404,221,641
TOTAL FIXED-INCOME FUNDS (Cost $472,926,440)		**495,382,376**

Money Market Funds – 22.7%

Fidelity Cash Central Fund 0.08% (b) (Cost $225,746,149)	225,701,009	**225,746,149**

U.S. Treasury Obligations – 0.3%

	Principal Amount	
U.S. Treasury Bills, yield at date of purchase 0.04% to 0.06% 2/10/22 to 3/31/22 (c) (Cost $3,159,711)	$ 3,160,000	**3,159,766**
TOTAL INVESTMENT IN SECURITIES – 99.9% (Cost $944,508,532)		**994,936,487**
NET OTHER ASSETS (LIABILITIES) – 0.1%		**1,459,396**
NET ASSETS – 100%		**$996,395,883**

See accompanying notes which are an integral part of the financial statements.

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Sold					
Equity Index Contracts					
CME E-mini S&P 500 Index Contracts (United States)	143	March 2022	$34,023,275	$(331,050)	$ (331,050)
ICE E-mini MSCI EAFE Index Contracts (United States)	66	March 2022	7,661,940	(96,103)	(96,103)
ICE E-mini MSCI Emerging Markets Index Contracts (United States)	347	March 2022	21,276,305	(122,747)	(122,747)
TOTAL FUTURES CONTRACTS					**$(549,900)**

The notional amount of futures sold as a percentage of Net Assets is 6.3%

For the period, the average monthly notional amount at value for futures contracts in the aggregate was $57,722,429.

Legend

(a) Affiliated Fund

(b) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(c) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At period end, the value of securities pledged amounted to $3,159,766.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$206,186,300	$123,627,917	$104,067,849	$131,129	$ (219)	$—	$225,746,149	0.4%
Total	$206,186,300	$123,627,917	$104,067,849	$131,129	$ (219)	$—	$225,746,149	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Commodity Strategy Fund	$ 1,392,764	$ 8,478,983	$ 1,450,048	$ 1,289,183	$ (122,353)	$ 130,526	$ 8,429,872
Fidelity Contrafund	4,482,861	558,593	3,385,263	299,674	1,050,025	(306,428)	2,399,788
Fidelity Emerging Asia Fund	2,999,210	403,891	3,246,182	—	918,471	(1,075,390)	—
Fidelity Emerging Markets Discovery Fund	3,303,958	924,825	197,845	409,582	(181)	(178,547)	3,852,210
Fidelity Emerging Markets Fund	16,877,792	3,481,200	816,677	1,057,450	(5,415)	(852,491)	18,684,409
Fidelity Equity-Income Fund	7,761,240	1,292,290	6,127,144	493,166	1,036,437	192,087	4,154,910
Fidelity Europe Fund	1,950,677	528,722	2,567,501	94,058	416,829	(328,727)	—
Fidelity Floating Rate High Income Fund	—	32,548,893	382,882	266,792	(466)	1,788	32,167,333
Fidelity Global Commodity Stock Fund	3,960,950	6,309,547	1,028,123	343,830	(3,563)	1,316,837	10,555,648
Fidelity Gold Portfolio	6,248,402	2,679,183	7,805,326	36,032	233,210	(1,355,469)	—
Fidelity High Income Fund	12,339,428	3,490,820	8,136,703	564,013	388,688	(429,683)	7,652,550
Fidelity Inflation-Protected Bond Index Fund	39,753,453	4,024,564	17,609,452	1,209,035	1,440,796	(1,076,710)	26,532,651
Fidelity International Capital Appreciation Fund	4,338,879	1,300,262	2,615,023	274,013	557,337	(276,423)	3,305,032
Fidelity International Discovery Fund	4,351,505	2,360,128	2,712,495	372,954	399,670	(229,890)	4,168,918
Fidelity International Enhanced Index Fund	3,671,290	1,974,294	2,139,908	102,297	197,327	150,131	3,853,134
Fidelity International Small Cap Fund	2,194,409	624,227	1,418,018	109,147	331,751	(122,941)	1,609,428

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity International Small Cap Opportunities Fund	$ 2,519,597	$ 440,744	$ —	$ 255,018	$ —	$ 207,204	$ 3,167,545
Fidelity International Value Fund	2,850,801	777,382	1,730,164	92,183	61,742	258,629	2,218,390
Fidelity Japan Fund	1,813,405	15,305	1,899,259	—	601,426	(530,877)	—
Fidelity Japan Smaller Companies Fund	1,017,772	—	1,015,552	—	383,005	(385,225)	—
Fidelity Large Cap Value Enhanced Index Fund	2,270,392	539,716	1,947,053	143,335	553,351	(116,622)	1,299,784
Fidelity Long-Term Treasury Bond Index Fund	13,643,127	13,091,591	3,032,130	470,553	(333,267)	(704,742)	22,664,579
Fidelity Low-Priced Stock Fund	9,567,254	1,509,370	7,545,558	552,492	1,204,663	398,515	5,134,244
Fidelity New Markets Income Fund	8,956,865	758,518	7,280,430	233,879	(191,650)	(99,681)	2,143,622
Fidelity Overseas Fund	19,485,340	6,439,761	12,611,977	691,776	2,991,724	156,424	16,461,272
Fidelity Pacific Basin Fund	2,032,387	528,206	2,566,758	93,545	752,036	(745,871)	—
Fidelity Real Estate Investment Portfolio	4,510,431	12,847,235	7,574,128	492,617	513,846	3,522,129	13,819,513
Fidelity Stock Selector All Cap Fund	131,600,933	6,862,264	165,280,951	—	53,608,726	(26,790,972)	—
Fidelity U.S. Bond Index Fund	400,250,902	75,028,950	55,672,612	8,022,600	(846,913)	(14,538,686)	404,221,641
Fidelity U.S. Low Volatility Equity Fund	6,403,594	1,023,328	472,975	392,305	2,194	752,006	7,708,147
Fidelity Value Discovery Fund	3,782,177	524,502	3,017,218	92,868	774,774	(14,880)	2,049,355
VIP Stock Selector All Cap Portfolio Investor Class	—	156,537,871	1,265,893	186,175	6,109	2,498,510	157,776,597
	$726,331,795	$347,905,165	$334,551,248	$18,640,572	$66,920,329	$ (40,575,469)	$766,030,572

(a) Includes the value of shares purchased or redeemed through in-kind transactions, if applicable.

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equity Funds	$270,648,196	$270,648,196	$ —	$ —
Fixed-Income Funds	495,382,376	495,382,376	—	—
Money Market Funds	225,746,149	225,746,149	—	—
Other Short-Term Investments	3,159,766	—	3,159,766	—
Total Investments in Securities:	$994,936,487	$991,776,721	$3,159,766	$ —
Derivative Instruments:				
Liabilities				
Futures Contracts	$ (549,900)	$ (549,900)	$ —	$ —
Total Liabilities	$ (549,900)	$ (549,900)	$ —	$ —
Total Derivative Instruments:	$ (549,900)	$ (549,900)	$ —	$ —

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts [a]	$0	$ (549,900)
Total Equity Risk	0	(549,900)
Total Value of Derivatives	$0	$ (549,900)

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or

See accompanying notes which are an integral part of the financial statements.

payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Unaffiliated issuers (cost $3,159,711)	$ 3,159,766	
Fidelity Central Funds (cost $225,746,149)	225,746,149	
Other affiliated issuers (cost $715,602,672)	766,030,572	
Total Investment in Securities (cost $944,508,532)		$ 994,936,487
Receivable for investments sold		1,595,445
Receivable for fund shares sold		276
Distributions receivable from Fidelity Central Funds		14,699
Receivable for daily variation margin on futures contracts		220,787
Total assets		996,767,694
Liabilities		
Payable for investments purchased	$ 2	
Payable for fund shares redeemed	205,074	
Accrued management fee	165,446	
Distribution and service plan fees payable	1,289	
Total liabilities		371,811
Net Assets		$ 996,395,883
Net Assets consist of:		
Paid in capital		$ 881,685,849
Total accumulated earnings (loss)		114,710,034
Net Assets		$ 996,395,883
Net Asset Value and Maximum Offering Price		
Service Class:		
Net Asset Value, offering price and redemption price per share ($63,327 ÷ 5,200 shares)		$ 12.18
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($10,256,733 ÷ 844,832 shares)		$ 12.14
Investor Class:		
Net Asset Value, offering price and redemption price per share ($986,075,823 ÷ 81,032,268 shares)		$ 12.17

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 12,543,428
Interest		1,377
Income from Fidelity Central Funds		131,129
Total income		12,675,934
Expenses		
Management fee	$ 2,394,492	
Distribution and service plan fees	24,268	
Independent trustees' fees and expenses	2,845	
Total expenses before reductions	2,421,605	
Expense reductions	(490,255)	
Total expenses after reductions		1,931,350
Net investment income (loss)		10,744,584
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	8	
Fidelity Central Funds	(219)	
Other affiliated issuers	66,920,329	
Futures contracts	(8,819,065)	
Capital gain distributions from underlying funds:		
Affiliated issuers	6,097,144	
Total net realized gain (loss)		64,198,197
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	3	
Affiliated issuers	(40,575,469)	
Futures contracts	142,133	
Total change in net unrealized appreciation (depreciation)		(40,433,333)
Net gain (loss)		23,764,864
Net increase (decrease) in net assets resulting from operations		$ 34,509,448

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 10,744,584	$ 10,081,745
Net realized gain (loss)	64,198,197	3,689,745
Change in net unrealized appreciation (depreciation)	(40,433,333)	54,673,794
Net increase (decrease) in net assets resulting from operations	34,509,448	68,445,284
Distributions to shareholders	(12,303,562)	(15,496,204)
Share transactions – net increase (decrease)	39,709,707	60,425,801
Total increase (decrease) in net assets	61,915,593	113,374,881
Net Assets		
Beginning of period	934,480,290	821,105,409
End of period	$ 996,395,883	$ 934,480,290

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP FundsManager 20% Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 11.89	$ 11.19	$ 10.75	$ 11.63	$ 11.04
Income from Investment Operations					
Net investment income (loss) [A]	.14	.13	.22	.21	.16
Net realized and unrealized gain (loss)	.30	.77	.86	(.40)	.65
Total from investment operations	.44	.90	1.08	(.19)	.81
Distributions from net investment income	(.13)	(.13)	(.21)	(.21)	(.15)
Distributions from net realized gain	(.03)	(.07)	(.43)	(.48)	(.07)
Total distributions	(.15)[B]	(.20)	(.64)	(.69)	(.22)
Net asset value, end of period	$ 12.18	$ 11.89	$ 11.19	$ 10.75	$ 11.63
Total Return [C,D]	3.74%	8.11%	10.39%	(1.67)%	7.33%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.35%	.35%	.35%	.35%	.35%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.12%	1.17%	2.01%	1.87%	1.41%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 63	$ 61	$ 57	$ 55	$ 59
Portfolio turnover rate [G]	45%[H]	32%[H]	33%	47%	61%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 20% Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 11.86	$ 11.16	$ 10.72	$ 11.60	$ 11.01
Income from Investment Operations					
Net investment income (loss) [A]	.12	.12	.20	.19	.14
Net realized and unrealized gain (loss)	.30	.77	.87	(.40)	.65
Total from investment operations	.42	.89	1.07	(.21)	.79
Distributions from net investment income	(.11)	(.11)	(.20)	(.19)	(.13)
Distributions from net realized gain	(.03)	(.07)	(.43)	(.48)	(.07)
Total distributions	(.14)	(.19)[B]	(.63)	(.67)	(.20)
Net asset value, end of period	$ 12.14	$ 11.86	$ 11.16	$ 10.72	$ 11.60
Total Return [C,D]	3.52%	7.97%	10.26%	(1.82)%	7.19%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.50%	.50%	.50%	.50%	.50%
Expenses net of fee waivers, if any	.35%	.35%	.35%	.35%	.35%
Expenses net of all reductions	.35%	.35%	.35%	.35%	.35%
Net investment income (loss)	.97%	1.02%	1.86%	1.72%	1.26%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 10,257	$ 9,323	$ 8,978	$ 8,286	$ 8,188
Portfolio turnover rate [G]	45%[H]	32%[H]	33%	47%	61%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 20% Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 11.89	$ 11.18	$ 10.74	$ 11.62	$ 11.04
Income from Investment Operations					
Net investment income (loss) [A]	.14	.13	.22	.21	.16
Net realized and unrealized gain (loss)	.29	.78	.86	(.40)	.64
Total from investment operations	.43	.91	1.08	(.19)	.80
Distributions from net investment income	(.13)	(.13)	(.21)	(.21)	(.15)
Distributions from net realized gain	(.03)	(.07)	(.43)	(.48)	(.07)
Total distributions	(.15)[B]	(.20)	(.64)	(.69)	(.22)
Net asset value, end of period	$ 12.17	$ 11.89	$ 11.18	$ 10.74	$ 11.62
Total Return [C,D]	3.65%	8.21%	10.40%	(1.67)%	7.24%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.12%	1.17%	2.01%	1.87%	1.41%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 986,076	$ 925,096	$ 812,070	$ 719,784	$ 777,291
Portfolio turnover rate [G]	45%[H]	32%[H]	33%	47%	61%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager® 50% Portfolio

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

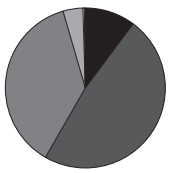
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Stock Selector All Cap Portfolio Investor Class	33.5
Fidelity U.S. Bond Index Fund	27.1
Fidelity Overseas Fund	5.8
Fidelity Cash Central Fund 0.08%	4.0
Fidelity Floating Rate High Income Fund	3.4
Fidelity Inflation-Protected Bond Index Fund	3.0
Fidelity Long-Term Treasury Bond Index Fund	2.7
Fidelity U.S. Low Volatility Equity Fund	1.9
Fidelity Low-Priced Stock Fund	1.6
Fidelity Global Commodity Stock Fund	1.6
	84.6

Asset Allocation (% of fund's net assets)

Period end*

Domestic Equity Funds	10.2%
International Equity Funds	48.1%
Bond Funds	37.2%
Short-Term Funds	4.0%
Short-Term Investments	0.3%
Net Other Assets (Liabilities)	0.2%



* *Futures – (7.0)%*

VIP FundsManager® 50% Portfolio

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Equity Funds – 58.3%

	Shares	Value
Fidelity Commodity Strategy Fund (a)	5,266,201	$ 46,184,585
Fidelity Contrafund (a)	1,435,424	26,928,546
Fidelity Emerging Markets Discovery Fund (a)	1,756,881	28,162,801
Fidelity Emerging Markets Fund (a)	1,960,248	85,564,823
Fidelity Equity-Income Fund (a)	990,740	69,589,597
Fidelity Global Commodity Stock Fund (a)	5,846,876	94,953,263
Fidelity International Capital Appreciation Fund (a)	2,449,353	69,561,632
Fidelity International Discovery Fund (a)	1,658,971	87,809,314
Fidelity International Enhanced Index Fund (a)	7,288,977	81,199,208
Fidelity International Small Cap Fund (a)	1,052,373	33,991,641
Fidelity International Small Cap Opportunities Fund (a)	1,885,741	50,047,565
Fidelity International Value Fund (a)	5,038,083	46,904,553
Fidelity Japan Smaller Companies Fund (a)	2,802,780	44,171,817
Fidelity Large Cap Value Enhanced Index Fund (a)	2,279,699	36,543,576
Fidelity Low-Priced Stock Fund (a)	1,817,042	97,738,692
Fidelity Overseas Fund (a)	5,125,871	347,123,964
Fidelity Real Estate Investment Portfolio (a)	1,509,995	81,569,943
Fidelity U.S. Low Volatility Equity Fund (a)	9,623,142	115,189,015
Fidelity Value Discovery Fund (a)	1,070,938	40,995,515
VIP Stock Selector All Cap Portfolio Investor Class (a)	197,226,127	2,003,817,452
TOTAL EQUITY FUNDS (Cost $3,060,736,977)		**3,488,047,502**

Fixed-Income Funds – 37.2%

Fidelity Floating Rate High Income Fund (a)	21,753,311	206,003,852
Fidelity High Income Fund (a)	5,225,314	45,407,977
Fidelity Inflation-Protected Bond Index Fund (a)	15,993,125	178,483,279
Fidelity Long-Term Treasury Bond Index Fund (a)	10,794,997	159,226,200
Fidelity New Markets Income Fund (a)	1,012,191	14,413,594
Fidelity U.S. Bond Index Fund (a)	135,257,001	1,620,378,871
TOTAL FIXED-INCOME FUNDS (Cost $2,127,852,377)		**2,223,913,773**

Money Market Funds – 4.0%

Fidelity Cash Central Fund 0.08% (b) (Cost $240,620,688)	240,572,574	**240,620,688**

U.S. Treasury Obligations – 0.3%

	Principal Amount	
U.S. Treasury Bills, yield at date of purchase 0.04% to 0.06% 1/13/22 to 3/31/22 (c) (Cost $20,168,120)	$ 20,170,000	**20,168,405**
TOTAL INVESTMENT IN SECURITIES – 99.8% (Cost $5,449,378,162)		**5,972,750,368**
NET OTHER ASSETS (LIABILITIES) – 0.2%		**9,216,115**
NET ASSETS – 100%		**$5,981,966,483**

See accompanying notes which are an integral part of the financial statements.

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Sold					
Equity Index Contracts					
CME E-mini S&P 500 Index Contracts (United States)	1,107	March 2022	$263,382,975	$(2,504,875)	$ (2,504,875)
ICE E-mini MSCI EAFE Index Contracts (United States)	393	March 2022	45,623,370	(435,622)	(435,622)
ICE E-mini MSCI Emerging Markets Index Contracts (United States)	1,754	March 2022	107,546,510	(620,458)	(620,458)
TOTAL FUTURES CONTRACTS					**$(3,560,955)**

The notional amount of futures sold as a percentage of Net Assets is 7.0%

For the period, the average monthly notional amount at value for futures contracts in the aggregate was $391,563,142.

Legend

(a) Affiliated Fund

(b) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request.

In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(c) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At period end, the value of securities pledged amounted to $20,168,405.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$68,298,426	$787,226,247	$614,903,676	$83,720	$518	$ (827)	$240,620,688	0.4
Total	$68,298,426	$787,226,247	$614,903,676	$83,720	$518	$ (827)	$240,620,688	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Commodity Strategy Fund	$ 9,827,572	$ 49,204,792	$ 14,181,856	$ 7,846,434	$ (943,259)	$ 2,277,336	$ 46,184,585
Fidelity Contrafund	63,796,183	4,569,056	47,260,057	3,666,807	12,592,292	(6,768,928)	26,928,546
Fidelity Emerging Asia Fund	23,887,425	4,143,571	27,008,280	—	9,039,403	(10,062,119)	—
Fidelity Emerging Markets Discovery Fund	25,622,350	7,524,672	3,844,042	2,994,378	117,543	(1,257,722)	28,162,801
Fidelity Emerging Markets Fund	83,077,667	19,662,278	13,889,511	4,842,570	445,782	(3,731,393)	85,564,823
Fidelity Equity-Income Fund	126,290,103	9,999,263	82,980,933	7,475,087	11,626,831	4,654,333	69,589,597
Fidelity Europe Fund	36,284,732	4,488,907	41,619,151	1,994,839	8,807,126	(7,961,614)	—
Fidelity Floating Rate High Income Fund	—	209,899,838	3,922,175	1,857,727	(3,118)	29,307	206,003,852
Fidelity Global Commodity Stock Fund	69,576,030	29,525,410	22,085,900	3,115,267	1,878,257	16,059,466	94,953,263
Fidelity Gold Portfolio	41,188,768	15,285,637	49,492,851	192,480	2,026,041	(9,007,595)	—
Fidelity High Income Fund	67,904,879	4,197,241	26,422,377	2,876,545	2,070,936	(2,342,702)	45,407,977
Fidelity Inflation-Protected Bond Index Fund	254,867,888	12,021,707	90,722,457	8,120,885	7,981,734	(5,665,593)	178,483,279
Fidelity International Capital Appreciation Fund	80,952,896	11,558,027	26,456,023	5,788,422	5,062,318	(1,555,586)	69,561,632
Fidelity International Discovery Fund	81,875,089	33,881,405	29,055,037	7,883,502	5,401,510	(4,293,653)	87,809,314
Fidelity International Enhanced Index Fund	68,045,850	27,508,253	19,744,270	2,154,013	1,203,819	4,185,556	81,199,208

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity International Small Cap Fund	$ 40,807,848	$ 5,201,676	$ 15,075,789	$ 2,313,781	$ 3,747,098	$ (689,192)	$ 33,991,641
Fidelity International Small Cap Opportunities Fund	41,787,756	4,814,085	—	4,038,883	—	3,445,724	50,047,565
Fidelity International Value Fund	52,858,965	5,804,660	17,105,993	1,956,519	372,981	4,973,940	46,904,553
Fidelity Japan Fund	54,555,995	474,315	56,334,715	—	17,069,949	(15,765,544)	—
Fidelity Japan Smaller Companies Fund	57,913,782	4,727,968	13,565,064	4,727,969	1,990,704	(6,895,573)	44,171,817
Fidelity Large Cap Value Enhanced Index Fund	51,759,725	5,288,142	29,588,207	3,996,666	8,041,845	1,042,071	36,543,576
Fidelity Long-Term Treasury Bond Index Fund	82,533,756	97,526,521	12,942,415	4,016,651	(438,167)	(7,453,495)	159,226,200
Fidelity Low-Priced Stock Fund	140,911,503	14,076,328	77,884,907	11,031,683	9,191,656	11,444,112	97,738,692
Fidelity New Markets Income Fund	49,383,047	2,013,128	35,286,488	1,312,114	(1,273,974)	(422,119)	14,413,594
Fidelity Overseas Fund	360,268,240	61,666,612	124,398,410	14,641,559	26,859,195	22,728,327	347,123,964
Fidelity Pacific Basin Fund	37,980,011	4,471,484	42,340,471	1,977,478	11,621,480	(11,732,504)	—
Fidelity Real Estate Investment Portfolio	7,585,166	59,979,573	5,450,993	2,960,081	311,694	19,144,503	81,569,943
Fidelity Stock Selector All Cap Fund	1,787,577,149	24,811,498	2,176,624,974	—	738,875,551	(374,639,224)	—
Fidelity U.S. Bond Index Fund	1,799,500,995	178,150,588	291,281,929	33,864,868	(3,312,659)	(62,678,124)	1,620,378,871
Fidelity U.S. Low Volatility Equity Fund	105,367,825	7,869,633	10,091,695	5,869,655	1,385,275	10,657,977	115,189,015
Fidelity Value Discovery Fund	59,258,536	3,347,135	32,961,213	1,909,676	10,247,775	1,103,282	40,995,515
VIP Stock Selector All Cap Portfolio Investor Class	—	1,994,870,465	22,483,762	2,364,492	(87,655)	31,518,404	2,003,817,452
	$5,763,247,731	$2,918,563,868	$3,462,101,945	$157,791,031	$891,909,963	$ (399,658,342)	$5,711,961,275

(a) Includes the value of shares purchased or redeemed through in-kind transactions, if applicable.

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equity Funds	$3,488,047,502	$3,488,047,502	$ —	$ —
Fixed-Income Funds	2,223,913,773	2,223,913,773	—	—
Money Market Funds	240,620,688	240,620,688	—	—
Other Short-Term Investments	20,168,405	—	20,168,405	—
Total Investments in Securities:	$5,972,750,368	$5,952,581,963	$20,168,405	$ —
Derivative Instruments:				
Liabilities				
Futures Contracts	$ (3,560,955)	$ (3,560,955)	$ —	$ —
Total Liabilities	$ (3,560,955)	$ (3,560,955)	$ —	$ —
Total Derivative Instruments:	$ (3,560,955)	$ (3,560,955)	$ —	$ —

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts [(a)]	$0	$ (3,560,955)
Total Equity Risk	0	(3,560,955)
Total Value of Derivatives	$0	$ (3,560,955)

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Unaffiliated issuers (cost $20,168,120)	$ 20,168,405	
Fidelity Central Funds (cost $240,620,688)	240,620,688	
Other affiliated issuers (cost $5,188,589,354)	5,711,961,275	
Total Investment in Securities (cost $5,449,378,162)		$ 5,972,750,368
Receivable for investments sold		10,505,615
Receivable for fund shares sold		4,705
Distributions receivable from Fidelity Central Funds		16,125
Receivable for daily variation margin on futures contracts		1,373,352
Total assets		5,984,650,165
Liabilities		
Payable for investments purchased	$ 15	
Payable for fund shares redeemed	1,685,316	
Accrued management fee	986,627	
Distribution and service plan fees payable	11,724	
Total liabilities		2,683,682
Net Assets		$ 5,981,966,483
Net Assets consist of:		
Paid in capital		$ 4,565,321,394
Total accumulated earnings (loss)		1,416,645,089
Net Assets		$ 5,981,966,483
Net Asset Value and Maximum Offering Price		
Service Class:		
Net Asset Value, offering price and redemption price per share ($68,601 ÷ 4,728 shares)		$ 14.51
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($94,707,873 ÷ 6,555,788 shares)		$ 14.45
Investor Class:		
Net Asset Value, offering price and redemption price per share ($5,887,190,009 ÷ 405,928,436 shares)		$ 14.50

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 76,954,690
Interest		9,526
Income from Fidelity Central Funds		83,720
Total income		77,047,936
Expenses		
Management fee	$ 14,817,130	
Distribution and service plan fees	256,857	
Independent trustees' fees and expenses	16,543	
Interest	124	
Total expenses before reductions	15,090,654	
Expense reductions	(3,069,517)	
Total expenses after reductions		12,021,137
Net investment income (loss)		65,026,799
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	32	
Fidelity Central Funds	518	
Other affiliated issuers	891,909,963	
Futures contracts	(76,835,924)	
Capital gain distributions from underlying funds:		
Affiliated issuers	80,836,341	
Total net realized gain (loss)		895,910,930
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	79	
Fidelity Central Funds	(827)	
Other affiliated issuers	(399,658,342)	
Futures contracts	3,293,355	
Total change in net unrealized appreciation (depreciation)		(396,365,735)
Net gain (loss)		499,545,195
Net increase (decrease) in net assets resulting from operations		$ 564,571,994

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 65,026,799	$ 61,139,246
Net realized gain (loss)	895,910,930	107,149,076
Change in net unrealized appreciation (depreciation)	(396,365,735)	553,732,928
Net increase (decrease) in net assets resulting from operations	564,571,994	722,021,250
Distributions to shareholders	(167,003,158)	(181,171,815)
Share transactions – net increase (decrease)	(261,609,865)	(428,725,848)
Total increase (decrease) in net assets	135,958,971	112,123,587
Net Assets		
Beginning of period	5,846,007,512	5,733,883,925
End of period	$ 5,981,966,483	$ 5,846,007,512

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP FundsManager 50% Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.57	$ 12.28	$ 11.68	$ 13.53	$ 12.03
Income from Investment Operations					
Net investment income (loss) [A]	.15	.14	.20	.19	.16
Net realized and unrealized gain (loss)	1.19	1.55	1.76	(.86)	1.58
Total from investment operations	1.34	1.69	1.96	(.67)	1.74
Distributions from net investment income	(.16)	(.14)	(.20)	(.18)	(.15)
Distributions from net realized gain	(.24)	(.26)	(1.15)	(1.00)	(.08)
Total distributions	(.40)	(.40)	(1.36)[B]	(1.18)	(.24)[B]
Net asset value, end of period	$ 14.51	$ 13.57	$ 12.28	$ 11.68	$ 13.53
Total Return [C,D]	10.01%	14.06%	17.89%	(5.28)%	14.45%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.35%	.35%	.35%	.35%	.35%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.10%	1.12%	1.68%	1.52%	1.21%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 69	$ 64	$ 58	$ 55	$ 64
Portfolio turnover rate [G]	51%[H]	24%[H]	25%	80%	47%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 50% Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.51	$ 12.23	$ 11.64	$ 13.48	$ 11.99
Income from Investment Operations					
Net investment income (loss) [A]	.13	.12	.18	.17	.14
Net realized and unrealized gain (loss)	1.18	1.55	1.75	(.85)	1.57
Total from investment operations	1.31	1.67	1.93	(.68)	1.71
Distributions from net investment income	(.14)	(.13)	(.19)	(.16)	(.13)
Distributions from net realized gain	(.24)	(.26)	(1.15)	(1.00)	(.08)
Total distributions	(.37)[B]	(.39)	(1.34)	(1.16)	(.22)[B]
Net asset value, end of period	$ 14.45	$ 13.51	$ 12.23	$ 11.64	$ 13.48
Total Return [C,D]	9.88%	13.89%	17.69%	(5.38)%	14.24%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.50%	.50%	.50%	.50%	.50%
Expenses net of fee waivers, if any	.35%	.35%	.35%	.35%	.35%
Expenses net of all reductions	.35%	.35%	.35%	.35%	.35%
Net investment income (loss)	.95%	.97%	1.53%	1.37%	1.06%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 94,708	$ 114,211	$ 103,031	$ 90,234	$ 100,867
Portfolio turnover rate [G]	51%[H]	24%[H]	25%	80%	47%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 50% Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.56	$ 12.28	$ 11.68	$ 13.52	$ 12.02
Income from Investment Operations					
Net investment income (loss) [A]	.15	.14	.20	.19	.16
Net realized and unrealized gain (loss)	1.19	1.54	1.76	(.85)	1.58
Total from investment operations	1.34	1.68	1.96	(.66)	1.74
Distributions from net investment income	(.16)	(.14)	(.20)	(.18)	(.15)
Distributions from net realized gain	(.24)	(.26)	(1.15)	(1.00)	(.08)
Total distributions	(.40)	(.40)	(1.36) [B]	(1.18)	(.24) [B]
Net asset value, end of period	$ 14.50	$ 13.56	$ 12.28	$ 11.68	$ 13.52
Total Return [C,D]	10.02%	13.98%	17.89%	(5.20)%	14.46%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.10%	1.12%	1.68%	1.52%	1.21%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 5,887,190	$ 5,731,732	$ 5,630,795	$ 5,535,648	$ 6,623,127
Portfolio turnover rate [G]	51% [H]	24% [H]	25%	80%	47%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager® 60% Portfolio

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

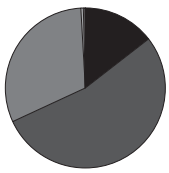
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Stock Selector All Cap Portfolio Investor Class	35.6
Fidelity U.S. Bond Index Fund	20.4
Fidelity Overseas Fund	7.7
Fidelity Floating Rate High Income Fund	3.4
Fidelity Long-Term Treasury Bond Index Fund	3.1
Fidelity Inflation-Protected Bond Index Fund	3.0
Fidelity Low-Priced Stock Fund	2.6
Fidelity Equity-Income Fund	2.4
Fidelity U.S. Low Volatility Equity Fund	2.3
Fidelity International Discovery Fund	2.0
	82.5

Asset Allocation (% of fund's net assets)

Period end*

Domestic Equity Funds	14.5%
International Equity Funds	53.6%
Bond Funds	31.0%
Short-Term Funds	0.5%
Short-Term Investments	0.3%
Net Other Assets (Liabilities)	0.1%



* *Futures – (6.4)%*

VIP FundsManager® 60% Portfolio

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Equity Funds – 68.1%

	Shares	Value
Fidelity Commodity Strategy Fund (a)	4,834,725	$ 42,400,536
Fidelity Contrafund (a)	4,764,231	89,376,965
Fidelity Emerging Markets Discovery Fund (a)	1,488,480	23,860,340
Fidelity Emerging Markets Fund (a)	2,394,894	104,537,123
Fidelity Equity-Income Fund (a)	2,452,465	172,261,174
Fidelity Global Commodity Stock Fund (a)	8,185,193	132,927,542
Fidelity International Capital Appreciation Fund (a)	3,850,679	109,359,281
Fidelity International Discovery Fund (a)	2,661,647	140,880,985
Fidelity International Enhanced Index Fund (a)	11,081,206	123,444,638
Fidelity International Small Cap Fund (a)	1,738,574	56,155,938
Fidelity International Small Cap Opportunities Fund (a)	2,459,675	65,279,771
Fidelity International Value Fund (a)	7,886,683	73,425,016
Fidelity Japan Smaller Companies Fund (a)	2,910,367	45,867,380
Fidelity Large Cap Value Enhanced Index Fund (a)	4,567,973	73,224,609
Fidelity Low-Priced Stock Fund (a)	3,529,828	189,869,467
Fidelity Overseas Fund (a)	8,129,809	550,550,664
Fidelity Real Estate Investment Portfolio (a)	1,806,026	97,561,501
Fidelity U.S. Low Volatility Equity Fund (a)	13,832,504	165,575,072
Fidelity Value Discovery Fund (a)	2,256,053	86,361,718
VIP Stock Selector All Cap Portfolio Investor Class (a)	251,779,106	2,558,075,715
TOTAL EQUITY FUNDS (Cost $4,262,532,905)		**4,900,995,435**

Fixed-Income Funds – 31.0%

Fidelity Floating Rate High Income Fund (a)	26,041,384	246,611,909
Fidelity High Income Fund (a)	6,272,562	54,508,561
Fidelity Inflation-Protected Bond Index Fund (a)	19,187,760	214,135,399
Fidelity Long-Term Treasury Bond Index Fund (a)	15,271,438	225,253,707
Fidelity New Markets Income Fund (a)	1,256,582	17,893,733
Fidelity U.S. Bond Index Fund (a)	122,540,633	1,468,036,781
TOTAL FIXED-INCOME FUNDS (Cost $2,113,457,469)		**2,226,440,090**

Money Market Funds – 0.5%

Fidelity Cash Central Fund 0.08% (b) (Cost $36,080,874)	36,073,659	**36,080,874**

U.S. Treasury Obligations – 0.3%

	Principal Amount	
U.S. Treasury Bills, yield at date of purchase 0.04% to 0.06% 1/13/22 to 3/31/22 (c) (Cost $22,557,933)	$ 22,560,000	**22,558,041**
TOTAL INVESTMENT IN SECURITIES – 99.9% (Cost $6,434,629,181)		**7,186,074,440**
NET OTHER ASSETS (LIABILITIES) – 0.1%		**6,005,924**
NET ASSETS – 100%		**$7,192,080,364**

See accompanying notes which are an integral part of the financial statements.

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Sold					
Equity Index Contracts					
CME E-mini S&P 500 Index Contracts (United States)	1,057	March 2022	$251,486,725	$(2,220,470)	$ (2,220,470)
ICE E-mini MSCI EAFE Index Contracts (United States)	783	March 2022	90,898,470	(1,466,540)	(1,466,540)
ICE E-mini MSCI Emerging Markets Index Contracts (United States)	1,972	March 2022	120,913,180	(697,573)	(697,573)
TOTAL FUTURES CONTRACTS					**$(4,384,583)**

The notional amount of futures sold as a percentage of Net Assets is 6.4%

For the period, the average monthly notional amount at value for futures contracts in the aggregate was $390,920,285.

Legend

(a) Affiliated Fund

(b) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request.

In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(c) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At period end, the value of securities pledged amounted to $22,558,041.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$5,577,174	$547,795,049	$517,290,918	$33,951	$ (431)	$—	$36,080,874	0.1
Total	$5,577,174	$547,795,049	$517,290,918	$33,951	$ (431)	$—	$36,080,874	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Commodity Strategy Fund	$ 10,081,125	$ 51,103,964	$ 19,129,121	$ 8,060,033	$ (1,874,422)	$ 2,218,990	$ 42,400,536
Fidelity Contrafund	76,027,408	27,326,422	25,735,339	9,229,403	3,067,206	8,691,268	89,376,965
Fidelity Emerging Asia Fund	26,226,121	260,504	25,512,310	—	10,156,378	(11,130,693)	—
Fidelity Emerging Markets Discovery Fund	28,454,735	2,992,916	7,117,802	2,536,924	1,176,149	(1,645,658)	23,860,340
Fidelity Emerging Markets Fund	122,627,500	7,794,223	22,476,576	5,916,313	7,550,520	(10,958,544)	104,537,123
Fidelity Equity-Income Fund	167,812,748	32,892,772	52,297,537	16,615,896	6,466,624	17,386,567	172,261,174
Fidelity Europe Fund	47,069,446	4,887,433	52,085,455	3,226,368	8,669,824	(8,541,248)	—
Fidelity Floating Rate High Income Fund	—	249,522,602	3,203,655	2,513,819	(3,618)	296,580	246,611,909
Fidelity Global Commodity Stock Fund	91,348,355	29,635,906	10,309,061	4,353,197	314,630	21,937,712	132,927,542
Fidelity Gold Portfolio	46,941,330	18,538,911	56,096,687	453,785	885,569	(10,269,123)	—
Fidelity High Income Fund	74,792,775	5,168,213	25,133,462	3,281,528	1,863,274	(2,182,239)	54,508,561
Fidelity Inflation-Protected Bond Index Fund	265,128,365	15,862,316	68,790,372	9,733,989	4,416,673	(2,481,583)	214,135,399
Fidelity International Capital Appreciation Fund	104,851,108	13,244,159	11,812,487	9,090,651	1,413,573	1,662,928	109,359,281
Fidelity International Discovery Fund	105,716,309	48,589,607	11,990,980	12,659,461	1,218,485	(2,652,436)	140,880,985
Fidelity International Enhanced Index Fund	88,449,535	38,723,028	10,326,715	3,269,290	400,040	6,198,750	123,444,638

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity International Small Cap Fund	$ 53,096,313	$ 5,904,107	$ 5,933,604	$ 3,818,151	$ 952,219	$ 2,136,903	$ 56,155,938
Fidelity International Small Cap Opportunities Fund	53,973,174	6,863,760	—	5,263,244	—	4,442,837	65,279,771
Fidelity International Value Fund	68,599,445	5,830,958	7,781,145	3,059,502	4,539	6,771,219	73,425,016
Fidelity Japan Fund	67,131,829	4,558,641	73,071,903	—	20,757,372	(19,375,939)	—
Fidelity Japan Smaller Companies Fund	57,214,885	7,994,490	14,164,748	4,909,454	2,216,151	(7,393,398)	45,867,380
Fidelity Large Cap Value Enhanced Index Fund	69,580,383	15,286,995	22,955,972	7,983,819	3,763,554	7,549,649	73,224,609
Fidelity Long-Term Treasury Bond Index Fund	78,670,526	164,913,841	10,771,755	5,530,295	(442,130)	(7,116,775)	225,253,707
Fidelity Low-Priced Stock Fund	185,010,822	39,816,077	58,688,029	21,037,832	4,352,205	19,378,392	189,869,467
Fidelity New Markets Income Fund	54,906,529	2,646,835	37,716,077	1,510,594	(2,003,376)	59,822	17,893,733
Fidelity Overseas Fund	467,397,648	74,347,416	53,640,279	23,201,307	6,879,875	55,566,004	550,550,664
Fidelity Pacific Basin Fund	49,223,879	4,703,800	53,283,577	3,042,893	18,339,429	(18,983,531)	—
Fidelity Real Estate Investment Portfolio	8,610,034	70,597,419	4,415,064	3,517,004	317,137	22,451,975	97,561,501
Fidelity Stock Selector All Cap Fund	2,308,794,252	45,258,199	2,811,808,005	—	927,703,245	(469,947,691)	—
Fidelity U.S. Bond Index Fund	1,580,404,985	156,276,095	210,551,629	29,672,100	2,093,167	(60,185,837)	1,468,036,781
Fidelity U.S. Low Volatility Equity Fund	140,474,160	17,813,418	9,293,492	8,418,164	158,716	16,422,270	165,575,072
Fidelity Value Discovery Fund	83,882,870	12,415,194	26,505,289	3,974,414	5,237,343	11,331,600	86,361,718
VIP Stock Selector All Cap Portfolio Investor Class	—	2,540,113,028	22,085,810	3,017,522	(182,102)	40,230,599	2,558,075,715
	$6,582,498,594	$3,721,883,249	$3,824,683,937	$218,896,952	$1,035,868,249	$ (388,130,630)	$7,127,435,525

(a) Includes the value of shares purchased or redeemed through in-kind transactions, if applicable.

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equity Funds	$4,900,995,435	$4,900,995,435	$ —	$ —
Fixed-Income Funds	2,226,440,090	2,226,440,090	—	—
Money Market Funds	36,080,874	36,080,874	—	—
Other Short-Term Investments	22,558,041	—	22,558,041	—
Total Investments in Securities:	$7,186,074,440	$7,163,516,399	$22,558,041	$ —
Derivative Instruments:				
Liabilities				
Futures Contracts	$ (4,384,583)	$ (4,384,583)	$ —	$ —
Total Liabilities	$ (4,384,583)	$ (4,384,583)	$ —	$ —
Total Derivative Instruments:	$ (4,384,583)	$ (4,384,583)	$ —	$ —

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts [(a)]	$0	$ (4,384,583)
Total Equity Risk	0	(4,384,583)
Total Value of Derivatives	$0	$ (4,384,583)

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Unaffiliated issuers (cost $22,557,933)	$ 22,558,041	
Fidelity Central Funds (cost $36,080,874)	36,080,874	
Other affiliated issuers (cost $6,375,990,374)	7,127,435,525	
Total Investment in Securities (cost $6,434,629,181)		$ 7,186,074,440
Receivable for investments sold		6,349,473
Receivable for fund shares sold		1,218,878
Distributions receivable from Fidelity Central Funds		2,153
Receivable for daily variation margin on futures contracts		1,428,459
Other receivables		1
Total assets		7,195,073,404
Liabilities		
Payable for investments purchased	$ 803,739	
Payable for fund shares redeemed	928,263	
Accrued management fee	1,182,133	
Distribution and service plan fees payable	78,905	
Total liabilities		2,993,040
Net Assets		$ 7,192,080,364
Net Assets consist of:		
Paid in capital		$ 5,338,772,884
Total accumulated earnings (loss)		1,853,307,480
Net Assets		$ 7,192,080,364
Net Asset Value and Maximum Offering Price		
Service Class:		
Net Asset Value, offering price and redemption price per share ($58,352,600 ÷ 4,707,396 shares)		$ 12.40
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($640,657,783 ÷ 51,844,882 shares)		$ 12.36
Investor Class:		
Net Asset Value, offering price and redemption price per share ($6,493,069,981 ÷ 523,814,545 shares)		$ 12.40

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 88,882,926
Interest		9,993
Income from Fidelity Central Funds		33,951
Total income		88,926,870
Expenses		
Management fee	$ 17,366,299	
Distribution and service plan fees	1,668,783	
Independent trustees' fees and expenses	19,314	
Total expenses before reductions	19,054,396	
Expense reductions	(4,170,529)	
Total expenses after reductions		14,883,867
Net investment income (loss)		74,043,003
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	33	
Fidelity Central Funds	(431)	
Other affiliated issuers	1,035,868,249	
Futures contracts	(51,452,228)	
Capital gain distributions from underlying funds:		
Affiliated issuers	130,014,026	
Total net realized gain (loss)		1,114,429,649
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	137	
Affiliated issuers	(388,130,630)	
Futures contracts	(422,441)	
Total change in net unrealized appreciation (depreciation)		(388,552,934)
Net gain (loss)		725,876,715
Net increase (decrease) in net assets resulting from operations		$ 799,919,718

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 74,043,003	$ 61,715,959
Net realized gain (loss)	1,114,429,649	110,405,602
Change in net unrealized appreciation (depreciation)	(388,552,934)	696,985,188
Net increase (decrease) in net assets resulting from operations	799,919,718	869,106,749
Distributions to shareholders	(190,170,063)	(206,697,507)
Share transactions – net increase (decrease)	(21,798,783)	(37,703,902)
Total increase (decrease) in net assets	587,950,872	624,705,340
Net Assets		
Beginning of period	6,604,129,492	5,979,424,152
End of period	$ 7,192,080,364	$ 6,604,129,492

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP FundsManager 60% Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 11.35	$ 10.20	$ 10.22	$ 12.50	$ 11.03
Income from Investment Operations					
Net investment income (loss) [A]	.13	.11	.16	.16	.13
Net realized and unrealized gain (loss)	1.25	1.40	1.71	(.87)	1.73
Total from investment operations	1.38	1.51	1.87	(.71)	1.86
Distributions from net investment income	(.14)	(.11)	(.15)	(.14)	(.13)
Distributions from net realized gain	(.20)	(.25)	(1.74)	(1.42)	(.25)
Total distributions	(.33)[B]	(.36)	(1.89)	(1.57)[B]	(.39)[B]
Net asset value, end of period	$ 12.40	$ 11.35	$ 10.20	$ 10.22	$ 12.50
Total Return [C,D]	12.34%	15.12%	20.49%	(6.44)%	16.99%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.35%	.35%	.35%	.35%	.35%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.08%	1.06%	1.61%	1.40%	1.11%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 58,353	$ 28,621	$ 9,951	$ 50	$ 61
Portfolio turnover rate [G]	54%[H]	22%[H]	33%	91%	47%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 60% Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 11.31	$ 10.17	$ 10.20	$ 12.47	$ 11.01
Income from Investment Operations					
Net investment income (loss) [A]	.11	.09	.14	.14	.11
Net realized and unrealized gain (loss)	1.25	1.39	1.71	(.86)	1.72
Total from investment operations	1.36	1.48	1.85	(.72)	1.83
Distributions from net investment income	(.12)	(.09)	(.14)	(.13)	(.12)
Distributions from net realized gain	(.20)	(.25)	(1.74)	(1.42)	(.25)
Total distributions	(.31) [B]	(.34)	(1.88)	(1.55)	(.37)
Net asset value, end of period	$ 12.36	$ 11.31	$ 10.17	$ 10.20	$ 12.47
Total Return [C,D]	12.21%	14.92%	20.25%	(6.51)%	16.76%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.50%	.50%	.50%	.50%	.50%
Expenses net of fee waivers, if any	.35%	.35%	.35%	.35%	.35%
Expenses net of all reductions	.35%	.35%	.35%	.35%	.35%
Net investment income (loss)	.93%	.91%	1.46%	1.25%	.96%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 640,658	$ 656,402	$ 594,140	$ 533,024	$ 585,346
Portfolio turnover rate [G]	54% [H]	22% [H]	33%	91%	47%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 60% Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 11.35	$ 10.20	$ 10.22	$ 12.50	$ 11.03
Income from Investment Operations					
Net investment income (loss) [A]	.13	.11	.16	.16	.13
Net realized and unrealized gain (loss)	1.25	1.40	1.71	(.87)	1.73
Total from investment operations	1.38	1.51	1.87	(.71)	1.86
Distributions from net investment income	(.14)	(.11)	(.15)	(.14)	(.13)
Distributions from net realized gain	(.20)	(.25)	(1.74)	(1.42)	(.25)
Total distributions	(.33) [B]	(.36)	(1.89)	(1.57) [B]	(.39) [B]
Net asset value, end of period	$ 12.40	$ 11.35	$ 10.20	$ 10.22	$ 12.50
Total Return [C,D]	12.34%	15.12%	20.49%	(6.44)%	16.99%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.08%	1.06%	1.61%	1.40%	1.11%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 6,493,070	$ 5,919,107	$ 5,375,333	$ 4,777,580	$ 5,745,537
Portfolio turnover rate [G]	54% [H]	22% [H]	33%	91%	47%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager® 70% Portfolio

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

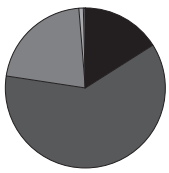
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Stock Selector All Cap Portfolio Investor Class	41.2
Fidelity U.S. Bond Index Fund	10.5
Fidelity Overseas Fund	8.9
Fidelity Floating Rate High Income Fund	3.6
Fidelity Long-Term Treasury Bond Index Fund	3.1
Fidelity Low-Priced Stock Fund	3.0
Fidelity Inflation-Protected Bond Index Fund	3.0
Fidelity Equity-Income Fund	2.6
Fidelity U.S. Low Volatility Equity Fund	2.4
Fidelity International Discovery Fund	2.3
	80.6

Asset Allocation (% of fund's net assets)

Period end*

Domestic Equity Funds	16.0%
International Equity Funds	61.4%
Bond Funds	21.3%
Short-Term Funds	0.9%
Short-Term Investments	0.3%
Net Other Assets (Liabilities)	0.1%



* *Futures – (5.6)%*

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Equity Funds – 77.4%

	Shares	Value
Fidelity Commodity Strategy Fund (a)	1,647,155	$ 14,445,549
Fidelity Contrafund (a)	1,815,827	34,064,918
Fidelity Emerging Markets Discovery Fund (a)	449,950	7,212,699
Fidelity Emerging Markets Fund (a)	560,146	24,450,352
Fidelity Equity-Income Fund (a)	807,115	56,691,746
Fidelity Global Commodity Stock Fund (a)	2,396,946	38,926,406
Fidelity International Capital Appreciation Fund (a)	1,382,264	39,256,286
Fidelity International Discovery Fund (a)	950,313	50,300,051
Fidelity International Enhanced Index Fund (a)	3,966,152	44,182,929
Fidelity International Small Cap Fund (a)	620,245	20,033,920
Fidelity International Small Cap Opportunities Fund (a)	841,550	22,334,731
Fidelity International Value Fund (a)	2,823,858	26,290,115
Fidelity Japan Smaller Companies Fund (a)	963,470	15,184,294
Fidelity Large Cap Value Enhanced Index Fund (a)	2,065,551	33,110,776
Fidelity Low-Priced Stock Fund (a)	1,234,468	66,402,023
Fidelity Overseas Fund (a)	2,915,516	197,438,752
Fidelity Real Estate Investment Portfolio (a)	552,214	29,830,611
Fidelity U.S. Low Volatility Equity Fund (a)	4,442,820	53,180,557
Fidelity Value Discovery Fund (a)	751,756	28,777,219
VIP Stock Selector All Cap Portfolio Investor Class (a)	89,628,592	910,626,490
TOTAL EQUITY FUNDS (Cost $1,510,505,443)		**1,712,740,424**

Fixed-Income Funds – 21.3%

Fidelity Floating Rate High Income Fund (a)	8,528,356	80,763,528
Fidelity High Income Fund (a)	1,927,146	16,746,900
Fidelity Inflation-Protected Bond Index Fund (a)	5,852,851	65,317,812
Fidelity Long-Term Treasury Bond Index Fund (a)	4,666,246	68,827,122
Fidelity New Markets Income Fund (a)	401,016	5,710,467
Fidelity U.S. Bond Index Fund (a)	19,434,998	232,831,271
TOTAL FIXED-INCOME FUNDS (Cost $448,621,893)		**470,197,100**

Money Market Funds – 0.9%

Fidelity Cash Central Fund 0.08% (b) (Cost $20,022,171)	20,018,167	**20,022,171**

U.S. Treasury Obligations – 0.3%

	Principal Amount	
U.S. Treasury Bills, yield at date of purchase 0.04% to 0.06% 1/13/22 to 3/31/22 (c) (Cost $6,039,476)	$ 6,040,000	**6,039,569**
TOTAL INVESTMENT IN SECURITIES – 99.9% (Cost $1,985,188,983)		**2,208,999,264**
NET OTHER ASSETS (LIABILITIES) – 0.1%		**2,010,779**
NET ASSETS – 100%		**$2,211,010,043**

See accompanying notes which are an integral part of the financial statements.

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Sold					
Equity Index Contracts					
CME E-mini S&P 500 Index Contracts (United States)	323	March 2022	$76,849,775	$(744,789)	$ (744,789)
ICE E-mini MSCI EAFE Index Contracts (United States)	153	March 2022	17,761,770	(228,779)	(228,779)
ICE E-mini MSCI Emerging Markets Index Contracts (United States)	485	March 2022	29,737,775	(171,563)	(171,563)
TOTAL FUTURES CONTRACTS					**$(1,145,131)**

The notional amount of futures sold as a percentage of Net Assets is 5.6%

For the period, the average monthly notional amount at value for futures contracts in the aggregate was $115,729,770.

Legend

(a) Affiliated Fund

(b) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request.

In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(c) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At period end, the value of securities pledged amounted to $6,039,569.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$16,877,015	$177,068,704	$173,923,474	$13,340	$ (74)	$—	$20,022,171	0.0
Total	$16,877,015	$177,068,704	$173,923,474	$13,340	$ (74)	$—	$20,022,171	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Commodity Strategy Fund	$ 2,771,627	$ 15,912,067	$ 4,505,638	$ 2,458,152	$ (258,043)	$ 525,536	$ 14,445,549
Fidelity Contrafund	29,547,831	8,825,002	8,553,064	3,495,354	1,108,686	3,136,463	34,064,918
Fidelity Emerging Asia Fund	6,939,423	544,100	7,274,134	—	2,748,076	(2,957,465)	—
Fidelity Emerging Markets Discovery Fund	7,079,226	1,471,695	1,049,081	766,882	93,660	(382,801)	7,212,699
Fidelity Emerging Markets Fund	25,128,337	4,088,321	3,879,974	1,383,776	792,596	(1,678,928)	24,450,352
Fidelity Equity-Income Fund	52,452,406	10,993,672	14,071,347	5,358,895	1,681,129	5,635,886	56,691,746
Fidelity Europe Fund	15,405,687	2,179,563	17,535,895	1,152,294	2,999,954	(3,049,309)	—
Fidelity Floating Rate High Income Fund	—	81,236,529	507,361	796,364	(959)	35,319	80,763,528
Fidelity Global Commodity Stock Fund	24,098,218	11,420,535	2,684,527	1,266,399	(4,609)	6,096,789	38,926,406
Fidelity Gold Portfolio	16,918,576	6,023,612	19,453,777	181,027	183,521	(3,671,932)	—
Fidelity High Income Fund	20,220,136	2,381,692	5,760,572	934,004	324,380	(418,736)	16,746,900
Fidelity Inflation-Protected Bond Index Fund	62,165,391	27,046,675	24,231,799	2,964,819	848,680	(511,135)	65,317,812
Fidelity International Capital Appreciation Fund	34,336,173	5,983,639	2,020,148	3,248,344	154,900	801,722	39,256,286
Fidelity International Discovery Fund	34,482,157	18,593,535	2,057,067	4,497,066	54,803	(773,377)	50,300,051
Fidelity International Enhanced Index Fund	28,849,917	14,945,976	1,757,419	1,164,473	76,141	2,068,314	44,182,929
Fidelity International Small Cap Fund	17,363,245	2,732,073	1,017,052	1,356,192	78,922	876,732	20,033,920

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity International Small Cap Opportunities Fund	$ 17,638,017	$ 3,245,684	$ —	$ 1,792,698	$ —	$ 1,451,030	$ 22,334,731
Fidelity International Value Fund	22,459,327	2,920,323	1,329,917	1,090,431	50,921	2,189,461	26,290,115
Fidelity Japan Fund	24,807,052	607,576	25,975,738	—	7,708,736	(7,147,626)	—
Fidelity Japan Smaller Companies Fund	17,811,632	1,625,265	2,563,690	1,625,264	159,414	(1,848,327)	15,184,294
Fidelity Large Cap Value Enhanced Index Fund	29,380,991	6,518,899	7,486,321	3,592,516	1,305,878	3,391,329	33,110,776
Fidelity Long-Term Treasury Bond Index Fund	20,477,412	51,768,022	1,336,011	1,636,995	(23,298)	(2,059,003)	68,827,122
Fidelity Low-Priced Stock Fund	60,301,675	13,918,135	15,416,811	7,202,969	1,207,861	6,391,163	66,402,023
Fidelity New Markets Income Fund	14,949,343	1,280,615	9,968,419	431,225	(489,080)	(61,992)	5,710,467
Fidelity Overseas Fund	152,832,428	32,398,923	9,096,325	8,281,194	443,807	20,859,919	197,438,752
Fidelity Pacific Basin Fund	16,109,840	2,113,313	17,923,063	1,086,074	5,062,953	(5,363,043)	—
Fidelity Real Estate Investment Portfolio	2,349,980	21,276,165	441,649	1,061,213	(1,527)	6,647,642	29,830,611
Fidelity Stock Selector All Cap Fund	734,822,564	42,891,777	930,634,766	—	302,985,691	(150,065,266)	—
Fidelity U.S. Bond Index Fund	253,066,745	32,913,860	43,958,230	4,601,636	1,392,489	(10,583,593)	232,831,271
Fidelity U.S. Low Volatility Equity Fund	43,235,549	6,187,306	1,406,045	2,685,367	2,234	5,161,513	53,180,557
Fidelity Value Discovery Fund	26,011,877	4,280,706	6,686,167	1,305,522	1,323,462	3,847,341	28,777,219
VIP Stock Selector All Cap Portfolio Investor Class	—	899,185,387	2,888,943	1,074,413	(47,970)	14,378,016	910,626,490
	$1,814,012,782	$1,337,510,642	$1,193,470,950	$68,491,558	$331,963,408	$ (107,078,358)	$2,182,937,524

(a) Includes the value of shares purchased or redeemed through in-kind transactions, if applicable.

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equity Funds	$1,712,740,424	$1,712,740,424	$ —	$ —
Fixed-Income Funds	470,197,100	470,197,100	—	—
Money Market Funds	20,022,171	20,022,171	—	—
Other Short-Term Investments	6,039,569	—	6,039,569	—
Total Investments in Securities:	$2,208,999,264	$2,202,959,695	$6,039,569	$ —
Derivative Instruments:				
Liabilities				
Futures Contracts	$ (1,145,131)	$ (1,145,131)	$ —	$ —
Total Liabilities	$ (1,145,131)	$ (1,145,131)	$ —	$ —
Total Derivative Instruments:	$ (1,145,131)	$ (1,145,131)	$ —	$ —

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts [a]	$0	$ (1,145,131)
Total Equity Risk	0	(1,145,131)
Total Value of Derivatives	$0	$ (1,145,131)

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or

See accompanying notes which are an integral part of the financial statements.

payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Unaffiliated issuers (cost $6,039,476)	$ 6,039,569	
Fidelity Central Funds (cost $20,022,171)	20,022,171	
Other affiliated issuers (cost $1,959,127,336)	2,182,937,524	
Total Investment in Securities (cost $1,985,188,983)		$ 2,208,999,264
Receivable for investments sold		1,982,229
Receivable for fund shares sold		126,740
Distributions receivable from Fidelity Central Funds		1,236
Receivable for daily variation margin on futures contracts		394,152
Total assets		2,211,503,621
Liabilities		
Payable for investments purchased	$ 58,866	
Payable for fund shares redeemed	64,095	
Accrued management fee	361,425	
Distribution and service plan fees payable	9,192	
Total liabilities		493,578
Net Assets		$ 2,211,010,043
Net Assets consist of:		
Paid in capital		$ 1,631,337,058
Total accumulated earnings (loss)		579,672,985
Net Assets		$ 2,211,010,043
Net Asset Value and Maximum Offering Price		
Service Class:		
Net Asset Value, offering price and redemption price per share ($83,890 ÷ 5,394 shares)		$ 15.55
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($74,699,284 ÷ 4,829,200 shares)		$ 15.47
Investor Class:		
Net Asset Value, offering price and redemption price per share ($2,136,226,869 ÷ 137,429,716 shares)		$ 15.54

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 24,210,505
Interest		2,971
Income from Fidelity Central Funds		13,340
Total income		24,226,816
Expenses		
Management fee	$ 5,090,402	
Distribution and service plan fees	180,308	
Independent trustees' fees and expenses	5,623	
Total expenses before reductions	5,276,333	
Expense reductions	(1,091,376)	
Total expenses after reductions		4,184,957
Net investment income (loss)		20,041,859
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	25	
Fidelity Central Funds	(74)	
Other affiliated issuers	331,963,408	
Futures contracts	(17,217,927)	
Capital gain distributions from underlying funds:		
Affiliated issuers	44,281,053	
Total net realized gain (loss)		359,026,485
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	37	
Affiliated issuers	(107,078,358)	
Futures contracts	446,802	
Total change in net unrealized appreciation (depreciation)		(106,631,519)
Net gain (loss)		252,394,966
Net increase (decrease) in net assets resulting from operations		$ 272,436,825

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 20,041,859	$ 15,354,191
Net realized gain (loss)	359,026,485	24,430,557
Change in net unrealized appreciation (depreciation)	(106,631,519)	209,088,927
Net increase (decrease) in net assets resulting from operations	272,436,825	248,873,675
Distributions to shareholders	(48,133,724)	(55,277,556)
Share transactions – net increase (decrease)	151,097,916	(21,002,271)
Total increase (decrease) in net assets	375,401,017	172,593,848
Net Assets		
Beginning of period	1,835,609,026	1,663,015,178
End of period	$ 2,211,010,043	$ 1,835,609,026

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP FundsManager 70% Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.90	$ 12.37	$ 11.71	$ 14.04	$ 11.97
Income from Investment Operations					
Net investment income (loss) [A]	.15	.12	.17	.17	.13
Net realized and unrealized gain (loss)	1.86	1.82	2.26	(1.13)	2.16
Total from investment operations	2.01	1.94	2.43	(.96)	2.29
Distributions from net investment income	(.16)	(.12)	(.16)	(.13)	(.12)
Distributions from net realized gain	(.20)	(.30)	(1.61)	(1.24)	(.09)
Total distributions	(.36)	(.41)[B]	(1.77)	(1.37)	(.22)[B]
Net asset value, end of period	$ 15.55	$ 13.90	$ 12.37	$ 11.71	$ 14.04
Total Return [C,D]	14.60%	16.10%	22.65%	(7.50)%	19.11%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.35%	.35%	.35%	.35%	.35%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	.99%	.95%	1.47%	1.27%	1.01%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 84	$ 75	$ 67	$ 63	$ 76
Portfolio turnover rate [G]	60%[H]	24%[H]	39%	98%	57%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 70% Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.83	$ 12.31	$ 11.67	$ 13.99	$ 11.93
Income from Investment Operations					
Net investment income (loss) [A]	.12	.10	.15	.15	.11
Net realized and unrealized gain (loss)	1.85	1.82	2.25	(1.12)	2.15
Total from investment operations	1.97	1.92	2.40	(.97)	2.26
Distributions from net investment income	(.13)	(.10)	(.15)	(.11)	(.10)
Distributions from net realized gain	(.20)	(.30)	(1.61)	(1.24)	(.09)
Total distributions	(.33)	(.40)	(1.76)	(1.35)	(.20) [B]
Net asset value, end of period	$ 15.47	$ 13.83	$ 12.31	$ 11.67	$ 13.99
Total Return [C,D]	14.44%	15.94%	22.39%	(7.60)%	18.94%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.50%	.50%	.50%	.50%	.50%
Expenses net of fee waivers, if any	.35%	.35%	.35%	.35%	.35%
Expenses net of all reductions	.35%	.35%	.35%	.35%	.35%
Net investment income (loss)	.84%	.80%	1.32%	1.13%	.86%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 74,699	$ 66,433	$ 57,129	$ 46,406	$ 48,977
Portfolio turnover rate [G]	60% [H]	24% [H]	39%	98%	57%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 70% Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.90	$ 12.37	$ 11.71	$ 14.04	$ 11.96
Income from Investment Operations					
Net investment income (loss) [A]	.15	.12	.17	.17	.13
Net realized and unrealized gain (loss)	1.85	1.82	2.26	(1.13)	2.17
Total from investment operations	2.00	1.94	2.43	(.96)	2.30
Distributions from net investment income	(.16)	(.12)	(.16)	(.13)	(.12)
Distributions from net realized gain	(.20)	(.30)	(1.61)	(1.24)	(.09)
Total distributions	(.36)	(.41) [B]	(1.77)	(1.37)	(.22) [B]
Net asset value, end of period	$ 15.54	$ 13.90	$ 12.37	$ 11.71	$ 14.04
Total Return [C,D]	14.52%	16.10%	22.66%	(7.49)%	19.21%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	.99%	.95%	1.47%	1.28%	1.01%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 2,136,227	$ 1,769,102	$ 1,605,820	$ 1,335,076	$ 1,426,071
Portfolio turnover rate [G]	60% [H]	24% [H]	39%	98%	57%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager® 85% Portfolio

Investment Summary (Unaudited)

The information in the following tables is based on the direct investments of the Fund.

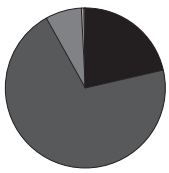
Top Holdings as of December 31, 2021

	% of fund's net assets
VIP Stock Selector All Cap Portfolio Investor Class	46.9
Fidelity Overseas Fund	10.2
Fidelity Low-Priced Stock Fund	4.3
Fidelity Long-Term Treasury Bond Index Fund	3.9
Fidelity Equity-Income Fund	3.5
Fidelity U.S. Low Volatility Equity Fund	2.8
Fidelity International Discovery Fund	2.7
Fidelity Large Cap Value Enhanced Index Fund	2.4
Fidelity International Enhanced Index Fund	2.4
Fidelity Value Discovery Fund	2.3
	81.4

Asset Allocation (% of fund's net assets)

Period end*

Domestic Equity Funds	21.4%
International Equity Funds	70.5%
Bond Funds	7.3%
Short-Term Funds	0.5%
Short-Term Investments	0.2%
Net Other Assets (Liabilities)	0.1%



* *Futures – 3.6%*

VIP FundsManager® 85% Portfolio

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Equity Funds – 91.9%

	Shares	Value
Fidelity Commodity Strategy Fund (a)	582,537	$ 5,108,850
Fidelity Contrafund (a)	784,282	14,713,133
Fidelity Emerging Markets Discovery Fund (a)	109,160	1,749,841
Fidelity Emerging Markets Fund (a)	220,148	9,609,452
Fidelity Equity-Income Fund (a)	408,976	28,726,503
Fidelity Global Commodity Stock Fund (a)	900,986	14,632,019
Fidelity International Capital Appreciation Fund (a)	602,780	17,118,950
Fidelity International Discovery Fund (a)	412,580	21,837,861
Fidelity International Enhanced Index Fund (a)	1,727,202	19,241,026
Fidelity International Small Cap Fund (a)	269,953	8,719,476
Fidelity International Small Cap Opportunities Fund (a)	360,645	9,571,526
Fidelity International Value Fund (a)	1,224,645	11,401,444
Fidelity Japan Fund (a)	107,544	1,992,792
Fidelity Japan Smaller Companies Fund (a)	440,506	6,942,373
Fidelity Large Cap Value Enhanced Index Fund (a)	1,215,872	19,490,435
Fidelity Low-Priced Stock Fund (a)	648,349	34,874,696
Fidelity Overseas Fund (a)	1,228,826	83,216,082
Fidelity Real Estate Investment Portfolio (a)	282,169	15,242,774
Fidelity U.S. Low Volatility Equity Fund (a)	1,899,139	22,732,700
Fidelity Value Discovery Fund (a)	491,643	18,820,104
VIP Stock Selector All Cap Portfolio Investor Class (a)	37,554,360	381,552,293
TOTAL EQUITY FUNDS (Cost $665,023,973)		**747,294,330**

Fixed-Income Funds – 7.3%

Fidelity High Income Fund (a)	862,340	7,493,739
Fidelity Inflation-Protected Bond Index Fund (a)	1,102,860	12,307,913
Fidelity Long-Term Treasury Bond Index Fund (a)	2,111,154	31,139,528
Fidelity New Markets Income Fund (a)	237,405	3,380,651
Fidelity U.S. Bond Index Fund (a)	419,449	5,024,995
TOTAL FIXED-INCOME FUNDS (Cost $58,206,529)		**59,346,826**

Money Market Funds – 0.5%

Fidelity Cash Central Fund 0.08% (b) (Cost $4,697,360)	4,696,420	**4,697,360**

U.S. Treasury Obligations – 0.2%

	Principal Amount	
U.S. Treasury Bills, yield at date of purchase 0.04% to 0.06% 1/13/22 to 3/10/22 (c) (Cost $1,529,881)	$ 1,530,000	**1,529,909**
TOTAL INVESTMENT IN SECURITIES – 99.9% (Cost $729,457,743)		**812,868,425**
NET OTHER ASSETS (LIABILITIES) – 0.1%		**422,437**
NET ASSETS – 100%		**$813,290,862**

See accompanying notes which are an integral part of the financial statements.

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Sold					
Equity Index Contracts					
CME E-mini S&P 500 Index Contracts (United States)	70	March 2022	$16,654,750	$(161,298)	$ (161,298)
ICE E-mini MSCI EAFE Index Contracts (United States)	14	March 2022	1,625,260	2,255	2,255
ICE E-mini MSCI Emerging Markets Index Contracts (United States)	175	March 2022	10,730,125	(61,904)	(61,904)
TOTAL FUTURES CONTRACTS					**$(220,947)**

The notional amount of futures sold as a percentage of Net Assets is 3.6%

Legend

(a) Affiliated Fund

(b) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request.

In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(c) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At period end, the value of securities pledged amounted to $1,448,910.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$4,038,670	$24,519,932	$23,861,157	$1,071	$ (85)	$—	$4,697,360	0.0
Total	$4,038,670	$24,519,932	$23,861,157	$1,071	$ (85)	$—	$4,697,360	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Affiliated Underlying Funds

Fiscal year to date information regarding the Fund's investments in affiliated Underlying Funds is presented below. Exchanges between classes of the same affiliated Underlying Funds may occur. If an underlying Fund changes its name, the name presented below is the name in effect at period end.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Commodity Strategy Fund	$ 983,062	$ 5,931,439	$ 1,969,578	$ 915,611	$ (93,419)	$ 257,346	$ 5,108,850
Fidelity Contrafund	10,530,706	4,841,575	1,964,450	1,472,838	(43,369)	1,348,671	14,713,133
Fidelity Emerging Asia Fund	2,320,745	752,146	2,869,508	—	816,829	(1,020,212)	—
Fidelity Emerging Markets Discovery Fund	1,234,708	701,367	92,083	186,050	(38)	(94,113)	1,749,841
Fidelity Emerging Markets Fund	7,858,756	3,426,128	1,186,013	543,850	(24,635)	(464,784)	9,609,452
Fidelity Equity-Income Fund	21,390,945	7,515,232	2,939,942	2,609,705	38,848	2,721,420	28,726,503
Fidelity Europe Fund	6,394,729	1,089,489	7,461,241	479,315	1,106,501	(1,129,478)	—
Fidelity Global Commodity Stock Fund	8,602,230	4,732,377	905,268	478,130	(5,572)	2,208,252	14,632,019
Fidelity Gold Portfolio	7,503,351	2,463,962	8,402,542	96,537	57,724	(1,622,495)	—
Fidelity High Income Fund	6,912,296	995,986	373,271	340,130	(555)	(40,717)	7,493,739
Fidelity Inflation-Protected Bond Index Fund	10,994,056	3,609,088	2,403,922	560,169	36,250	72,441	12,307,913
Fidelity International Capital Appreciation Fund	14,289,800	3,613,137	1,184,596	1,360,285	21,540	379,069	17,118,950
Fidelity International Discovery Fund	14,271,596	9,065,607	1,196,850	1,877,591	18,572	(321,064)	21,837,861
Fidelity International Enhanced Index Fund	12,000,581	7,383,420	1,043,269	487,784	11,954	888,340	19,241,026
Fidelity International Small Cap Fund	7,212,784	1,701,900	595,253	568,112	16,191	383,854	8,719,476
Fidelity International Small Cap Opportunities Fund	7,429,735	1,531,391	—	770,521	—	610,400	9,571,526
Fidelity International Value Fund	9,298,042	1,950,355	784,755	454,163	5,571	932,231	11,401,444

See accompanying notes which are an integral part of the financial statements.

Fund	Value, beginning of period	Purchases[a]	Sales Proceeds[a]	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Fidelity Japan Fund	$ 8,041,544	$ 648,850	$ 6,696,715	$ 206,950	$ 1,853,715	$ (1,854,602)	$ 1,992,792
Fidelity Japan Smaller Companies Fund	8,750,519	743,083	1,777,527	743,083	(31,199)	(742,503)	6,942,373
Fidelity Large Cap Value Enhanced Index Fund	13,436,770	5,101,045	937,139	2,152,158	(26,691)	1,916,450	19,490,435
Fidelity Long-Term Treasury Bond Index Fund	12,077,176	21,093,967	1,124,995	673,680	(19,146)	(887,474)	31,139,528
Fidelity Low-Priced Stock Fund	25,221,078	9,168,192	2,078,392	3,874,028	(36,933)	2,600,751	34,874,696
Fidelity New Markets Income Fund	3,278,812	454,989	158,779	132,708	(657)	(193,714)	3,380,651
Fidelity Overseas Fund	61,244,929	18,676,454	5,366,613	3,349,083	140,611	8,520,701	83,216,082
Fidelity Pacific Basin Fund	6,699,975	1,063,128	7,635,179	452,965	1,669,672	(1,797,596)	—
Fidelity Real Estate Investment Portfolio	833,482	12,190,329	406,274	472,806	530	2,624,707	15,242,774
Fidelity Stock Selector All Cap Fund	310,804,980	24,406,967	400,764,815	—	128,392,253	(62,839,385)	—
Fidelity U.S. Bond Index Fund	28,157,930	3,092,424	25,521,397	187,891	1,678,726	(2,382,688)	5,024,995
Fidelity U.S. Low Volatility Equity Fund	17,260,939	4,670,940	1,327,883	1,168,015	(9,405)	2,138,109	22,732,700
Fidelity Value Discovery Fund	13,321,192	3,809,450	957,154	871,914	(880)	2,647,496	18,820,104
VIP Stock Selector All Cap Portfolio Investor Class	—	384,893,370	9,394,854	450,416	49,065	6,004,712	381,552,293
	$658,357,448	$551,317,787	$499,520,257	$27,936,488	$135,622,053	$ (39,135,875)	$806,641,156

(a) Includes the value of shares purchased or redeemed through in-kind transactions, if applicable.

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equity Funds	$747,294,330	$747,294,330	$ —	$ —
Fixed-Income Funds	59,346,826	59,346,826	—	—
Money Market Funds	4,697,360	4,697,360	—	—
Other Short-Term Investments	1,529,909	—	1,529,909	—
Total Investments in Securities:	$812,868,425	$811,338,516	$1,529,909	$ —
Derivative Instruments:				
Assets				
Futures Contracts	$ 2,255	$ 2,255	$ —	$ —
Total Assets	$ 2,255	$ 2,255	$ —	$ —
Liabilities				
Futures Contracts	$ (223,202)	$ (223,202)	$ —	$ —
Total Liabilities	$ (223,202)	$ (223,202)	$ —	$ —
Total Derivative Instruments:	$ (220,947)	$ (220,947)	$ —	$ —

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts [a]	$2,255	$ (223,202)
Total Equity Risk	2,255	(223,202)
Total Value of Derivatives	$2,255	$ (223,202)

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or

See accompanying notes which are an integral part of the financial statements.

payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value — See accompanying schedule:		
Unaffiliated issuers (cost $1,529,881)	$ 1,529,909	
Fidelity Central Funds (cost $4,697,360)	4,697,360	
Other affiliated issuers (cost $723,230,502)	806,641,156	
Total Investment in Securities (cost $729,457,743)		$ 812,868,425
Receivable for investments sold		557,810
Receivable for fund shares sold		48,474
Distributions receivable from Fidelity Central Funds		222
Receivable for daily variation margin on futures contracts		108,705
Total assets		813,583,636
Liabilities		
Payable for investments purchased	$ 44,695	
Payable for fund shares redeemed	108,106	
Accrued management fee	132,891	
Distribution and service plan fees payable	7,082	
Total liabilities		292,774
Net Assets		$ 813,290,862
Net Assets consist of:		
Paid in capital		$ 583,547,398
Total accumulated earnings (loss)		229,743,464
Net Assets		$ 813,290,862
Net Asset Value and Maximum Offering Price		
Service Class:		
Net Asset Value, offering price and redemption price per share ($271 ÷ 17.13 shares)		$ 15.82
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($58,047,197 ÷ 3,709,613.00 shares)		$ 15.65
Investor Class:		
Net Asset Value, offering price and redemption price per share ($755,243,394 ÷ 47,895,615.00 shares)		$ 15.77

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends:		
Affiliated issuers		$ 7,717,166
Interest		1,043
Income from Fidelity Central Funds		1,071
Total income		7,719,280
Expenses		
Management fee	$ 1,869,786	
Distribution and service plan fees	135,047	
Independent trustees' fees and expenses	2,063	
Total expenses before reductions	2,006,896	
Expense reductions	(428,391)	
Total expenses after reductions		1,578,505
Net investment income (loss)		6,140,775
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	(5)	
Fidelity Central Funds	(85)	
Other affiliated issuers	135,622,053	
Futures contracts	(2,566,016)	
Capital gain distributions from underlying funds:		
Affiliated issuers	20,219,322	
Total net realized gain (loss)		153,275,269
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	4	
Affiliated issuers	(39,135,875)	
Futures contracts	(207,875)	
Total change in net unrealized appreciation (depreciation)		(39,343,746)
Net gain (loss)		113,931,523
Net increase (decrease) in net assets resulting from operations		$ 120,072,298

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 6,140,775	$ 4,739,027
Net realized gain (loss)	153,275,269	12,317,040
Change in net unrealized appreciation (depreciation)	(39,343,746)	80,300,405
Net increase (decrease) in net assets resulting from operations	120,072,298	97,356,472
Distributions to shareholders	(25,442,763)	(23,811,795)
Share transactions – net increase (decrease)	54,479,855	782,960
Total increase (decrease) in net assets	149,109,390	74,327,637
Net Assets		
Beginning of period	664,181,472	589,853,835
End of period	$ 813,290,862	$ 664,181,472

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP FundsManager 85% Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.88	$ 12.25	$ 11.65	$ 14.30	$ 11.81
Income from Investment Operations					
Net investment income (loss) [A]	.12	.09	.15	.15	.11
Net realized and unrealized gain (loss)	2.34	2.04	2.58	(1.29)	2.61
Total from investment operations	2.46	2.13	2.73	(1.14)	2.72
Distributions from net investment income	(.15)	(.10)	(.14)	(.10)	(.10)
Distributions from net realized gain	(.37)	(.39)	(1.99)	(1.41)	(.13)
Total distributions	(.52)	(.50)[B]	(2.13)	(1.51)	(.23)
Net asset value, end of period	$ 15.82	$ 13.88	$ 12.25	$ 11.65	$ 14.30
Total Return [C,D]	18.02%	17.93%	26.05%	(8.90)%	23.05%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.33%[G]	.35%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.17%[G]	.20%
Expenses net of all reductions	.20%	.20%	.20%	.17%[G]	.20%
Net investment income (loss)	.78%	.82%	1.26%	1.11%	.81%
Supplemental Data					
Net assets, end of period (000 omitted)	$ –	$ –	$ –	$ –	$ 2
Portfolio turnover rate [H]	68%[I]	37%[I]	38%	116%	70%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *On certain classes, the size and fluctuation of net assets and expense amounts may cause ratios to differ from contractual rates.*

H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

I *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 85% Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.76	$ 12.20	$ 11.59	$ 14.24	$ 11.76
Income from Investment Operations					
Net investment income (loss) [A]	.10	.08	.13	.12	.09
Net realized and unrealized gain (loss)	2.29	1.96	2.60	(1.28)	2.60
Total from investment operations	2.39	2.04	2.73	(1.16)	2.69
Distributions from net investment income	(.13)	(.09)	(.13)	(.09)	(.08)
Distributions from net realized gain	(.37)	(.39)	(1.99)	(1.41)	(.13)
Total distributions	(.50)	(.48)	(2.12)	(1.49)[B]	(.21)
Net asset value, end of period	$ 15.65	$ 13.76	$ 12.20	$ 11.59	$ 14.24
Total Return [C,D]	17.64%	17.27%	26.14%	(9.08)%	22.90%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.50%	.50%	.50%	.50%	.50%
Expenses net of fee waivers, if any	.35%	.35%	.35%	.35%	.35%
Expenses net of all reductions	.35%	.35%	.35%	.35%	.35%
Net investment income (loss)	.68%	.68%	1.16%	.93%	.66%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 58,047	$ 48,373	$ 40,928	$ 31,555	$ 33,540
Portfolio turnover rate [G]	68%[H]	37%[H]	38%	116%	70%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP FundsManager 85% Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 13.86	$ 12.28	$ 11.66	$ 14.31	$ 11.81
Income from Investment Operations					
Net investment income (loss) [A]	.12	.10	.15	.14	.11
Net realized and unrealized gain (loss)	2.31	1.98	2.60	(1.28)	2.62
Total from investment operations	2.43	2.08	2.75	(1.14)	2.73
Distributions from net investment income	(.15)	(.10)	(.14)	(.10)	(.10)
Distributions from net realized gain	(.37)	(.39)	(1.99)	(1.41)	(.13)
Total distributions	(.52)	(.50) [B]	(2.13)	(1.51)	(.23)
Net asset value, end of period	$ 15.77	$ 13.86	$ 12.28	$ 11.66	$ 14.31
Total Return [C,D]	17.83%	17.46%	26.21%	(8.89)%	23.13%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.25%	.25%	.25%	.25%	.25%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	.83%	.83%	1.31%	1.08%	.81%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 755,243	$ 615,808	$ 548,925	$ 459,354	$ 492,831
Portfolio turnover rate [G]	68% [H]	37% [H]	38%	116%	70%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP FundsManager 20% Portfolio, VIP FundsManager 50% Portfolio, VIP FundsManager 60% Portfolio, VIP FundsManager 70% Portfolio, and VIP FundsManager 85% Portfolio (the Funds) are funds of Variable Insurance Products Fund V (the Trust). The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Each Fund is authorized to issue an unlimited number of shares. Shares of each Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. Each Fund offers three classes of shares: Initial shares, Service Class shares and Service Class 2 shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

Funds may invest in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the investing fund. These strategies are consistent with the investment objectives of the investing fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio[(a)]
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission website or upon request.

3. Significant Accounting Policies.

Each Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services – Investment Companies*. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. Each Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. The following summarizes the significant accounting policies of each Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of each Fund's investments to the Fair Value Committee (the Committee) established by the each Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, each Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events, changes in interest rates and credit quality. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees each Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing each Fund's investments and ratifies the fair value determinations of the Committee. Each Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value each Fund's investments by major category are as follows. Investments in open-end mutual funds are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy. Debt securities, including restricted securities, are valued based on evaluated prices received from third party pricing vendors or from brokers who make markets in such securities. U.S. government and government agency obligations are valued by pricing vendors who utilize matrix pricing which considers yield or price of bonds of comparable quality, coupon, maturity and type or by broker-supplied prices. When independent prices are unavailable or unreliable, debt securities may be valued utilizing pricing methodologies which consider similar factors that would be used by third party pricing vendors. Debt securities are generally categorized as Level 2 in the hierarchy but may be Level 3 depending on the circumstances. The aggregate value of investments by input level as of December 31, 2021 is included at the end of each Fund's Schedule of Investments.

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded and are categorized as Level 1 in the hierarchy.

Investment Transactions and Income. For financial reporting purposes, the Funds' investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost. Income and capital gain distributions from any underlying mutual funds or exchange-traded funds (ETFs) are recorded on the ex-dividend date. Interest income is accrued as earned. Interest income includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Income Tax Information and Distributions to Shareholders. Each year, each Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2021, each Fund did not have any unrecognized tax benefits in the financial statements; nor is each Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. Each Fund files a U.S. federal tax return, in addition to state and local tax returns as required. Each Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to the short-term gain distributions from the underlying mutual funds or exchange-traded funds (ETFs), futures contracts and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows for each Fund:

	Tax cost	Gross unrealized appreciation	Gross unrealized depreciation	Net unrealized appreciation (depreciation)
VIP FundsManager 20% Portfolio	$ 945,391,664	$ 53,310,744	$ (3,765,921)	$ 49,544,823
VIP FundsManager 50% Portfolio	5,452,994,769	534,134,018	(14,378,419)	519,755,599
VIP FundsManager 60% Portfolio	6,439,936,307	761,938,692	(15,800,559)	746,138,133
VIP FundsManager 70% Portfolio	1,986,353,641	228,367,027	(5,721,404)	222,645,623
VIP FundsManager 85% Portfolio	730,204,097	85,424,395	(2,760,067)	82,664,328

The tax-based components of distributable earnings as of period end were as follows for each Fund:

	Undistributed ordinary income	Undistributed long-term capital gain	Net unrealized appreciation (depreciation) on securities and other investments
VIP FundsManager 20% Portfolio	$ 2,098,307	$ 63,066,905	$ 49,544,823
VIP FundsManager 50% Portfolio	14,522,260	882,367,227	519,755,599
VIP FundsManager 60% Portfolio	16,897,173	1,090,272,180	746,138,133
VIP FundsManager 70% Portfolio	4,858,320	352,169,043	222,645,623
VIP FundsManager 85% Portfolio	865,538	146,213,595	82,664,328

The tax character of distributions paid was as follows:

December 31, 2021

	Ordinary Income	Long-term Capital Gains	Total
VIP FundsManager 20% Portfolio	$ 11,358,303	$ 945,259	$ 12,303,562
VIP FundsManager 50% Portfolio	86,824,175	80,178,983	167,003,158
VIP FundsManager 60% Portfolio	106,703,511	83,466,552	190,170,063
VIP FundsManager 70% Portfolio	31,593,544	16,540,180	48,133,724
VIP FundsManager 85% Portfolio	15,422,029	10,020,734	25,442,763

December 31, 2020

	Ordinary Income	Long-term Capital Gains	Total
VIP FundsManager 20% Portfolio	$12,763,590	$ 2,732,614	$ 15,496,204
VIP FundsManager 50% Portfolio	81,253,830	99,917,985	181,171,815
VIP FundsManager 60% Portfolio	82,029,513	124,667,994	206,697,507
VIP FundsManager 70% Portfolio	20,337,323	34,940,233	55,277,556
VIP FundsManager 85% Portfolio	6,132,237	17,679,558	23,811,795

4. Derivative Instruments.

Risk Exposures and the Use of Derivative Instruments. The Funds' investment objective allows the Funds to enter into various types of derivative contracts, including futures contracts. Derivatives are investments whose value is primarily derived from underlying assets, indices or reference rates and may be transacted on an exchange or over-the-counter (OTC). Derivatives may involve a future commitment to buy or sell a specified asset based on specified terms, to exchange future cash flows at periodic intervals based on a notional principal amount, or for one party to make one or more payments upon the occurrence of specified events in exchange for periodic payments from the other party.

The Funds used derivatives to increase returns and to manage exposure to certain risks as defined below. The success of any strategy involving derivatives depends on analysis of numerous economic factors, and if the strategies for investment do not work as intended, the Funds may not achieve their objectives.

The Funds' use of derivatives increased or decreased their exposure to the following risk:

Equity Risk — Equity risk relates to the fluctuations in the value of financial instruments as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

The Funds are also exposed to additional risks from investing in derivatives, such as liquidity risk and counterparty credit risk. Liquidity risk is the risk that the Funds will be unable to close out the derivative in the open market in a timely manner. Counterparty credit risk is the risk that the counterparty will not be able to fulfill its obligation to the Funds. Counterparty credit risk related to exchange-traded futures contracts may be mitigated by the protection provided by the exchange on which they trade.

Investing in derivatives may involve greater risks than investing in the underlying assets directly and, to varying degrees, may involve risk of loss in excess of any initial investment and collateral received and amounts recognized in the Statement of Assets and Liabilities. In addition, there may be the risk that the change in value of the derivative contract does not correspond to the change in value of the underlying instrument.

Futures Contracts. A futures contract is an agreement between two parties to buy or sell a specified underlying instrument for a fixed price at a specified future date. The Funds used futures contracts to manage their exposure to the stock market.

Upon entering into a futures contract, a fund is required to deposit either cash or securities (initial margin) with a clearing broker in an amount equal to a certain percentage of the face value of the contract. Futures contracts are marked-to-market daily and subsequent daily payments (variation margin) are made or received by a fund depending on the daily fluctuations in the value of the futures contracts and are recorded as unrealized appreciation or (depreciation). This receivable and/or payable, if any, is included in daily variation margin on futures contracts in the Statement of Assets and Liabilities. Realized gain or (loss) is recorded upon the expiration or closing of a futures contract. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on futures contracts during the period is presented in the Statement of Operations.

Any open futures contracts at period end are presented in the Schedule of Investments under the caption "Futures Contracts". The notional amount at value reflects each contract's exposure to the underlying instrument or index at period end and is representative of volume of activity for VIP FundsManager 85% Portfolio. Securities deposited to meet initial margin requirements are identified in the Schedule of Investments.

5. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities, U.S. government securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases ($)	Sales ($)
VIP FundsManager 20% Portfolio	347,905,165	334,551,248
VIP FundsManager 50% Portfolio	2,918,563,868	3,462,101,945
VIP FundsManager 60% Portfolio	3,721,883,249	3,824,683,936
VIP FundsManager 70% Portfolio	1,337,510,640	1,193,470,948
VIP FundsManager 85% Portfolio	551,317,790	499,520,258

6. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company LLC (the investment adviser) provides the Funds with investment management related services. For these services each Fund pays a monthly management fee to the investment adviser. The management fee is based on an annual rate of .25% of each fund's average net assets. Under the management contract, the investment adviser pays all other fund-level operating expenses, except the compensation of the independent Trustees and certain other expenses such as interest expense. The management fee is reduced by an amount equal to the fees and expenses paid by the Funds to the independent Trustees.

The investment adviser has contractually agreed to waive 0.05% of its management fee, thereby limiting each Fund's management fee to an annual rate of 0.20% of average net assets, until April 30, 2023.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Funds have adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Company LLC (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were reallowed to insurance companies for the distribution of shares and providing shareholder support services were as follows:

	Service Class	Service Class 2	Total
VIP FundsManager 20% Portfolio	$ 62	$ 24,206	$ 24,268
VIP FundsManager 50% Portfolio	67	256,790	256,857
VIP FundsManager 60% Portfolio	43,156	1,625,627	1,668,783
VIP FundsManager 70% Portfolio	80	180,228	180,308
VIP FundsManager 85% Portfolio	–	135,047	135,047

Interfund Lending Program. Pursuant to an Exemptive Order issued by the Securities and Exchange Commission (the SEC), each Fund, along with other registered investment companies having management contracts with Fidelity Management & Research Company LLC (FMR), or other affiliated entities of FMR, may participate in an interfund lending program. This program provides an alternative credit facility allowing each Fund to borrow from, or lend money to, other participating affiliated funds. At period end, there were no interfund loans outstanding. Activity in this program during the period for which loans were outstanding was as follows:

	Borrower or Lender	Average Loan Balance	Weighted Average Interest Rate	Interest Expense
VIP FundsManager 50% Portfolio	Borrower	$3,559,250	.31%	$124

Interfund Trades. Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. During the period there were no interfund trades.

Reallocation of Underlying Fund Investments. During the period, the investment adviser reallocated investments of the Funds. This involved taxable redemptions of each Fund's interest in Fidelity Stock Selector All Cap Fund for investments, as shown in the table below. The net realized gain from each Fund's redemptions of Fidelity Stock Selector All Cap Fund is included in "Net Realized gain (loss) on Investment Securities: Other affiliated issuers" in the accompanying Statement of Operations.

	Value of investments redeemed from Fidelity Stock Selector All Cap Fund	Shares of Fidelity Stock Selector All Cap Fund sold	Net realized gain on redemptions of Fidelity Stock Selector All Cap Fund
VIP FundsManager 20%	$ 154,557,290	2,245,819	$ 53,054,450
VIP FundsManager 50%	1,988,993,289	28,901,385	700,418,382
VIP FundsManager 60%	2,526,923,741	36,717,869	889,281,531
VIP FundsManager 70%	888,413,592	12,909,236	301,748,243
VIP FundsManager 85%	381,510,492	5,543,599	128,227,568

In addition, each Fund exchanged investments for shares of VIP Stock Selector All Cap Fund, as shown in the table below. Each fund did not recognize any gains or losses for book, or federal income tax, purposes.

	Value of investments delivered to VIP Stock Selector All Cap Fund	Shares of VIP Stock Selector All Cap received
VIP FundsManager 20%	$ 154,557,290	15,455,729
VIP FundsManager 50%	1,988,993,289	198,899,329
VIP FundsManager 60%	2,526,923,741	252,692,374
VIP FundsManager 70%	888,413,592	88,841,359
VIP FundsManager 85%	381,510,492	38,151,049

Prior Fiscal Year Reallocation of Underlying Fund Investments. During the prior period, the investment adviser reallocated investments of the Funds. This involved taxable redemptions of each Fund's interest in Fidelity Mega Cap Stock Fund for investments and cash, as shown in the table below.

	Value of investments and cash redeemed from Fidelity Mega Cap Stock Fund	Shares of Fidelity Mega Cap Stock Fund sold	Net realized loss on redemptions of Fidelity Mega Cap Stock Fund
VIP FundsManager 20%	$ 5,780,254	453,353	$ (1,730,419)
VIP FundsManager 50%	99,474,910	7,801,954	(30,614,314)
VIP FundsManager 60%	125,062,846	9,808,851	(38,502,131)
VIP FundsManager 70%	38,077,050	2,986,435	(11,771,557)
VIP FundsManager 85%	15,417,246	1,209,196	(4,791,232)

In addition, each Fund exchanged investments and cash for shares of Fidelity U.S. Low Volatility Equity Fund, as shown in the table below. This exchange did not recognize any gains or loss for federal income tax purposes.

	Value of investments and cash delivered to Fidelity U.S. Low Volatility Equity Fund	Shares of Fidelity U.S. Low Volatility Equity Fund received	Net realized gain on redemptions of investments
VIP FundsManager 20%	$ 5,912,068	630,957	$ 38,663
VIP FundsManager 50%	101,614,757	10,844,691	607,195
VIP FundsManager 60%	127,748,659	13,633,795	773,494
VIP FundsManager 70%	38,918,062	4,153,475	234,071
VIP FundsManager 85%	15,777,233	1,683,803	94,531

Net realized gain (loss) on the redemptions of Fidelity Mega Cap Stock Fund and the investments in connection with the exchanges into Fidelity U.S. Low Volatility Equity Fund is included in the accompanying Statements of Net Assets.

7. Expense Reductions.

The investment adviser contractually agreed to limit each Funds' management fee to an annual rate of 0.20% of each Funds' average net assets until April 30, 2023. For the period, each Fund's management fees were reduced by the following amounts:

	Management Fee Waiver
VIP FundsManager 20% Portfolio	$ 479,467
VIP FundsManager 50% Portfolio	$2,966,734
VIP FundsManager 60% Portfolio	$3,477,122
VIP FundsManager 70% Portfolio	$1,019,205
VIP FundsManager 85% Portfolio	$ 374,370

In addition, FMR has contractually agreed to reimburse 0.10% of class-level expenses for each Fund's Service Class and Service Class 2. During the period, this reimbursement reduced each Fund's Service Class and Service Class 2's expenses by the following amounts:

	Reimbursement
VIP FundsManager 20% Portfolio	
Service Class	$ 62
Service Class 2	9,683
VIP FundsManager 50% Portfolio	
Service Class	67

	Reimbursement
Service Class 2	102,716
VIP FundsManager 60% Portfolio	
Service Class	43,156
Service Class 2	650,251
VIP FundsManager 70% Portfolio	
Service Class	80
Service Class 2	72,091
VIP FundsManager 85% Portfolio	
Service Class	–
Service Class 2	54,019

Through arrangements with each applicable Fund's custodian, credits realized as a result of certain uninvested cash balances were used to reduce each applicable Fund's or class' expenses. All of the applicable expense reductions are noted in the table below.

	Custodian credits
VIP FundsManager 20% Portfolio	$1,043
VIP FundsManager 85% Portfolio	2

8. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP FundsManager 20% Portfolio		
Distributions to shareholders		
Service Class	793	1,039
Service Class 2	112,260	146,006
Investor Class	12,190,509	15,349,159
Total	$ 12,303,562	$ 15,496,204
VIP FundsManager 50% Portfolio		
Distributions to shareholders		
Service Class	1,880	1,903
Service Class 2	2,882,211	3,243,607
Investor Class	164,119,067	177,926,305
Total	$167,003,158	$181,171,815
VIP FundsManager 60% Portfolio		
Distributions to shareholders		
Service Class	1,130,612	516,871
Service Class 2	17,246,503	19,836,963
Investor Class	171,792,948	186,343,673
Total	$190,170,063	$206,697,507
VIP FundsManager 70% Portfolio		
Distributions to shareholders		
Service Class	1,912	2,227
Service Class 2	1,598,471	1,850,914
Investor Class	46,533,341	53,424,415
Total	$ 48,133,724	$ 55,277,556
VIP FundsManager 85% Portfolio		
Distributions to shareholders		
Service Class	8	1
Service Class 2	1,783,208	1,622,496
Investor Class	23,659,547	22,189,298
Total	$ 25,442,763	$ 23,811,795

9. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP FundsManager 20% Portfolio				
Service Class				
Shares sold	528	474	$ 6,363	$ 5,396
Reinvestment of distributions	2	2	30	27
Shares redeemed	(441)	(490)	(5,307)	(5,557)
Net increase (decrease)	89	(14)	$ 1,086	$ (134)
Service Class 2				
Shares sold	197,201	169,733	$ 2,382,380	$ 1,946,113
Reinvestment of distributions	9,310	12,572	112,260	146,006
Shares redeemed	(147,791)	(201,004)	(1,775,664)	(2,234,508)
Net increase (decrease)	58,720	(18,699)	$ 718,976	$ (142,389)
Investor Class				
Shares sold	7,907,223	10,143,883	$ 95,430,912	$ 115,312,638
Reinvestment of distributions	1,008,393	1,314,979	12,190,509	15,349,159
Shares redeemed	(5,712,453)	(6,267,515)	(68,631,776)	(70,093,473)
Net increase (decrease)	3,203,163	5,191,347	$ 38,989,645	$ 60,568,324
VIP FundsManager 50% Portfolio				
Service Class				
Shares sold	47	47	$ 655	$ 563
Reinvestment of distributions	–	2	21	20
Shares redeemed	(47)	(47)	(659)	(573)
Net increase (decrease)	–	2	$ 17	$ 10
Service Class 2				
Shares sold	754,694	1,508,761	$ 10,570,413	$ 17,633,236
Reinvestment of distributions	209,707	259,431	2,882,211	3,243,607
Shares redeemed	(2,862,261)	(1,735,783)	(39,779,129)	(21,127,010)
Net increase (decrease)	(1,897,860)	32,409	$ (26,326,505)	$ (250,167)
Investor Class				
Shares sold	9,414,923	7,191,277	$ 132,105,164	$ 88,503,594
Reinvestment of distributions	11,826,378	14,149,900	164,119,067	177,926,305
Shares redeemed	(37,887,366)	(57,322,537)	(531,507,608)	(694,905,590)
Net increase (decrease)	(16,646,065)	(35,981,360)	$ (235,283,377)	$ (428,475,691)
VIP FundsManager 60% Portfolio				
Service Class				
Shares sold	2,829,775	1,889,668	$ 33,878,504	$ 18,961,228
Reinvestment of distributions	94,841	48,603	1,129,035	515,170
Shares redeemed	(739,024)	(392,236)	(8,866,814)	(4,010,397)
Net increase (decrease)	2,185,592	1,546,035	$ 26,140,725	$ 15,466,001
Service Class 2				
Shares sold	4,373,427	4,513,255	$ 51,873,871	$ 44,802,467
Reinvestment of distributions	1,477,761	1,925,302	17,246,502	19,836,963
Shares redeemed	(12,025,241)	(6,850,794)	(142,037,016)	(67,756,483)
Net increase (decrease)	(6,174,053)	(412,237)	$ (72,916,643)	$ (3,117,053)
Investor Class				
Shares sold	26,302,140	25,372,444	$ 314,489,507	$ 250,252,163
Reinvestment of distributions	14,595,596	17,950,984	171,792,948	186,343,673
Shares redeemed	(38,628,317)	(48,912,797)	(461,305,320)	(486,648,686)
Net increase (decrease)	2,269,419	(5,589,369)	$ 24,977,135	$ (50,052,850)

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP FundsManager 70% Portfolio				
Service Class				
Shares sold	145	157	$ 2,167	$ 1,914
Reinvestment of distributions	1	1	15	16
Shares redeemed	(138)	(160)	(2,034)	(1,913)
Net increase (decrease)	8	(2)	$ 148	$ 17
Service Class 2				
Shares sold	369,661	418,359	$ 5,425,100	$ 5,024,944
Reinvestment of distributions	110,090	148,835	1,598,471	1,850,914
Shares redeemed	(452,745)	(404,562)	(6,727,459)	(4,787,224)
Net increase (decrease)	27,006	162,632	$ 296,112	$ 2,088,634
Investor Class				
Shares sold	10,385,377	4,984,655	$ 154,631,206	$ 61,889,548
Reinvestment of distributions	3,171,428	4,262,285	46,533,341	53,424,415
Shares redeemed	(3,411,456)	(11,809,398)	(50,362,891)	(138,404,885)
Net increase (decrease)	10,145,349	(2,562,458)	$ 150,801,656	$ (23,090,922)
VIP FundsManager 85% Portfolio				
Service Class				
Shares sold	103	9	$ 1,532	$ 112
Reinvestment of distributions	1	–	9	1
Shares redeemed	(90)	(9)	(1,328)	(105)
Net increase (decrease)	14	–	$ 213	$ 8
Service Class 2				
Shares sold	411,538	371,641	$ 6,091,662	$ 4,339,963
Reinvestment of distributions	122,405	134,213	1,783,208	1,622,496
Shares redeemed	(340,453)	(344,935)	(5,034,374)	(4,070,631)
Net increase (decrease)	193,490	160,919	$ 2,840,496	$ 1,891,828
Investor Class				
Shares sold	4,272,678	3,041,695	$ 64,168,756	$ 35,232,328
Reinvestment of distributions	1,605,393	1,815,313	23,659,547	22,189,298
Shares redeemed	(2,414,817)	(5,117,966)	(36,189,157)	(58,530,502)
Net increase (decrease)	3,463,254	(260,958)	$ 51,639,146	$ (1,108,876)

10. Other.

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

Funds do not invest in underlying mutual funds for the purpose of exercising management or control; however, investments by funds within their principal investment strategies may represent a significant portion of the underlying mutual fund's net assets. At the end of the period, certain Funds were the owners of record of 10% or more of the total outstanding shares of the following underlying mutual funds as shown below.

Fund	VIP FundsManager 50% Portfolio	VIP FundsManager 60% Portfolio	VIP FundsManager 70% Portfolio
Fidelity Commodity Strategy Fund	39%	36%	12%
Fidelity Global Commodity Stock Fund	12%	17%	–
Fidelity International Value Fund	10%	16%	–
Fidelity U.S. Low Volatility Equity Fund	29%	42%	14%
VIP Stock Selector All Cap Portfolio	33%	42%	15%

The Funds, in aggregate, were the owners of record of more than 20% of the total outstanding shares of the following underlying mutual funds.

Fund	% of shares held
Fidelity Commodity Strategy Fund	99%
Fidelity Global Commodity Stock Fund	37%
Fidelity International Value Fund	36%
Fidelity Japan Smaller Companies Fund	23%
Fidelity U.S. Low Volatility Equity Fund	93%
VIP Stock Selector All Cap Portfolio	99%

In addition, at the end of the period the investment adviser or its affiliates were owners of record of more than 10%, respectively, of the outstanding shares of the following Funds:

	Affiliated %	Number of Unaffiliated Shareholders	Unaffiliated Shareholders %
VIP FundsManager 20% Portfolio	99%	–	–
VIP FundsManager 50% Portfolio	36%	1	58%
VIP FundsManager 60% Portfolio	35%	3	52%
VIP FundsManager 70% Portfolio	97%	–	–
VIP FundsManager 85% Portfolio	93%	–	–

11. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Funds' performance.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund V and Shareholders of VIP FundsManager 20% Portfolio, VIP FundsManager 50% Portfolio, VIP FundsManager 60% Portfolio, VIP FundsManager 70% Portfolio and VIP FundsManager 85% Portfolio

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of VIP FundsManager 20% Portfolio, VIP FundsManager 50% Portfolio, VIP FundsManager 60% Portfolio, VIP FundsManager 70% Portfolio, VIP FundsManager 85% Portfolio (five of the funds constituting Variable Insurance Products Fund V, hereafter collectively referred to as the "Funds") as of December 31, 2021, the related statements of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2021, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended December 31, 2021 and each of the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements 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 Funds 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
February 16, 2022

We have served as the auditor of one or more investment companies in the Fidelity group of funds since 1932.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and funds, as applicable, are listed below. The Board of Trustees governs each fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee each fund's activities, review contractual arrangements with companies that provide services to each fund, oversee management of the risks associated with such activities and contractual arrangements, and review each fund's performance. If the interests of a fund and an underlying Fidelity® fund were to diverge, a conflict of interest could arise and affect how the Trustees and Members of the Advisory Board fulfill their fiduciary duties to the affected funds. FMR has structured the funds to avoid these potential conflicts, although there may be situations where a conflict of interest is unavoidable. In such instances, FMR, the Trustees, and Members of the Advisory Board would take reasonable steps to minimize and, if possible, eliminate the conflict. Each of the Trustees oversees 286 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the funds is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

Each fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing each fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the funds, is provided below.

Board Structure and Oversight Function. Abigail P. Johnson is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the funds. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Arthur E. Johnson serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The funds' Board oversees Fidelity's investment-grade bond, money market, asset allocation and certain equity funds, and other Boards oversee Fidelity's high income and other equity funds. The asset allocation funds may invest in Fidelity® funds that are overseen by such other Boards. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, each fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the funds' activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the funds' business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the funds are carried out by or through FMR, its affiliates, and other service providers, the funds' exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the funds' activities, oversight is exercised primarily through the Operations and Audit Committees. In addition, an ad hoc Board committee of Independent Trustees has worked with FMR to enhance the Board's oversight of investment and financial risks, legal and regulatory risks, technology risks, and operational risks, including the development of additional risk reporting to the Board. Appropriate personnel, including but not limited to the funds' Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the funds' Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Abigail P. Johnson (1961)

Year of Election or Appointment: 2009
Trustee
Chairman of the Board of Trustees

Ms. Johnson also serves as Trustee of other Fidelity® funds. Ms. Johnson serves as Chairman (2016-present), Chief Executive Officer (2014-present), and Director (2007-present) of FMR LLC (diversified financial services company), President of Fidelity Financial Services (2012-present) and President of Personal, Workplace and Institutional Services (2005-present). Ms. Johnson is Chairman and Director of Fidelity Management & Research Company LLC (investment adviser firm, 2011-present). Previously, Ms. Johnson served as Chairman and Director of FMR Co., Inc. (investment adviser firm, 2011-2019), Vice Chairman (2007-2016) and President (2013-2016) of FMR LLC, President and a Director of Fidelity Management & Research Company (2001-2005), a Trustee of other investment companies advised by Fidelity Management & Research Company, Fidelity Investments Money Management, Inc. (investment adviser firm), and FMR Co., Inc. (2001-2005), Senior Vice President of the Fidelity® funds (2001-2005), and managed a number of Fidelity® funds. Ms. Abigail P. Johnson and Mr. Arthur E. Johnson are not related.

Jennifer Toolin McAuliffe (1959)

Year of Election or Appointment: 2016
Trustee

Ms. McAuliffe also serves as Trustee of other Fidelity® funds and as Trustee of Fidelity Charitable (2020-present). Previously, Ms. McAuliffe served as Co-Head of Fixed Income of Fidelity Investments Limited (now known as FIL Limited (FIL)) (diversified financial services company), Director of Research for FIL's credit and quantitative teams in London, Hong Kong and Tokyo and Director of Research for taxable and municipal bonds at Fidelity Investments Money Management, Inc. Ms. McAuliffe previously served as a member of the Advisory Board of certain Fidelity® funds (2016). Ms. McAuliffe was previously a lawyer at Ropes & Gray LLP and currently serves as director or trustee of several not-for-profit entities.

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for each fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Elizabeth S. Acton (1951)

Year of Election or Appointment: 2013
Trustee

Ms. Acton also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Acton served as Executive Vice President, Finance (2011-2012), Executive Vice President, Chief Financial Officer (2002-2011) and Treasurer (2004-2005) of Comerica Incorporated (financial services). Prior to joining Comerica, Ms. Acton held a variety of positions at Ford Motor Company (1983-2002), including Vice President and Treasurer (2000-2002) and Executive Vice President and Chief Financial Officer of Ford Motor Credit Company (1998-2000). Ms. Acton currently serves as a member of the Board and Audit and Finance Committees of Beazer Homes USA, Inc. (homebuilding, 2012-present). Ms. Acton previously served as a member of the Advisory Board of certain Fidelity® funds (2013-2016).

Ann E. Dunwoody (1953)

Year of Election or Appointment: 2018
Trustee

General Dunwoody also serves as Trustee of other Fidelity® funds. General Dunwoody (United States Army, Retired) was the first woman in U.S. military history to achieve the rank of four-star general and prior to her retirement in 2012 held a variety of positions within the U.S. Army, including Commanding General, U.S. Army Material Command (2008-2012). General Dunwoody currently serves as President of First to Four LLC (leadership and mentoring services, 2012-present), a member of the Board and Nomination and Corporate Governance Committees of Kforce Inc. (professional staffing services, 2016-present) and a member of the Board of Automattic Inc. (software engineering, 2018-present). Previously, General Dunwoody served as a member of the Advisory Board and Nominating and Corporate Governance Committee of L3 Technologies, Inc. (communication, electronic, sensor and aerospace systems, 2013-2019) and a member of the Board and Audit and Sustainability and Corporate Responsibility Committees of Republic Services, Inc. (waste collection, disposal and recycling, 2013-2016). Ms. Dunwoody also serves on several boards for non-profit organizations, including as a member of the Board, Chair of the Nomination and Governance Committee and a member of the Audit Committee of Logistics Management Institute (consulting non-profit, 2012-present), a member of the Council of Trustees for the Association of the United States Army (advocacy non-profit, 2013-present), a member of the Board of Florida Institute of Technology (2015-present) and a member of the Board of ThanksUSA (military family education non-profit, 2014-present). General Dunwoody previously served as a member of the Advisory Board of certain Fidelity® funds (2018).

John Engler (1948)

Year of Election or Appointment: 2014
Trustee

Mr. Engler also serves as Trustee of other Fidelity® funds. Previously, Mr. Engler served as Governor of Michigan (1991-2003), President of the Business Roundtable (2011-2017) and interim President of Michigan State University (2018-2019). Mr. Engler currently serves as a member of the Board of Stride, Inc. (formerly K12 Inc.) (technology-based education company, 2012-present). Previously, Mr. Engler served as a member of the Board of Universal Forest Products (manufacturer and distributor of wood and wood-alternative products, 2003-2019) and Trustee of The Munder Funds (2003-2014). Mr. Engler previously served as a member of the Advisory Board of certain Fidelity® funds (2014-2016).

Robert F. Gartland (1951)

Year of Election or Appointment: 2010
Trustee

Mr. Gartland also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Gartland held a variety of positions at Morgan Stanley (financial services, 1979-2007), including Managing Director (1987-2007) and Chase Manhattan Bank (1975-1978). Mr. Gartland previously served as Chairman and an investor in Gartland & Mellina Group Corp. (consulting, 2009-2019), as a member of the Board of National Securities Clearing Corporation (1993-1996) and as Chairman of TradeWeb (2003-2004).

Arthur E. Johnson (1947)

Year of Election or Appointment: 2008
Trustee
Chairman of the Independent Trustees

Mr. Johnson also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Johnson served as Senior Vice President of Corporate Strategic Development of Lockheed Martin Corporation (defense contractor, 1999-2009). Mr. Johnson currently serves as a member of the Board of Booz Allen Hamilton (management consulting, 2011-present). Mr. Johnson previously served as a member of the Board of Eaton Corporation plc (diversified power management, 2009-2019) and a member of the Board of AGL Resources, Inc. (holding company, 2002-2016). Mr. Johnson previously served as Vice Chairman (2015-2018) of the Independent Trustees of certain Fidelity® funds. Mr. Arthur E. Johnson is not related to Ms. Abigail P. Johnson.

Michael E. Kenneally (1954)

Year of Election or Appointment: 2009
Trustee
Vice Chairman of the Independent Trustees

Mr. Kenneally also serves as Trustee of other Fidelity® funds. Prior to retirement, he was Chairman and Global Chief Executive Officer of Credit Suisse Asset Management. Previously, Mr. Kenneally was an Executive Vice President and the Chief Investment Officer for Bank of America. In this role, he was responsible for the investment management, strategy and products delivered to the bank's institutional, high-net-worth and retail clients. Earlier, Mr. Kenneally directed the organization's equity and quantitative research groups. He began his career in 1983 as a research analyst and then spent more than a dozen years as a portfolio manager for endowments, pension plans and mutual funds. He earned the Chartered Financial Analyst (CFA) designation in 1991.

Marie L. Knowles (1946)

Year of Election or Appointment: 2001
Trustee

Ms. Knowles also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Knowles held several positions at Atlantic Richfield Company (diversified energy), including Executive Vice President and Chief Financial Officer (1996-2000), Senior Vice President (1993-1996) and President of ARCO Transportation Company (pipeline and tanker operations, 1993-1996). Ms. Knowles currently serves as a member of the Board of McKesson Corporation (healthcare service, since 2002), a member of the Board of the Santa Catalina Island Company (real estate, 2009-present), a member of the Investment Company Institute Board of Governors and a member of the Governing Council of the Independent Directors Council (2014-present). Ms. Knowles also serves as a member of the Advisory Board for the School of Engineering of the University of Southern California. Ms. Knowles previously served as Chairman (2015-2018) and Vice Chairman (2012-2015) of the Independent Trustees of certain Fidelity® funds.

Mark A. Murray (1954)

Year of Election or Appointment: 2016
Trustee

Mr. Murray also serves as Trustee of other Fidelity® funds. Previously, Mr. Murray served as Co-Chief Executive Officer (2013-2016), President (2006-2013) and Vice Chairman (2013-2020) of Meijer, Inc. Mr. Murray serves as a member of the Board (2009-present) and Public Policy and Responsibility Committee (2009-present) and Chair of the Nuclear Review Committee (2019-present) of DTE Energy Company (diversified energy company). Mr. Murray previously served as a member of the Board of Spectrum Health (not-for-profit health system, 2015-2019) and as a member of the Board and Audit Committee and Chairman of the Nominating and Corporate Governance Committee of Universal Forest Products, Inc. (manufacturer and distributor of wood and wood-alternative products, 2004-2016). Mr. Murray also serves as a member of the Board of many community and professional organizations. Mr. Murray previously served as a member of the Advisory Board of certain Fidelity® funds (2016).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for each fund.

Advisory Board Members and Officers:

Correspondence intended for an officer may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Robert W. Helm (1957)

Year of Election or Appointment: 2021
Member of the Advisory Board

Mr. Helm also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Helm was formerly Deputy Chairman (2003-2020), partner (1991-2020) and an associate (1984-1991) of Dechert LLP (formerly Dechert Price & Rhoads). Mr. Helm currently serves on boards and committees of several not-for-profit organizations.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

David J. Carter (1973)

Year of Election or Appointment: 2020
Assistant Secretary

Mr. Carter also serves as Assistant Secretary of other funds. Mr. Carter serves as Vice President, Associate General Counsel (2010-present) and is an employee of Fidelity Investments (2005-present).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
President and Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2016
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Trustees and Officers – continued

Chris Maher (1972)

Year of Election or Appointment: 2013
Assistant Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2020
Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company LLC (investment adviser firm, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Compliance Officer of FMR Co., Inc. (investment adviser firm, 2016-2019), as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Brett Segaloff (1972)

Year of Election or Appointment: 2021
Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2013
Assistant Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Jim Wegmann (1979)

Year of Election or Appointment: 2021
Deputy Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

Vadim Zlotnikov (1962)

Year of Election or Appointment: 2019
Vice President

Mr. Zlotnikov also serves as Vice President of other funds. Mr. Zlotnikov serves as President of FIAM (Fidelity Institutional Asset Management) and is an employee of Fidelity Investments (2018-present). Previously, Mr. Zlotnikov served as President and Chief Investment Officer of Global Asset Allocation (2018-2020). Prior to joining Fidelity Investments, Mr. Zlotnikov served as Co-Head of Multi-Asset Solutions, Chief Market Strategist, and CIO of Systematic Strategies with AllianceBernstein (investment adviser firm, 2002-2018).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in a fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year 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 with the 5% hypothetical examples that appear in the shareholder reports of the other funds. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
VIP FundsManager 20% Portfolio				
Service Class	.20%			
Actual		$1,000.00	$1,016.60	$1.02
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
Service Class 2	.35%			
Actual		$1,000.00	$1,015.30	$1.78
Hypothetical-[C]		$1,000.00	$1,023.44	$1.79
Investor Class	.20%			
Actual		$1,000.00	$1,016.60	$1.02
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
VIP FundsManager 50% Portfolio				
Service Class	.20%			
Actual		$1,000.00	$1,035.60	$1.03
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
Service Class 2	.35%			
Actual		$1,000.00	$1,034.90	$1.80
Hypothetical-[C]		$1,000.00	$1,023.44	$1.79
Investor Class	.20%			
Actual		$1,000.00	$1,034.90	$1.03
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
VIP FundsManager 60% Portfolio				
Service Class	.20%			
Actual		$1,000.00	$1,042.20	$1.03
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
Service Class 2	.35%			
Actual		$1,000.00	$1,041.60	$1.80
Hypothetical-[C]		$1,000.00	$1,023.44	$1.79
Investor Class	.20%			
Actual		$1,000.00	$1,042.20	$1.03
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
VIP FundsManager 70% Portfolio				
Service Class	.20%			

Shareholder Expense Example – continued

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
Actual		$1,000.00	$1,048.50	$1.03
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
Service Class 2	.35%			
Actual		$1,000.00	$1,048.00	$1.81
Hypothetical-[C]		$1,000.00	$1,023.44	$1.79
Investor Class	.20%			
Actual		$1,000.00	$1,047.80	$1.03
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
VIP FundsManager 85% Portfolio				
Service Class	.20%			
Actual		$1,000.00	$1,057.80	$1.04
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
Service Class 2	.35%			
Actual		$1,000.00	$1,056.30	$1.81
Hypothetical-[C]		$1,000.00	$1,023.44	$1.79
Investor Class	.20%			
Actual		$1,000.00	$1,057.30	$1.04
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/ 365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.*

[C] *5% return per year before expenses*

Distributions (Unaudited)

The Board of Trustees of each fund voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities and dividends derived from net investment income:

	Pay Date	Record Date	Dividends	Capital Gains
VIP FundsManager 20% Portfolio				
Service Class	02/04/22	02/04/22	$0.026	$0.770
Service Class 2	02/04/22	02/04/22	$0.026	$0.770
Investor Class	02/04/22	02/04/22	$0.026	$0.770
VIP FundsManager 50% Portfolio				
Service Class	02/04/22	02/04/22	$0.035	$2.158
Service Class 2	02/04/22	02/04/22	$0.035	$2.158
Investor Class	02/04/22	02/04/22	$0.035	$2.158
VIP FundsManager 60% Portfolio				
Service Class	02/04/22	02/04/22	$0.029	$1.881
Service Class 2	02/04/22	02/04/22	$0.029	$1.881
Investor Class	02/04/22	02/04/22	$0.029	$1.881
VIP FundsManager 70% Portfolio				
Service Class	02/04/22	02/04/22	$0.034	$2.474
Service Class 2	02/04/22	02/04/22	$0.034	$2.474
Investor Class	02/04/22	02/04/22	$0.034	$2.474
VIP FundsManager 85% Portfolio				
Service Class	02/04/22	02/04/22	$0.017	$2.802
Service Class 2	02/04/22	02/04/22	$0.017	$2.802
Investor Class	02/04/22	02/04/22	$0.017	$2.802

The funds hereby designate as capital gain dividend the amounts noted below for the taxable year ended December 31, 2021, or, if subsequently determined to be different, the net capital gain of such year.

VIP FundsManager 20% Portfolio	$ 63,133,394
VIP FundsManager 50% Portfolio	$ 883,170,920
VIP FundsManager 60% Portfolio	$1,091,426,959
VIP FundsManager 70% Portfolio	$ 352,432,320
VIP FundsManager 85% Portfolio	$ 146,314,696

A percentage of the dividends distributed during the fiscal year for the following funds were derived from interest on U.S. Government securities which is generally exempt from state income tax

VIP FundsManager 20% Portfolio	
Service Class	20.75%
Service Class 2	20.75%
Investor Class	20.75%
VIP FundsManager 50% Portfolio	
Service Class	12.94%
Service Class 2	12.94%
Investor Class	12.94%
VIP FundsManager 60% Portfolio	
Service Class	10.07%
Service Class 2	10.07%
Investor Class	10.07%
VIP FundsManager 70% Portfolio	
Service Class	8.15%
Service Class 2	8.15%
Investor Class	8.15%
VIP FundsManager 85% Portfolio	
Service Class	4.15%
Service Class 2	4.15%
Investor Class	4.15%

A percentage of the dividends distributed during the fiscal year for the following funds qualify for the dividends–received deduction for corporate shareholders:

Distributions (Unaudited) – continued

	Service Class	Service Class 2	Investor Class
VIP FundsManager 20% Portfolio			
February, 2021	0%	0%	0%
December, 2021	6%	7%	6%
VIP FundsManager 50% Portfolio			
February, 2021	0%	0%	0%
December, 2021	12%	15%	12%
VIP FundsManager 60% Portfolio			
February, 2021	0%	0%	0%
December, 2021	16%	19%	16%
VIP FundsManager 70% Portfolio			
February, 2021	0%	0%	0%
December, 2021	20%	23%	20%
VIP FundsManager 85% Portfolio			
February, 2021	19%	20%	19%
December, 2021	18%	20%	18%

The amounts per share which represent income derived from sources within, and taxes paid to, foreign countries or possessions of the United States are as follows:

	Pay Date	Income	Taxes
VIP FundsManager 20% Portfolio			
Service Class	12/30/2021	$0.0151	$0.0014
Service Class 2	12/30/2021	$0.0128	$0.0014
Investor Class	12/30/2021	$0.0151	$0.0014
VIP FundsManager 50% Portfolio			
Service Class	12/30/2021	$0.0442	$0.0042
Service Class 2	12/30/2021	$0.0374	$0.0042
Investor Class	12/30/2021	$0.0442	$0.0042
VIP FundsManager 60% Portfolio			
Service Class	12/30/2021	$0.0464	$0.0044
Service Class 2	12/30/2021	$0.0397	$0.0044
Investor Class	12/30/2021	$0.0464	$0.0044
VIP FundsManager 70% Portfolio			
Service Class	12/30/2021	$0.0635	$0.0062
Service Class 2	12/30/2021	$0.0543	$0.0062
Investor Class	12/30/2021	$0.0635	$0.0062
VIP FundsManager 85% Portfolio			
Service Class	12/30/2021	$0.0736	$0.0071
Service Class 2	12/30/2021	$0.0664	$0.0071
Investor Class	12/30/2021	$0.0736	$0.0071

Board Approval of Investment Advisory Contracts and Management Fees

VIP FundsManager Funds

Each year, the Board of Trustees, including the Independent Trustees (together, the Board), votes on the renewal of the management contract with Fidelity Management & Research Company LLC (FMR) for each fund (the Advisory Contract). The Board, assisted by the advice of fund counsel and Independent Trustees' counsel, requests and considers a broad range of information relevant to the renewal of the Advisory Contracts throughout the year.

The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of each fund's Advisory Contract, including the services and support provided to each fund and its shareholders. The Board has established four standing committees (Committees) — Operations, Audit, Fair Valuation, and Governance and Nominating — each composed of and chaired by Independent Trustees with varying backgrounds, to which the Board has assigned specific subject matter responsibilities in order to enhance effective decision-making by the Board. The Operations Committee, of which all of the Independent Trustees are members, meets regularly throughout the year and considers, among other matters, information specifically related to the annual consideration of the renewal of each fund's Advisory Contract. The Board, acting directly and through its Committees, requests and receives information concerning the annual consideration of the renewal of each fund's Advisory Contract. The Board also meets as needed to review matters specifically related to the Board's annual consideration of the renewal of the Advisory Contracts. Members of the Board may also meet with trustees of other Fidelity funds through joint ad hoc committees to discuss certain matters relevant to all of the Fidelity funds.

At its September 2021 meeting, the Board unanimously determined to renew each fund's Advisory Contract. In reaching its determination, the Board considered all factors it believed relevant, including (i) the nature, extent, and quality of the services provided to each fund and its shareholders (including the investment performance of each fund); (ii) the competitiveness relative to peer funds of each fund's management fee and total expense ratio of a representative class (Investor Class); (iii) the total costs of the services provided by and the profits realized by Fidelity from its relationships with each fund; and (iv) the extent to which, if any, economies of scale exist and are realized as each fund grows, and whether any economies of scale are appropriately shared with fund shareholders.

In considering whether to renew the Advisory Contract for each fund, the Board reached a determination, with the assistance of fund counsel and Independent Trustees' counsel and through the exercise of its business judgment, that the renewal of the Advisory Contract was in the best interests of each fund and its shareholders and that the compensation payable under the Advisory Contract was fair and reasonable. The Board's decision to renew the Advisory Contracts was not based on any single factor, but rather was based on a comprehensive consideration of all the information provided to the Board at its meetings throughout the year. The Board, in reaching its determination to renew the Advisory Contracts, was aware that shareholders of each fund have a broad range of investment choices available to them, including a wide choice among funds offered by Fidelity's competitors, and that each fund's shareholders, who have the opportunity to review and weigh the disclosure provided by the fund in its prospectus and other public disclosures, have chosen to invest in that fund, which is part of the Fidelity family of funds.

Nature, Extent, and Quality of Services Provided. The Board considered Fidelity's staffing as it relates to the funds, including the backgrounds of investment personnel of FMR, and also considered the funds' investment objectives, strategies, and related investment philosophies. The Independent Trustees also had discussions with senior management of Fidelity's investment operations and investment groups with responsibility for the underlying Fidelity funds in which each fund invests. The Board considered the structure of the investment personnel compensation program and whether this structure provides appropriate incentives to act in the best interests of each fund. Additionally, the Board considered the portfolio managers' investments, if any, in the funds that they manage. The Board also considered the steps Fidelity had taken to ensure the continued provision of high quality services to the Fidelity funds during the COVID-19 pandemic, including the expansion of staff in client facing positions to maintain service levels in periods of high volumes and volatility.

Resources Dedicated to Investment Management and Support Services. The Board reviewed the general qualifications and capabilities of Fidelity's investment staff, including its size, education, experience, and resources, as well as Fidelity's approach to recruiting, training, managing, and compensating investment personnel. The Board noted the resources devoted to Fidelity's global investment organization, and that Fidelity's analysts have extensive resources, tools and capabilities that allow them to conduct sophisticated quantitative and fundamental analysis, as well as credit analysis of issuers, counterparties and guarantors. Further, the Board considered that Fidelity's investment professionals have sufficient access to global information and data so as to provide competitive investment results over time, and that those professionals also have access to sophisticated tools that permit them to assess portfolio construction and risk and performance attribution characteristics continuously, as well as to transmit new information and research conclusions rapidly around the world. Additionally, in its deliberations, the Board considered Fidelity's risk management, compliance, cybersecurity, and technology and operations capabilities and resources, which are integral parts of the investment management process.

Shareholder and Administrative Services. The Board considered (i) the nature, extent, quality, and cost of advisory, administrative, and shareholder services performed by Fidelity under the Advisory Contract and under separate agreements covering transfer agency, and pricing and bookkeeping services for each fund; (ii) the nature and extent of the supervision of third party service providers, principally custodians, subcustodians, and pricing vendors; and (iii) the resources devoted to, and the record of compliance with, each fund's compliance policies and procedures.

The Board noted that the growth of fund assets over time across the complex allows Fidelity to reinvest in the development of services designed to enhance the value and convenience of the Fidelity funds as investment vehicles. These services include 24-hour access to account information and market information over the Internet and through telephone representatives, investor education materials and asset allocation tools. The Board also considered that it reviews customer service metrics such as telephone response times, continuity of services on the website and metrics addressing services at Fidelity Investor Centers.

Investment in a Large Fund Family. The Board considered the benefits to shareholders of investing in a Fidelity fund, including the benefits of investing in a fund that is part of a large family of funds offering a variety of investment disciplines and providing a large variety of mutual fund investor services. The Board noted that Fidelity had taken, or had made recommendations to the Board that resulted in the Fidelity funds taking, a number of actions over the previous year that benefited particular funds, including: (i) continuing to dedicate additional resources to Fidelity's investment research process, which includes meetings with management of issuers of securities in which the funds invest; (ii) continuing efforts to enhance Fidelity's global research capabilities; (iii) launching new funds and ETFs with innovative structures, strategies and pricing and making other enhancements to meet client needs; (iv) launching new share classes of existing funds; (v) eliminating purchase minimums and broadening eligibility requirements for certain funds and share classes; (vi) reducing the holding period for the conversion of Class C shares to Class A shares; (vii) reducing management fees and total expenses for certain target date funds and classes and index funds; (viii) lowering expenses for certain existing funds and classes by implementing or lowering expense caps; (ix) rationalizing product lines and gaining increased efficiencies from fund mergers, liquidations, and share class consolidations; (x) continuing to develop, acquire and implement systems

and technology to improve services to the funds and shareholders, strengthen information security, and increase efficiency; and (xi) continuing to implement enhancements to further strengthen Fidelity's product line to increase investors' probability of success in achieving their investment goals, including their retirement income goals.

Investment Performance. The Board considered whether each fund has operated in accordance with its investment objective, as well as its record of compliance with its investment restrictions and its performance history.

The Board took into account discussions that occur at Board meetings throughout the year with representatives of the investment adviser about fund investment performance. In this regard the Board noted that as part of regularly scheduled fund reviews and other reports to the Board on fund performance, the Board considers annualized return information for each fund for different time periods, measured against one or more appropriate securities market indices, including a customized blended index that reflects the respective weights of the fund's asset classes (each a benchmark index) and an appropriate peer group of funds with similar objectives (peer group). The Board also reviews and considers information about performance attribution. In its evaluation of fund investment performance at meetings throughout the year, the Board gave particular attention to information indicating underperformance of certain Fidelity funds for specific time periods and discussed with the investment adviser the reasons for such underperformance.

In addition to reviewing absolute and relative fund performance, the Independent Trustees periodically consider the appropriateness of fund performance metrics in evaluating the results achieved. In general, the Independent Trustees believe that fund performance should be evaluated based on gross performance (before fees and expenses, including acquired fund fees and expenses, but after transaction costs, if any) compared to appropriate benchmark indices, over appropriate time periods that may include full market cycles, and on net performance (after fees and expenses, including acquired fund fees and expenses) compared to appropriate peer groups, as applicable, over the same periods, taking into account relevant factors including the following: general market conditions; the extent to which particular underlying funds affected performance; and fund cash flows and other factors. The Independent Trustees generally give greater weight to fund performance over longer time periods than over shorter time periods. Depending on the circumstances, the Independent Trustees may be satisfied with a fund's performance notwithstanding that it lags its benchmark index or peer group for certain periods.

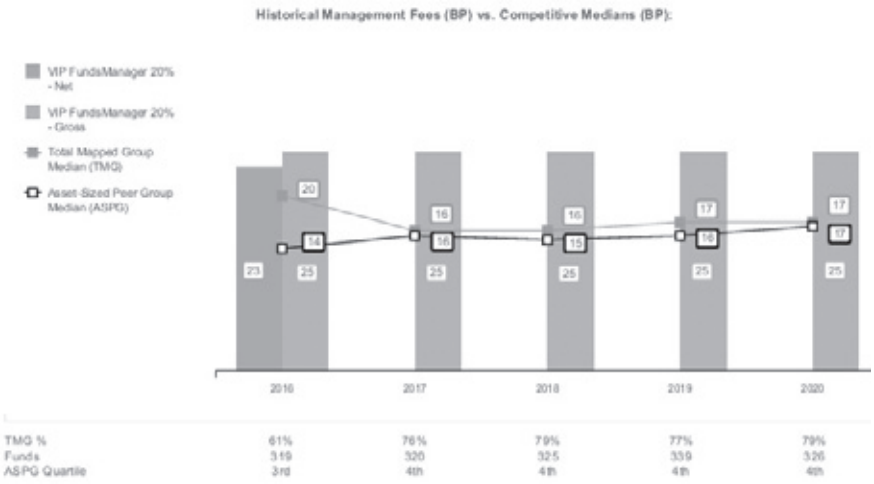
The Independent Trustees recognize that shareholders evaluate performance on a net basis over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included net cumulative calendar year total return information for each fund and an appropriate benchmark index and peer group for the most recent one-, three-, and five-year periods. The Independent Trustees recognize that shareholders who are not investing through a tax-advantaged retirement account also consider tax consequences in evaluating performance.

Based on its review, the Board concluded that the nature, extent, and quality of services provided to each fund under the Advisory Contracts should continue to benefit the shareholders of each fund.

Competitiveness of Management Fee and Total Expense Ratio. The Board considered each fund's management fee and total expense ratio compared to "mapped groups" of competitive funds and classes created for the purpose of facilitating the Trustees' competitive analysis of management fees and total expenses, and also considered that each fund bears indirectly the fees and expenses, including the management fees, paid by the underlying Fidelity funds in which it invests. Fidelity creates "mapped groups" by combining similar Lipper investment objective categories that have comparable investment mandates. Combining Lipper investment objective categories aids the Board's management fee and total expense ratio comparisons by broadening the competitive group used for comparison.

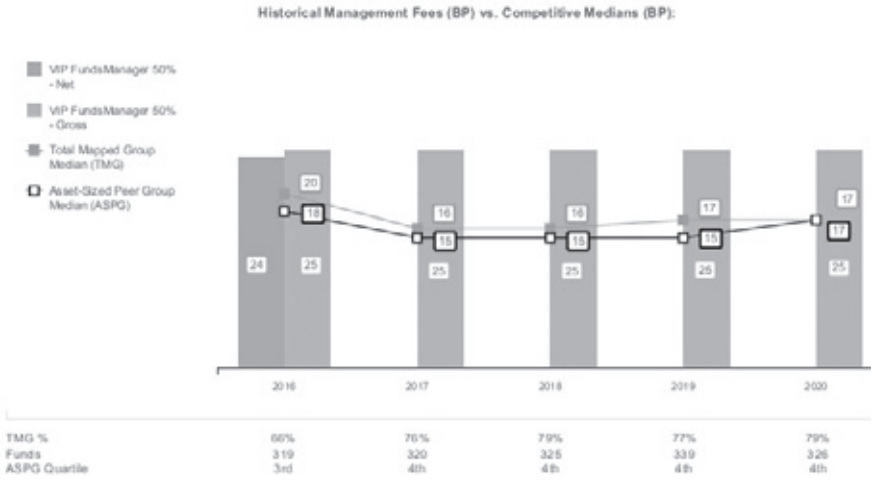
Management Fee. The Board considered two proprietary management fee comparisons forthe 12-month periods shown in basis points (BP) in the charts below. The group of Lipper funds used by the Board for management fee comparisons is referred to below as the "Total Mapped Group." The Total Mapped Group comparison focuses on a fund's standing in terms of gross management fees before expense reimbursements or caps relative to the total universe of funds with comparable investment mandates, regardless of whether their management fee structures also are comparable. Funds with comparable investment mandates offer exposure to similar types of securities. Funds with comparable management fee structures have similar management fee contractual arrangements (*e.g.*, flat rate charged for advisory services, all-inclusive fee rate, *etc.*). "TMG %" represents the percentage of funds in the Total Mapped Group that had management fees that were lower than a fund's. For example, a hypothetical TMG % of 20% would mean that 80% of the funds in the Total Mapped Group had higher, and 20% had lower, management fees than a fund. The funds' actual TMG %s and the number of funds in the Total Mapped Group are in the charts below. The "Asset-Sized Peer Group" (ASPG) comparison focuses on a fund's standing relative to a subset of non-Fidelity funds within the Total Mapped Group that are similar in size and management fee structure. For example, if a fund is in the first quartile of the ASPG, the fund's management fee ranks in the least expensive or lowest 25% of funds in the ASPG. The ASPG represents at least 15% of the funds in the Total Mapped Group with comparable asset size and management fee structures, subject to a minimum of 50 funds (or all funds in the Total Mapped Group if fewer than 50). Additional information, such as the ASPG quartile in which a fund's management fee rate ranked, is also included in the charts and was considered by the Board. Because the vast majority of competitor funds' management fees do not cover expenses beyond portfolio management, in prior years, each fund was compared on the basis of a hypothetical "net management fee," which was derived by subtracting payments made by Fidelity for expenses beyond portfolio management (including pricing and bookkeeping fees and fees paid to non-affiliated custodians) from the fund's all-inclusive fee. Given the funds' competitive management fee rates, Fidelity no longer calculates hypothetical net management fees for the funds and, as a result, the charts do not include hypothetical net management fees for periods after 2016.

VIP FundsManager 20%



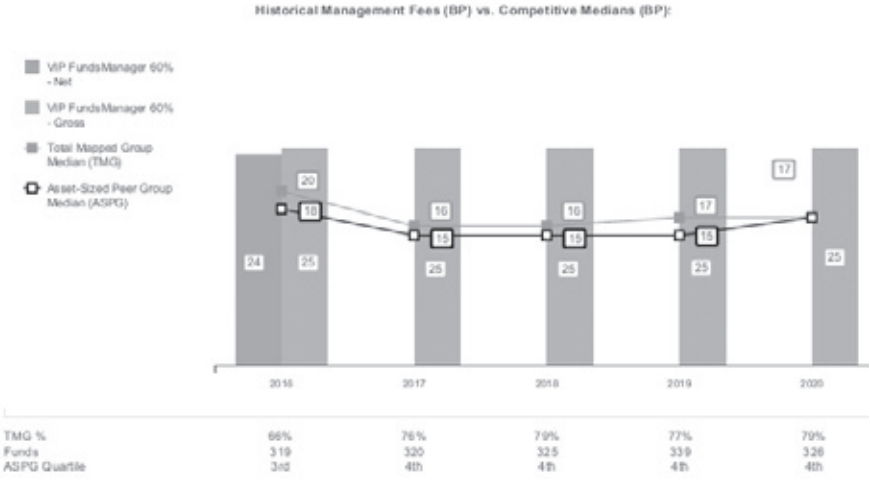
	2016	2017	2018	2019	2020
TMG %	61%	76%	79%	77%	79%
Funds	319	320	325	339	326
ASPG Quartile	3rd	4th	4th	4th	4th

VIP FundsManager 50%



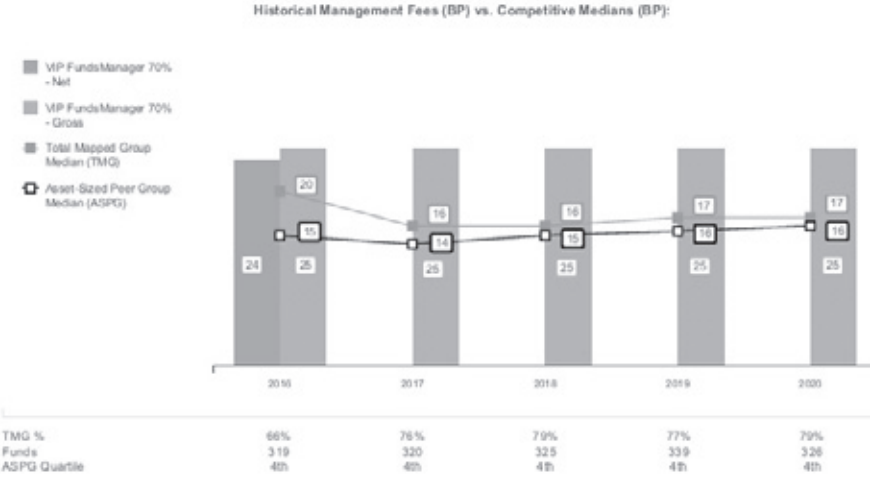
	2016	2017	2018	2019	2020
TMG %	66%	76%	79%	77%	79%
Funds	319	320	325	339	326
ASPG Quartile	3rd	4th	4th	4th	4th

VIP FundsManager 60%



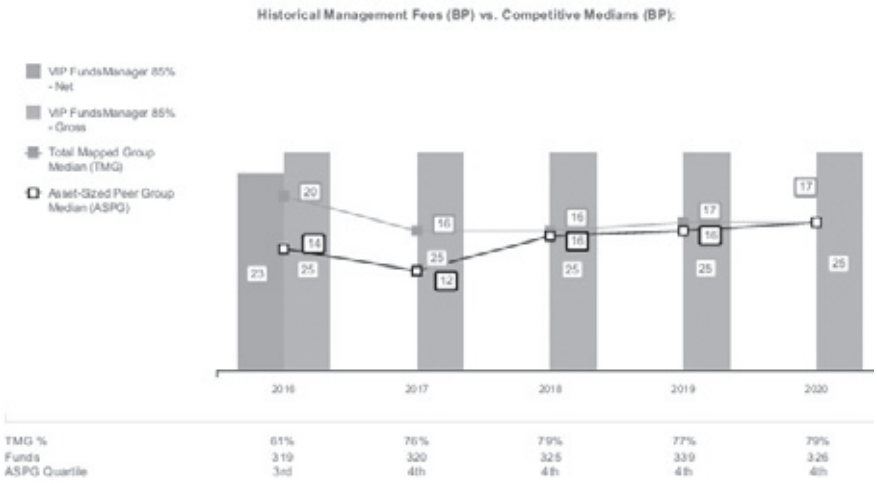
	2016	2017	2018	2019	2020
TMG %	66%	76%	79%	77%	79%
Funds	319	320	325	339	326
ASPG Quartile	3rd	4th	4th	4th	4th

VIP FundsManager 70%



	2016	2017	2018	2019	2020
TMG %	66%	76%	79%	77%	79%
Funds	319	320	325	339	326
ASPG Quartile	4th	4th	4th	4th	4th

VIP FundsManager 85%



The Board noted that each fund's management fee rate ranked above the median of its Total Mapped Group and above the median of its ASPG for 2020. The Board considered that the funds are more actively managed than most funds in their Total Mapped Group and ASPG and have a larger universe of funds in which to invest.

The Board further considered that FMR has contractually agreed to waive 0.05% of each fund's management fee through April 30, 2022.

Based on its review, the Board concluded that each fund's management fee is fair and reasonable in light of the services that the fund receives and the other factors considered.

Total Expense Ratio. In its review of the total expense ratio the representative class (Investor Class) of each fund, the Board considered the fund's all-inclusive fee rate. The Board also considered other expenses, such as pricing and bookkeeping fees and custodial, legal, and audit fees, paid by FMR under the all-inclusive arrangement. The Board also considered fund-paid 12b-1 fees. The Board also noted that Fidelity may agree to waive fees or reimburse expenses from time to time, and the extent to which, if any, it has done so for each fund. Each fund's representative class is compared to those funds and classes in the Total Mapped Group (used by the Board for management fee comparisons) that have a similar sales load structure. The Board also considered a total expense ASPG comparison, which focuses on the total expenses of the representative class relative to a subset of non-Fidelity funds within the similar sales load structure group. The total expense ASPG is limited to 15 larger and 15 smaller classes of different funds, where possible. The total expense ASPG comparison excludes performance adjustments and fund-paid 12b-1 fees to eliminate variability in expenses relating to these items.

The Board noted that the total expense ratio of Investor Class of each fund ranked below the similar sales load structure group competitive median for 2020 and below the ASPG competitive median for 2020, except that the total expense ratio of Investor Class of each of VIP FundsManager 70% and VIP FundsManager 85% was above the ASPG competitive median for 2020. The Board noted that each fund offers multiple classes, each of which has a different 12b-1 fee structure, and that the multiple structures are intended to offer a range of pricing options for the intermediary market. The Board also noted that the total expense ratios of the classes of each fund vary primarily by the level of their 12b-1 fees.

In considering the total expense ratio of Investor Class of each fund, the Board also considered an alternative competitive analysis that included both top level (*i.e.*, direct) fund fees and acquired fund fees and expenses for the class and the other funds and classes to which it is compared. The Board noted that, under this alternative competitive analysis, the total expense ratio of Investor Class of each fund was below the similar sales load structure group competitive median for 2020 and below the ASPG competitive median for 2020, except that the total expense ratio of Investor Class of VIP FundsManager 85% was above the similar sales load structure group competitive median for 2020 and the total expense ratio of Investor Class of each of VIP FundsManager 70% and VIP FundsManager 85% was above the ASPG competitive median for 2020. These classes were above the median because of their higher allocation to equities than the majority of the peer group, resulting in higher acquired fund fees and expenses.

The Board further considered that FMR contractually agreed to reimburse 0.10% of "class-level" expenses for Service Class and Service Class 2 as long as these classes continue to be sold to unaffiliated insurance companies.

Fees Charged to Other Fidelity Clients. The Board also considered Fidelity fee structures and other information with respect to clients of Fidelity, such as other funds advised or subadvised by Fidelity, pension plan clients, and other institutional clients with similar mandates. The Board noted that a joint ad hoc committee created by it and the boards of other Fidelity funds periodically reviews and compares Fidelity's institutional investment advisory business with its business of providing services to the Fidelity funds and also noted the most recent findings of the committee. The Board noted that the committee's review included a consideration of the differences in services provided, fees charged, and costs incurred, as well as competition in the markets serving the different categories of clients.

Based on its review of total expense ratios and fees charged to other Fidelity clients, the Board concluded that the total expense ratio of each class of each fund was reasonable in light of the services that the fund and its shareholders receive and the other factors considered.

Costs of the Services and Profitability. The Board consideredthe revenues earned and the expenses incurred by Fidelity in conducting the business of developing, marketing, distributing, managing, administering and servicing each fund and servicing each fund's shareholders. The Board also considered the level of Fidelity's profits in respect of all the Fidelity funds, including the Fidelity funds in which the funds invest.

On an annual basis, Fidelity presents to the Board information about the profitability of its relationships with each fund. Fidelity calculates profitability information for each fund, as well as aggregate profitability information for groups of Fidelity funds and all Fidelity funds, using a series of detailed revenue and cost allocation methodologies which originate with the books and records of Fidelity on which Fidelity's audited financial statements are based. The Audit Committee of the Board reviews any significant changes from the prior year's methodologies and the full Board approves such changes.

A public accounting firm has been engaged annually by the Board as part of the Board's assessment of Fidelity's profitability analysis. The engagement includes the review and assessment of the methodologies used by Fidelity in determining the revenues and expenses attributable to Fidelity's mutual fund business, and completion of agreed-upon procedures in respect of the mathematical accuracy of certain fund profitability information and its conformity to established allocation methodologies. After considering the reports issued under the engagement and information provided by Fidelity, the Board concluded that while other allocation methods may also be reasonable, Fidelity's profitability methodologies are reasonable in all material respects.

The Board also reviewed Fidelity's non-fund businesses and potential indirect benefits such businesses may have received as a result of their association with Fidelity's mutual fund business (i.e., fall-out benefits) as well as cases where Fidelity's affiliates may benefit from the funds' business. The Board considered areas where potential indirect benefits to the Fidelity funds from their relationships with Fidelity may exist. The Board's consideration of these matters was informed by the findings of a joint ad hoc committee created by it and the boards of other Fidelity funds to evaluate potential fall-out benefits.

The Board considered the costs of the services provided by and the profits realized by Fidelity in connection with the operation of each fund and was satisfied that the profitability was not excessive.

Economies of Scale. The Board considered whether there have been economies of scale in respect of the management of the Fidelity funds, whether the Fidelity funds (including each fund) have appropriately benefited from any such economies of scale, and whether there is potential for realization of any further economies of scale. The Board considered the extent to which each fund will benefit from economies of scale as assets grow through increased services to the fund, through waivers or reimbursements, or through fee or expense ratio reductions. The Board recognized that, due to each fund's current contractual arrangements, its expense ratio will not decline if the fund's operating costs decrease as assets grow, or rise as assets decrease. The Board also noted that a committee (the Economies of Scale Committee) created by it and the boards of other Fidelity funds periodically analyzes whether Fidelity attains economies of scale in respect of the management and servicing of the Fidelity funds, whether the Fidelity funds have appropriately benefited from such economies of scale, and whether there is potential for realization of any further economies of scale.

The Board concluded, taking into account the analysis of the Economies of Scale Committee, that economies of scale, if any, are being appropriately shared between fund shareholders and Fidelity.

Additional Information Requested by the Board. In order to develop fully the factual basis for consideration of the Fidelity funds' advisory contracts, the Board requested and received additional information on certain topics, including: (i) Fidelity's fund profitability methodology, profitability trends for certain funds, the allocation of various costs to different funds, and the impact of certain factors on fund profitability results; (ii) portfolio manager changes that have occurred during the past year and the amount of the investment that each portfolio manager has made in the Fidelity fund(s) that he or she manages; (iii) the extent to which current market conditions have affected retention and recruitment of personnel; (iv) the arrangements with and compensation paid to certain fund sub-advisers on behalf of the Fidelity funds and the treatment of such compensation within Fidelity's fund profitability methodology; (v) the terms of the funds' various management fee structures, including the basic group fee and the terms of Fidelity's voluntary expense limitation arrangements; (vi) Fidelity's transfer agent fee, expense, and service structures for different funds and classes relative to competitive trends; (vii) the impact on fund profitability of recent industry trends, such as the growth in passively managed funds and the continued waiver of money market fund fees; (viii) the types of management fee and total expense comparisons provided, and the challenges and limitations associated with such information; and (ix) explanations regarding the relative total expense ratios of certain funds and classes, total expense competitive trends and methodologies for total expense competitive comparisons. In addition, the Board considered its discussions with Fidelity regarding Fidelity's efforts to maintain the continuous investment and shareholder services necessary for the funds during the current pandemic and economic circumstances.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board concluded that the advisory fee arrangements are fair and reasonable, and that each fund's Advisory Contract should be renewed.



VIPFM-ANN-0322
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Fidelity® Variable Insurance Products:

Growth Portfolio

Annual Report
December 31, 2021



Fidelity INVESTMENTS

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Fund nor Fidelity Distributors Corporation is a bank.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and – given the wide variability in outcomes regarding the outbreak – significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action – in concert with the U.S. Federal Reserve and central banks around the world – to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

For the periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	23.21%	26.29%	19.70%
Service Class	23.08%	26.16%	19.58%
Service Class 2	22.90%	25.98%	19.40%
Investor Class	23.12%	26.19%	19.60%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Growth Portfolio – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the Russell 3000® Growth Index performed over the same period.



Period Ending Values

$60,398 VIP Growth Portfolio – Initial Class

$58,840 Russell 3000® Growth Index

Management's Discussion of Fund Performance

Market Recap: The S&P 500® index gained 28.71% in 2021, with U.S. equities rising on improving economic growth, strong corporate earnings, widespread COVID-19 vaccination, and accommodative fiscal and monetary stimulus. In the first quarter, the index gained 6.17%. Investors were buoyed by the rollout of vaccines, the U.S. Federal Reserve's pledge to hold short-term interest rates near zero until the economy recovered, and the federal government's deployment of trillions of dollars to boost the economy. A flattish May reflected concerns about inflation and jobs, but the rally resumed through August amid strong earnings. In September, the index returned -4.65% as sentiment turned broadly negative due to a host of factors. These included inflationary pressure from surging commodity prices, rising bond yields, supply constraints and disruption, and the fast-spreading delta variant of the coronavirus. The Fed also signaled it could soon begin to taper the bond purchases it has made since the onset of the pandemic. The index sharply reversed course with a 7.01% gain in October, driven by strength in earnings. Then in November, the index stalled again, returning -0.69% amid the emergence of a new, more-highly transmissible variant, omicron, and rising inflation, which breached a 40-year high. The index advanced 4.48% in December, after studies suggested omicron resulted in fewer severe COVID-19 cases. All sectors had a double-digit return, led by energy (+55%) and real estate (+46%), whereas utilities (+18%) notably lagged.

Comments from Co-Managers Asher Anolic and Jason Weiner: For the year ending December 31, 2021, the fund's share classes gained about 23%, underperforming the 25.85% result of the benchmark Russell 3000® Growth Index. The primary detractor from performance versus the benchmark was our security selection in the consumer discretionary sector, especially within the retailing industry. Also weighing on the portfolio's relative result were stock picks in energy. Investment choices and an underweighting in information technology sector, primarily in the technology hardware & equipment industry, also hurt. Not owning Tesla, a benchmark component that gained 50%, was the largest individual relative detractor in 2021. The fund's non-benchmark stake in Tencent Holdings, a position not held at period end, returned about -17% and further detracted. Outsized exposure to Mandiant (-24%) pressured the portfolio's relative return this past year as well. In contrast, the biggest contributor to performance versus the benchmark was our security selection in the health care sector, especially among pharmaceuticals, biotechnology & life sciences firms. An overweighting in energy and stock selection in materials also added value. The biggest individual relative contributor was an overweight position in Alphabet (+65%), one of our biggest holdings at the end of the year. Also helping performance was our outsized stake in Nvidia, which gained 126% and was another of the portfolio's largest positions this period. The decision to overweight UnitedHealth Group (+45%), one of the fund's biggest holdings, also proved beneficial. Notable changes in positioning include increased exposure to the communication services sector and a reduction in consumer discretionary stocks.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Investment Summary (Unaudited)

Top Ten Stocks as of December 31, 2021

	% of fund's net assets
Microsoft Corp.	11.3
Alphabet, Inc. Class A	9.9
Apple, Inc.	5.6
Amazon.com, Inc.	5.2
Meta Platforms, Inc. Class A	4.4
UnitedHealth Group, Inc.	4.2
NVIDIA Corp.	4.1
Adobe, Inc.	2.9
Qualcomm, Inc.	1.8
Palo Alto Networks, Inc.	1.6
	51.0

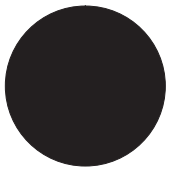
Top Five Market Sectors as of December 31, 2021

	% of fund's net assets
Information Technology	36.6
Communication Services	19.8
Health Care	14.1
Consumer Discretionary	8.8
Industrials	7.6

Asset Allocation (% of fund's net assets)

As of December 31, 2021*

■ Stocks 100.0%



* *Foreign investments – 10.9%*

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Common Stocks – 99.7%

	Shares	Value
COMMUNICATION SERVICES – 19.8%		
Diversified Telecommunication Services – 0.7%		
Cellnex Telecom SA (a)	1,129,958	$ 65,455,776
Entertainment – 3.7%		
Sea Ltd. ADR (b)	94,200	21,073,482
Take-Two Interactive Software, Inc. (b)	258,665	45,969,944
Universal Music Group NV	4,949,000	139,864,111
Warner Music Group Corp. Class A	3,089,875	133,420,803
		340,328,340
Interactive Media & Services – 14.7%		
Alphabet, Inc. Class A (b)	317,313	919,268,454
Meta Platforms, Inc. Class A (b)	1,208,668	406,535,482
ZipRecruiter, Inc. (b)	241,100	6,013,034
Zoominfo Technologies, Inc. (b)	381,235	24,475,287
		1,356,292,257
Media – 0.7%		
Cable One, Inc.	26,800	47,260,460
Ion Acquisition Corp. 2 Ltd. (c)	432,557	2,876,504
Liberty Media Corp. Liberty Formula One Group Series C (b)	261,500	16,537,260
		66,674,224
TOTAL COMMUNICATION SERVICES		1,828,750,597
CONSUMER DISCRETIONARY – 8.8%		
Automobiles – 0.6%		
Ferrari NV	201,289	52,097,619
XPeng, Inc. ADR (b)	34,600	1,741,418
		53,839,037
Diversified Consumer Services – 0.7%		
Laureate Education, Inc. Class A	3,578,902	43,805,760
Mister Car Wash, Inc.	951,000	17,317,710
		61,123,470
Hotels, Restaurants & Leisure – 0.7%		
Airbnb, Inc. Class A	262,600	43,720,274
Flutter Entertainment PLC (b)	152,600	24,412,856
		68,133,130
Household Durables – 0.0%		
Blu Investments LLC (b) (c) (d)	14,533,890	4,506
Internet & Direct Marketing Retail – 5.2%		
Amazon.com, Inc. (b)	144,690	482,445,655
Leisure Products – 0.2%		
Peloton Interactive, Inc. Class A (b)	508,300	18,176,808
Specialty Retail – 0.7%		
Aritzia, Inc. (b)	157,900	6,534,697
Floor & Decor Holdings, Inc. Class A (b)	71,600	9,308,716
Victoria's Secret & Co. (b)	825,800	45,864,932
		61,708,345
Textiles, Apparel & Luxury Goods – 0.7%		
LVMH Moet Hennessy Louis Vuitton SE	52,058	43,022,496
On Holding AG	20,300	767,543
Samsonite International SA (a) (b)	11,820,000	24,011,234
		67,801,273
TOTAL CONSUMER DISCRETIONARY		813,232,224
CONSUMER STAPLES – 1.4%		
Beverages – 1.0%		
Kweichow Moutai Co. Ltd. (A Shares)	67,563	$ 21,790,744
Monster Beverage Corp. (b)	731,000	70,205,240
		91,995,984
Household Products – 0.4%		
Reckitt Benckiser Group PLC	461,034	39,687,489
TOTAL CONSUMER STAPLES		131,683,473
ENERGY – 1.4%		
Energy Equipment & Services – 0.0%		
Baker Hughes Co. Class A	150,700	3,625,842
Oil, Gas & Consumable Fuels – 1.4%		
Reliance Industries Ltd.	4,027,193	128,037,445
TOTAL ENERGY		131,663,287
FINANCIALS – 4.7%		
Banks – 0.0%		
HDFC Bank Ltd.	234,578	4,634,622
Capital Markets – 3.1%		
BlackRock, Inc. Class A	59,600	54,567,376
CME Group, Inc.	541,011	123,599,373
MarketAxess Holdings, Inc.	84,800	34,875,696
Morningstar, Inc.	51,700	17,680,883
MSCI, Inc.	66,900	40,988,961
S&P Global, Inc.	21,900	10,335,267
		282,047,556
Diversified Financial Services – 0.0%		
EQRx, Inc. (c)	433,699	2,957,827
Insurance – 1.6%		
American Financial Group, Inc.	276,568	37,978,318
Arthur J. Gallagher & Co.	416,131	70,604,947
BRP Group, Inc. (b)	461,498	16,664,693
Marsh & McLennan Companies, Inc.	137,000	23,813,340
		149,061,298
TOTAL FINANCIALS		438,701,303
HEALTH CARE – 14.1%		
Biotechnology – 3.4%		
Adamas Pharmaceuticals, Inc.:		
rights (b) (d)	1,781,700	106,902
rights (b) (d)	1,781,700	106,902
Affimed NV (b)	594,887	3,283,776
Alnylam Pharmaceuticals, Inc. (b)	84,700	14,363,426
Applied Therapeutics, Inc. (b)	435,900	3,901,305
Atara Biotherapeutics, Inc. (b)	410,500	6,469,480
BioNTech SE ADR (b)	33,846	8,725,499
Cytokinetics, Inc. (b)	198,400	9,043,072
Erasca, Inc.	98,800	1,539,304
Evelo Biosciences, Inc. (b)	60,600	367,842
Gamida Cell Ltd. (b) (e)	1,674,200	4,252,468
Hookipa Pharma, Inc. (b)	375,300	874,449
Innovent Biologics, Inc. (a) (b)	1,085,000	6,713,808

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
HEALTH CARE – continued		
Biotechnology – continued		
Insmed, Inc. (b)	783,184	$ 21,333,932
Prelude Therapeutics, Inc. (b)	30,200	375,990
Regeneron Pharmaceuticals, Inc. (b)	134,000	84,623,680
Rubius Therapeutics, Inc. (b)	134,856	1,305,406
Seres Therapeutics, Inc. (b)	170,000	1,416,100
Synlogic, Inc. (b)	1,185,000	2,867,700
Vertex Pharmaceuticals, Inc. (b)	594,750	130,607,100
Vor Biopharma, Inc. (b)	454,995	5,287,042
XOMA Corp. (b)	294,700	6,144,495
		313,709,678
Health Care Equipment & Supplies – 2.1%		
Axonics Modulation Technologies, Inc. (b)	222,500	12,460,000
Edwards Lifesciences Corp. (b)	509,800	66,044,590
Insulet Corp. (b)	8,300	2,208,381
Intuitive Surgical, Inc. (b)	241,902	86,915,389
Medacta Group SA (a) (b)	14,350	2,233,966
Nevro Corp. (b)	53,500	4,337,245
Penumbra, Inc. (b)	61,200	17,583,984
		191,783,555
Health Care Providers & Services – 4.8%		
Guardant Health, Inc. (b)	134,600	13,462,692
HealthEquity, Inc. (b)	1,010,396	44,699,919
UnitedHealth Group, Inc.	774,950	389,133,393
		447,296,004
Health Care Technology – 0.2%		
Certara, Inc.	619,000	17,591,980
Simulations Plus, Inc. (e)	100,700	4,763,110
		22,355,090
Life Sciences Tools & Services – 2.1%		
10X Genomics, Inc. (b)	55,714	8,299,157
Berkeley Lights, Inc. (b) (e)	686,500	12,480,570
Bio-Techne Corp.	33,600	17,382,624
Bruker Corp.	565,120	47,419,219
Codexis, Inc. (b)	505,700	15,813,239
Danaher Corp.	255,881	84,187,408
Nanostring Technologies, Inc. (b)	111,500	4,708,645
Olink Holding AB ADR (b)	29,000	527,800
		190,818,662
Pharmaceuticals – 1.5%		
Aclaris Therapeutics, Inc. (b)	257,100	3,738,234
Eli Lilly & Co.	394,757	109,039,779
Nuvation Bio, Inc. (b)	326,843	2,778,166
Revance Therapeutics, Inc. (b)	442,900	7,228,128
Zoetis, Inc. Class A	46,500	11,347,395
		134,131,702
TOTAL HEALTH CARE		1,300,094,691
INDUSTRIALS – 7.6%		
Aerospace & Defense – 0.4%		
Axon Enterprise, Inc. (b)	103,400	16,233,800
Northrop Grumman Corp.	57,800	22,372,646
		38,606,446
Airlines – 0.7%		
Ryanair Holdings PLC sponsored ADR (b)	599,260	$ 61,322,276
Electrical Equipment – 1.0%		
Ballard Power Systems, Inc. (b) (e)	30,600	384,336
Bloom Energy Corp. Class A (b) (e)	153,100	3,357,483
Ceres Power Holdings PLC (b)	975,300	13,183,795
Eaton Corp. PLC	57,500	9,937,150
Encore Wire Corp.	145,697	20,849,241
Generac Holdings, Inc. (b)	116,799	41,103,904
		88,815,909
Industrial Conglomerates – 0.5%		
General Electric Co.	524,430	49,542,902
Machinery – 1.1%		
Ingersoll Rand, Inc.	1,095,675	67,789,412
Otis Worldwide Corp.	419,700	36,543,279
		104,332,691
Professional Services – 2.3%		
ASGN, Inc. (b)	90,400	11,155,360
Clarivate Analytics PLC (b)	865,500	20,356,560
CoStar Group, Inc. (b)	45,200	3,572,156
Equifax, Inc.	256,423	75,078,090
KBR, Inc.	1,480,000	70,477,600
Kforce, Inc.	62,800	4,723,816
Upwork, Inc. (b)	808,431	27,616,003
		212,979,585
Road & Rail – 0.7%		
Uber Technologies, Inc. (b)	1,409,640	59,106,205
Trading Companies & Distributors – 0.9%		
Azelis Group NV	141,000	4,026,755
Ferguson PLC	388,600	69,025,763
United Rentals, Inc. (b)	30,300	10,068,387
		83,120,905
TOTAL INDUSTRIALS		697,826,919
INFORMATION TECHNOLOGY – 36.5%		
Electronic Equipment & Components – 0.1%		
Hon Hai Precision Industry Co. Ltd. (Foxconn)	3,109,000	11,666,462
IT Services – 3.7%		
Adyen BV (a) (b)	10,000	26,250,026
Amadeus IT Holding SA Class A (b)	366,400	24,792,183
Cloudflare, Inc. (b)	106,300	13,978,450
Cognizant Technology Solutions Corp. Class A	954,800	84,709,856
MasterCard, Inc. Class A	71,232	25,595,082
MongoDB, Inc. Class A (b)	146,489	77,543,952
Shopify, Inc. Class A (b)	26,164	36,024,805
VeriSign, Inc. (b)	204,300	51,855,426
		340,749,780
Semiconductors & Semiconductor Equipment – 8.1%		
Aixtron AG	732,900	14,845,212
ASML Holding NV	58,838	46,843,285
eMemory Technology, Inc.	64,000	5,057,189
Enphase Energy, Inc. (b)	218,841	40,034,773
NVIDIA Corp.	1,292,976	380,277,171
Qualcomm, Inc.	929,290	169,939,262
Silicon Laboratories, Inc. (b)	10,900	2,249,978

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – continued		
Semiconductors & Semiconductor Equipment – continued		
SiTime Corp. (b)	61,500	$ 17,991,210
SolarEdge Technologies, Inc. (b)	99,800	28,000,886
Universal Display Corp.	255,400	42,148,662
		747,387,628
Software – 19.0%		
Adobe, Inc. (b)	466,903	264,762,015
Coupa Software, Inc. (b)	144,100	22,775,005
Elastic NV (b)	5,300	652,377
Epic Games, Inc. (b) (c) (d)	5,869	5,333,865
HashiCorp, Inc.	11,800	1,074,272
Intuit, Inc.	150,800	96,997,576
Mandiant, Inc. (b)	5,535,077	97,085,251
Manhattan Associates, Inc. (b)	271,600	42,231,084
Microsoft Corp.	3,106,021	1,044,616,981
Oracle Corp.	180,500	15,741,405
Palo Alto Networks, Inc. (b)	273,500	152,273,860
Samsara, Inc.	48,300	1,357,713
Volue A/S (b)	862,200	5,713,275
		1,750,614,679
Technology Hardware, Storage & Peripherals – 5.6%		
Apple, Inc.	2,928,204	519,961,184
TOTAL INFORMATION TECHNOLOGY		3,370,379,733
MATERIALS – 4.3%		
Chemicals – 3.3%		
Albemarle Corp. U.S.	348,891	81,560,249
Axalta Coating Systems Ltd. (b)	669,800	22,183,776
CF Industries Holdings, Inc.	850,000	60,163,000
Sherwin-Williams Co.	290,991	102,475,391
The Chemours Co. LLC	1,104,300	37,060,308
		303,442,724
Metals & Mining – 1.0%		
First Quantum Minerals Ltd.	459,800	11,002,922
Freeport-McMoRan, Inc.	1,234,200	51,503,166
Lynas Rare Earths Ltd. (b)	2,926,275	21,715,109
MP Materials Corp. (b) (e)	129,700	5,890,974
		90,112,171
TOTAL MATERIALS		393,554,895
REAL ESTATE – 0.5%		
Equity Real Estate Investment Trusts (REITs) – 0.5%		
Prologis (REIT), Inc.	266,700	44,901,612
Real Estate Management & Development – 0.0%		
Doma Holdings, Inc. (c)	869,482	4,416,969
TOTAL REAL ESTATE		49,318,581
UTILITIES – 0.6%		
Electric Utilities – 0.5%		
NextEra Energy, Inc.	518,500	48,407,160
Independent Power and Renewable Electricity Producers – 0.1%		
Brookfield Renewable Partners LP	107,000	$ 3,829,530
TOTAL UTILITIES		52,236,690
TOTAL COMMON STOCKS (Cost $4,844,204,215)		**9,207,442,393**

Convertible Preferred Stocks – 0.3%

	Shares	Value
HEALTH CARE – 0.0%		
Biotechnology – 0.0%		
ElevateBio LLC Series C (c) (d)	198,400	730,310
INFORMATION TECHNOLOGY – 0.1%		
IT Services – 0.0%		
AppNexus, Inc. Series E (Escrow) (b) (c) (d)	181,657	5,690
Software – 0.1%		
ASAPP, Inc. Series C (c) (d)	654,971	2,966,036
TOTAL INFORMATION TECHNOLOGY		2,971,726
MATERIALS – 0.2%		
Metals & Mining – 0.2%		
Illuminated Holdings, Inc.:		
Series C2 (b) (c) (d)	137,249	5,929,157
Series C3 (b) (c) (d)	171,560	7,411,392
Series C4 (c) (d)	48,240	2,083,968
Series C5 (c) (d)	96,064	4,149,965
		19,574,482
TOTAL CONVERTIBLE PREFERRED STOCKS (Cost $19,617,827)		**23,276,518**

Money Market Funds – 0.3%

Fidelity Cash Central Fund 0.08% (f)	8,405,661	8,407,342
Fidelity Securities Lending Cash Central Fund 0.08% (f) (g)	18,611,730	18,613,591
TOTAL MONEY MARKET FUNDS (Cost $27,020,933)		**27,020,933**
TOTAL INVESTMENT IN SECURITIES – 100.3% (Cost $4,890,842,975)		**9,257,739,844**
NET OTHER ASSETS (LIABILITIES) – (0.3)%		**(26,007,830)**
NET ASSETS – 100%		**$9,231,732,014**

Legend

(a) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities amounted to $124,664,810 or 1.4% of net assets.

(b) Non-income producing

See accompanying notes which are an integral part of the financial statements.

(c) Restricted securities (including private placements) – Investment in securities not registered under the Securities Act of 1933 (excluding 144A issues). At the end of the period, the value of restricted securities (excluding 144A issues) amounted to $38,866,189 or 0.4% of net assets.

(d) Level 3 security

(e) Security or a portion of the security is on loan at period end.

(f) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(g) Investment made with cash collateral received from securities on loan.

Additional information on each restricted holding is as follows:

Security	Acquisition Date	Acquisition Cost
AppNexus, Inc. Series E (Escrow)	8/1/14	$ 0
ASAPP, Inc. Series C	4/30/21	$ 4,320,909
Blu Investments LLC	5/21/20	$ 25,138
Doma Holdings, Inc.	3/2/21	$ 8,694,820
ElevateBio LLC Series C	3/9/21	$ 832,288
Epic Games, Inc.	3/29/21	$ 5,194,065
EQRx, Inc.	8/5/21	$ 4,336,990
Illuminated Holdings, Inc. Series C2	7/7/20	$ 3,431,225
Illuminated Holdings, Inc. Series C3	7/7/20	$ 5,146,800
Illuminated Holdings, Inc. Series C4	1/8/21	$ 1,736,640
Illuminated Holdings, Inc. Series C5	6/16/21	$ 4,149,965
Ion Acquisition Corp. 2 Ltd.	6/24/21	$ 4,325,570

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$20,523,967	$1,391,850,908	$1,403,968,127	$ 28,262	$594	$—	$ 8,407,342	0.0%
Fidelity Securities Lending Cash Central Fund 0.08%	54,822,440	295,281,659	331,490,508	342,762	—	—	18,613,591	0.1%
Total	$75,346,407	$1,687,132,567	$1,735,458,635	$371,024	$594	$—	$27,020,933	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equities:				
Communication Services	$1,828,750,597	$1,623,430,710	$205,319,887	$ —
Consumer Discretionary	813,232,224	745,792,366	67,435,352	4,506
Consumer Staples	131,683,473	91,995,984	39,687,489	—
Energy	131,663,287	131,663,287	—	—
Financials	438,701,303	434,066,681	4,634,622	—
Health Care	1,300,825,001	1,297,646,921	2,233,966	944,114
Industrials	697,826,919	611,590,606	86,236,313	—
Information Technology	3,373,351,459	3,293,445,172	71,600,696	8,305,591
Materials	413,129,377	371,839,786	21,715,109	19,574,482
Real Estate	49,318,581	49,318,581	—	—
Utilities	52,236,690	52,236,690	—	—
Money Market Funds	27,020,933	27,020,933	—	—
Total Investments in Securities:	$9,257,739,844	$8,730,047,717	$498,863,434	$28,828,693

See accompanying notes which are an integral part of the financial statements.

Other Information

Distribution of investments by country or territory of incorporation, as a percentage of Total Net Assets, is as follows (Unaudited):

United States of America	89.1%
Netherlands	2.9%
India	1.4%
Ireland	1.0%
Spain	1.0%
Bailiwick of Jersey	1.0%
Others (Individually Less Than 1%)	3.6%
	100.0%

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value (including securities loaned of $17,850,736) — See accompanying schedule:		
Unaffiliated issuers (cost $4,863,822,042)	$ 9,230,718,911	
Fidelity Central Funds (cost $27,020,933)	27,020,933	
Total Investment in Securities (cost $4,890,842,975)		$ 9,257,739,844
Receivable for fund shares sold		9,424,765
Dividends receivable		2,381,632
Distributions receivable from Fidelity Central Funds		8,320
Prepaid expenses		8,423
Other receivables		83,717
Total assets		9,269,646,701
Liabilities		
Payable to custodian bank	$ 1,502	
Payable for investments purchased	3,106,608	
Payable for fund shares redeemed	4,252,341	
Accrued management fee	3,983,916	
Distribution and service plan fees payable	495,492	
Other affiliated payables	655,184	
Other payables and accrued expenses	6,826,794	
Collateral on securities loaned	18,592,850	
Total liabilities		37,914,687
Net Assets		$ 9,231,732,014
Net Assets consist of:		
Paid in capital		$ 4,543,361,015
Total accumulated earnings (loss)		4,688,370,999
Net Assets		$ 9,231,732,014
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($5,103,811,254 ÷ 49,828,215 shares)		$ 102.43
Service Class:		
Net Asset Value, offering price and redemption price per share ($1,176,734,557 ÷ 11,570,155 shares)		$ 101.70
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($1,941,160,810 ÷ 19,525,329 shares)		$ 99.42
Investor Class:		
Net Asset Value, offering price and redemption price per share ($1,010,025,393 ÷ 9,936,164 shares)		$ 101.65

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends		$ 57,888,672
Special dividends		25,088,103
Income from Fidelity Central Funds (including $342,762 from security lending)		371,024
Total income		83,347,799
Expenses		
Management fee	$ 45,494,015	
Transfer agent fees	6,136,944	
Distribution and service plan fees	5,570,506	
Accounting fees	1,231,290	
Custodian fees and expenses	124,152	
Independent trustees' fees and expenses	29,767	
Audit	70,392	
Legal	15,580	
Interest	9,675	
Miscellaneous	36,382	
Total expenses before reductions	58,718,703	
Expense reductions	(136,076)	
Total expenses after reductions		58,582,627
Net investment income (loss)		24,765,172
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	1,146,261,531	
Fidelity Central Funds	594	
Foreign currency transactions	(484,076)	
Total net realized gain (loss)		1,145,778,049
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers (net of increase in deferred foreign taxes of $1,695,581)	612,889,229	
Assets and liabilities in foreign currencies	(16,608)	
Total change in net unrealized appreciation (depreciation)		612,872,621
Net gain (loss)		1,758,650,670
Net increase (decrease) in net assets resulting from operations		$ 1,783,415,842

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 24,765,172	$ (3,388,838)
Net realized gain (loss)	1,145,778,049	1,050,340,232
Change in net unrealized appreciation (depreciation)	612,872,621	1,407,937,314
Net increase (decrease) in net assets resulting from operations	1,783,415,842	2,454,888,708
Distributions to shareholders	(1,793,757,552)	(617,512,979)
Share transactions – net increase (decrease)	1,310,351,053	176,892,682
Total increase (decrease) in net assets	1,300,009,343	2,014,268,411
Net Assets		
Beginning of period	7,931,722,671	5,917,454,260
End of period	$ 9,231,732,014	$ 7,931,722,671

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Growth Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 103.00	$ 79.09	$ 63.12	$ 74.05	$ 59.31
Income from Investment Operations					
Net investment income (loss) [A]	.37[B]	.01	.18	.21	.15
Net realized and unrealized gain (loss)	21.52	32.21	20.42	(.25)[C]	19.66
Total from investment operations	21.89	32.22	20.60	(.04)	19.81
Distributions from net investment income	–	(.07)	(.19)	(.18)	(.15)
Distributions from net realized gain	(22.46)	(8.25)	(4.44)	(10.72)	(4.92)
Total distributions	(22.46)	(8.31)[D]	(4.63)	(10.89)[D]	(5.07)
Net asset value, end of period	$ 102.43	$ 103.00	$ 79.09	$ 63.12	$ 74.05
Total Return [E,F]	23.21%	43.89%	34.31%	(.17)%[C]	35.13%
Ratios to Average Net Assets [G,H]					
Expenses before reductions	.61%	.62%	.63%	.63%	.64%
Expenses net of fee waivers, if any	.60%	.62%	.62%	.63%	.64%
Expenses net of all reductions	.60%	.61%	.62%	.62%	.63%
Net investment income (loss)	.36%[B]	.02%	.25%	.30%	.22%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 5,103,811	$ 4,533,075	$ 3,441,605	$ 2,869,484	$ 3,165,086
Portfolio turnover rate [I]	45%	53%	47%	34%	50%

A *Calculated based on average shares outstanding during the period.*

B *Net investment income per share reflects one or more large, non-recurring dividend(s) which amounted to $.30 per share. Excluding such non-recurring dividend(s), the ratio of net investment income (loss) to average net assets would have been .07%.*

C *Net realized and unrealized gain (loss) per share reflects proceeds received from litigation which amounted to $.02 per share. Excluding these litigation proceeds, the total return would have been (.20)%.*

D *Total distributions per share do not sum due to rounding.*

E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

F *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

G *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

H *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

I *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Growth Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 102.42	$ 78.69	$ 62.83	$ 73.76	$ 59.10
Income from Investment Operations					
Net investment income (loss) [A]	.27[B]	(.07)	.11	.14	.08
Net realized and unrealized gain (loss)	21.37	32.03	20.31	(.25)[C]	19.59
Total from investment operations	21.64	31.96	20.42	(.11)	19.67
Distributions from net investment income	–	(.05)	(.12)	(.11)	(.09)
Distributions from net realized gain	(22.36)	(8.18)	(4.44)	(10.72)	(4.92)
Total distributions	(22.36)	(8.23)	(4.56)	(10.82)[D]	(5.01)
Net asset value, end of period	$ 101.70	$ 102.42	$ 78.69	$ 62.83	$ 73.76
Total Return [E,F]	23.08%	43.77%	34.17%	(.27)%[C]	35.00%
Ratios to Average Net Assets [G,H]					
Expenses before reductions	.71%	.72%	.73%	.73%	.74%
Expenses net of fee waivers, if any	.70%	.72%	.72%	.73%	.74%
Expenses net of all reductions	.70%	.71%	.72%	.72%	.73%
Net investment income (loss)	.26%[B]	(.08)%	.15%	.20%	.12%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 1,176,735	$ 1,018,192	$ 745,767	$ 600,590	$ 624,381
Portfolio turnover rate [I]	45%	53%	47%	34%	50%

A *Calculated based on average shares outstanding during the period.*

B *Net investment income per share reflects one or more large, non-recurring dividend(s) which amounted to $.30 per share. Excluding such non-recurring dividend(s), the ratio of net investment income (loss) to average net assets would have been (.03)%.*

C *Net realized and unrealized gain (loss) per share reflects proceeds received from litigation which amounted to $.02 per share. Excluding these litigation proceeds, the total return would have been (.30)%.*

D *Total distributions per share do not sum due to rounding.*

E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

F *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

G *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

H *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

I *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Growth Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 100.58	$ 77.43	$ 61.91	$ 72.86	$ 58.44
Income from Investment Operations					
Net investment income (loss) [A]	.11[B]	(.19)	–[C]	.03	(.02)
Net realized and unrealized gain (loss)	20.95	31.46	20.00	(.23)[D]	19.36
Total from investment operations	21.06	31.27	20.00	(.20)	19.34
Distributions from net investment income	–	(.04)	(.04)	(.03)	(.06)
Distributions from net realized gain	(22.22)	(8.08)	(4.44)	(10.72)	(4.86)
Total distributions	(22.22)	(8.12)	(4.48)	(10.75)	(4.92)
Net asset value, end of period	$ 99.42	$ 100.58	$ 77.43	$ 61.91	$ 72.86
Total Return [E,F]	22.90%	43.55%	33.98%	(.43)%[D]	34.81%
Ratios to Average Net Assets [G,H]					
Expenses before reductions	.85%	.87%	.88%	.88%	.89%
Expenses net of fee waivers, if any	.85%	.87%	.87%	.88%	.89%
Expenses net of all reductions	.85%	.86%	.87%	.87%	.88%
Net investment income (loss)	.11%[B]	(.23)%	—%[I]	.05%	(.03)%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 1,941,161	$ 1,587,581	$ 1,182,162	$ 971,010	$ 1,069,117
Portfolio turnover rate [J]	45%	53%	47%	34%	50%

A *Calculated based on average shares outstanding during the period.*

B *Net investment income per share reflects one or more large, non-recurring dividend(s) which amounted to $.29 per share. Excluding such non-recurring dividend(s), the ratio of net investment income (loss) to average net assets would have been (.18)%.*

C *Amount represents less than $.005 per share.*

D *Net realized and unrealized gain (loss) per share reflects proceeds received from litigation which amounted to $.02 per share. Excluding these litigation proceeds, the total return would have been (.46)%.*

E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

F *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

G *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

H *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

I *Amount represents less than .005%.*

J *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Growth Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 102.38	$ 78.66	$ 62.81	$ 73.73	$ 59.08
Income from Investment Operations					
Net investment income (loss) [A]	.29[B]	(.05)	.12	.15	.10
Net realized and unrealized gain (loss)	21.37	32.02	20.30	(.23)[C]	19.58
Total from investment operations	21.66	31.97	20.42	(.08)	19.68
Distributions from net investment income	–	(.06)	(.13)	(.12)	(.10)
Distributions from net realized gain	(22.39)	(8.20)	(4.44)	(10.72)	(4.92)
Total distributions	(22.39)	(8.25)[D]	(4.57)	(10.84)	(5.03)[D]
Net asset value, end of period	$ 101.65	$ 102.38	$ 78.66	$ 62.81	$ 73.73
Total Return [E,F]	23.12%	43.80%	34.18%	(.24)%[C]	35.03%
Ratios to Average Net Assets [G,H]					
Expenses before reductions	.68%	.70%	.70%	.71%	.72%
Expenses net of fee waivers, if any	.68%	.70%	.70%	.71%	.72%
Expenses net of all reductions	.68%	.69%	.70%	.70%	.71%
Net investment income (loss)	.28%[B]	(.06)%	.17%	.22%	.14%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 1,010,025	$ 792,875	$ 547,920	$ 457,395	$ 448,392
Portfolio turnover rate [I]	45%	53%	47%	34%	50%

A *Calculated based on average shares outstanding during the period.*

B *Net investment income per share reflects one or more large, non-recurring dividend(s) which amounted to $.30 per share. Excluding such non-recurring dividend(s), the ratio of net investment income (loss) to average net assets would have been (.01)%.*

C *Net realized and unrealized gain (loss) per share reflects proceeds received from litigation which amounted to $.02 per share. Excluding these litigation proceeds, the total return would have been (.27)%.*

D *Total distributions per share do not sum due to rounding.*

E *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

F *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

G *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

H *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

I *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Growth Portfolio (the Fund) is a fund of Variable Insurance Products Fund (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

Funds may invest in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the investing fund. These strategies are consistent with the investment objectives of the investing fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio[a]
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services – Investment Companies*. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, ETFs and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2021 is included at the end of the Fund's Schedule of Investments.

Foreign Currency. Certain Funds may use foreign currency contracts to facilitate transactions in foreign-denominated securities. Gains and losses from these transactions may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rates at period end. Purchases and sales of investment securities, income and dividends received, and expenses denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date.

The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities. Other foreign currency transactions resulting in realized and unrealized gain (loss) are disclosed separately.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of a fund include an amount in addition to trade execution, which may be rebated back to a fund. Any such rebates are included in net realized gain (loss) on investments in the Statement of Operations. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Large, non-recurring dividends recognized by the Fund are presented separately on the Statement of Operations as "Special Dividends" and the impact of these dividends is presented in the Financial Highlights. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain. Funds may file withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. Any withholding tax reclaims income is included in the Statement of Operations in dividends. Any receivables for withholding tax reclaims are included in the Statement of Assets and Liabilities in dividends receivable.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Deferred Trustee Compensation. Under a Deferred Compensation Plan (the Plan) for certain Funds, certain independent Trustees have elected to defer receipt of a portion of their annual compensation. Deferred amounts are invested in affiliated mutual funds, are marked-to-market and remain in a fund until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting payable to the Trustees presented below are included in the accompanying Statement of Assets and Liabilities in other receivables and other payables and accrued expenses, as applicable.

VIP Growth Portfolio	$62,537

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2021, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests. The Fund is subject to a tax imposed on capital gains by certain countries in which it invests. An estimated deferred tax liability for net unrealized appreciation on the applicable securities is included in Other payables and accrued expenses on the Statement of Assets & Liabilities.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to foreign currency transactions, certain foreign taxes, passive foreign investment companies (PFIC), partnerships, deferred Trustee compensation and losses deferred due to wash sales and excise tax regulations.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	$4,520,624,639
Gross unrealized depreciation	(158,139,493)
Net unrealized appreciation (depreciation)	$4,362,485,146
Tax Cost	$4,895,254,698

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	$ 27,869,354
Undistributed long-term capital gain	$ 366,486,994
Net unrealized appreciation (depreciation) on securities and other investments	$4,362,483,950

The Fund intends to elect to defer to its next fiscal year $61,823,964 of capital losses recognized during the period November 1, 2021 to December 31, 2021.

The tax character of distributions paid was as follows:

	December 31, 2021	December 31, 2020
Ordinary Income	$ 262,948,870	$ 93,635,165
Long-term Capital Gains	1,530,808,682	523,877,814
Total	$1,793,757,552	$617,512,979

Restricted Securities (including Private Placements). Funds may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities held at period end is included at the end of the Schedule of Investments, if applicable.

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases ($)	Sales ($)
VIP Growth Portfolio	3,871,081,154	4,319,117,573

5. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company LLC (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is the sum of an individual fund fee rate that is based on an annual rate of .30% of the Fund's average net assets and an annualized group fee rate that averaged .23% during the period. The group fee rate is based upon the monthly average net assets of a group of registered investment companies with which the investment adviser has management contracts. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the reporting period, the total annual management fee rate was .52% of the Fund's average net assets.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Company LLC (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	$1,107,325
Service Class 2	4,463,181
	$5,570,506

Transfer Agent Fees. Fidelity Investments Institutional Operations Company LLC (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements. For the period, transfer agent fees for each class were as follows:

	Amount	% of Class-Level Average Net Assets
Initial Class	$3,065,075	.06
Service Class	696,838	.06
Service Class 2	1,123,332	.06
Investor Class	1,251,699	.14
	$6,136,944	

Accounting Fees. Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. For the period, the fees were equivalent to the following annual rates:

	% of Average Net Assets
VIP Growth Portfolio	.01

Brokerage Commissions. A portion of portfolio transactions were placed with brokerage firms which are affiliates of the investment adviser. Brokerage commissions are included in net realized gain (loss) and change in net unrealized appreciation (depreciation) in the Statement of Operations. The commissions paid to these affiliated firms were as follows:

	Amount
VIP Growth Portfolio	$62,908

Interfund Lending Program. Pursuant to an Exemptive Order issued by the Securities and Exchange Commission (the SEC), the Fund, along with other registered investment companies having management contracts with Fidelity Management & Research Company LLC (FMR), or other affiliated entities of FMR, may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from, or lend money to, other participating affiliated funds. At period end, there were no interfund loans outstanding. Activity in this program during the period for which loans were outstanding was as follows:

	Borrower or Lender	Average Loan Balance	Weighted Average Interest Rate	Interest Expense
VIP Growth Portfolio	Borrower	$15,723,465	.31%	$9,675

Interfund Trades. Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. Interfund trades during the period are noted in the table below.

	Purchases ($)	Sales ($)	Realized Gain (Loss) ($)
VIP Growth Portfolio	130,163,513	205,554,300	34,902,319

Other. During the period, the investment adviser reimbursed the Fund for certain losses as follows:

	Amount ($)
VIP Growth Portfolio	3,622

6. Committed Line of Credit.

Certain Funds participate with other funds managed by the investment adviser or an affiliate in a $4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The participating funds have agreed to pay commitment fees on their pro-rata portion of the line of credit, which are reflected in Miscellaneous expenses on the Statement of Operations, and are listed below. During the period, there were no borrowings on this line of credit.

	Amount
VIP Growth Portfolio	$14,991

7. Security Lending.

Funds lend portfolio securities from time to time in order to earn additional income. Lending agents are used, including National Financial Services (NFS), an affiliate of the investment adviser. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of a fund's daily lending revenue, for its services as lending agent. A fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, a fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at

the close of business of a fund and any additional required collateral is delivered to a fund on the next business day. A fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, a fund may apply collateral received from the borrower against the obligation. A fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. Any loaned securities are identified as such in the Schedule of Investments, and the value of loaned securities and cash collateral at period end, as applicable, are presented in the Statement of Assets and Liabilities. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Affiliated security lending activity, if any, was as follows:

	Total Security Lending Fees Paid to NFS	Security Lending Income From Securities Loaned to NFS	Value of Securities Loaned to NFS at Period End
VIP Growth Portfolio	$35,546	$1,305	$8,792

8. Expense Reductions.

During the period the investment adviser or an affiliate reimbursed and/or waived a portion of fund-level operating expenses in the amount of $136,076.

9. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Growth Portfolio		
Distributions to shareholders		
Initial Class	$1,004,167,547	$358,011,706
Service Class	229,154,517	77,881,583
Service Class 2	372,447,117	123,304,387
Investor Class	187,988,371	58,315,303
Total	$1,793,757,552	$617,512,979

10. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Growth Portfolio				
Initial Class				
Shares sold	1,500,845	2,421,748	$ 154,353,263	$ 197,372,757
Reinvestment of distributions	10,041,255	4,467,092	1,004,167,547	358,011,706
Shares redeemed	(5,724,689)	(6,395,612)	(592,742,913)	(527,253,371)
Net increase (decrease)	5,817,411	493,228	$ 565,777,897	$ 28,131,092
Service Class				
Shares sold	663,784	1,238,658	$ 68,529,797	$ 102,304,855
Reinvestment of distributions	2,306,433	977,801	229,154,517	77,881,583
Shares redeemed	(1,341,622)	(1,751,676)	(137,215,055)	(144,513,037)
Net increase (decrease)	1,628,595	464,783	$ 160,469,259	$ 35,673,401
Service Class 2				
Shares sold	2,396,982	2,657,391	$ 239,091,093	$ 218,698,194
Reinvestment of distributions	3,827,850	1,580,689	372,447,117	123,304,387
Shares redeemed	(2,484,467)	(3,720,391)	(248,399,937)	(293,491,865)
Net increase (decrease)	3,740,365	517,689	$ 363,138,273	$ 48,510,716

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
Investor Class				
Shares sold	1,085,907	1,145,918	$ 113,031,177	$ 92,937,912
Reinvestment of distributions	1,890,418	731,173	187,988,371	58,315,303
Shares redeemed	(784,776)	(1,097,743)	(80,053,924)	(86,675,742)
Net increase (decrease)	2,191,549	779,348	$ 220,965,624	$ 64,577,473

11. Other.

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

At the end of the period, the investment adviser or its affiliates were owners of record of more than 10% and certain otherwise unaffiliated shareholders each were owners of record of more than 10% of the outstanding shares as follows:

Fund	Affiliated %	Number of Unaffiliated Shareholders	Unaffiliated Shareholders %
VIP Growth Portfolio	21%	2	41%

12. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Fund's performance.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund and Shareholders of VIP Growth Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VIP Growth Portfolio (one of the funds constituting Variable Insurance Products Fund, referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, issuers of privately offered securities and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
February 15, 2022

We have served as the auditor of one or more investment companies in the Fidelity group of funds since 1932.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Except for Jonathan Chiel, each of the Trustees oversees 314 funds. Mr. Chiel oversees 179 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. Robert A. Lawrence is an interested person and currently serves as Acting Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. David M. Thomas serves as Lead Independent Trustee and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's high income and certain equity funds, and other Boards oversee Fidelity's investment-grade bond, money market, asset allocation, and other equity funds. The asset allocation funds may invest in Fidelity® funds overseen by the fund's Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations, Audit, and Compliance Committees. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Trustees and Officers – continued

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Jonathan Chiel (1957)

Year of Election or Appointment: 2016
Trustee

Mr. Chiel also serves as Trustee of other Fidelity® funds. Mr. Chiel is Executive Vice President and General Counsel for FMR LLC (diversified financial services company, 2012-present). Previously, Mr. Chiel served as general counsel (2004-2012) and senior vice president and deputy general counsel (2000-2004) for John Hancock Financial Services; a partner with Choate, Hall & Stewart (1996-2000) (law firm); and an Assistant United States Attorney for the United States Attorney's Office of the District of Massachusetts (1986-95), including Chief of the Criminal Division (1993-1995). Mr. Chiel is a director on the boards of the Boston Bar Foundation and the Maimonides School.

Bettina Doulton (1964)

Year of Election or Appointment: 2021
Trustee

Ms. Doulton also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Doulton served in a variety of positions at Fidelity Investments, including as a managing director of research (2006-2007), portfolio manager to certain Fidelity® funds (1993-2005), equity analyst and portfolio assistant (1990-1993), and research assistant (1987-1990). Ms. Doulton currently owns and operates Phi Builders + Architects and Cellardoor Winery. Previously, Ms. Doulton served as a member of the Board of Brown Capital Management, LLC (2014-2018).

Robert A. Lawrence (1952)

Year of Election or Appointment: 2020
Trustee
Acting Chairman of the Board of Trustees

Mr. Lawrence also serves as Trustee of other funds. Previously, Mr. Lawrence served as a Member of the Advisory Board of certain funds. Prior to his retirement in 2008, Mr. Lawrence served as Vice President of certain Fidelity® funds (2006-2008), Senior Vice President, Head of High Income Division of Fidelity Management & Research Company (investment adviser firm, 2006-2008), and President of Fidelity Strategic Investments (investment adviser firm, 2002-2005).

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Thomas P. Bostick (1956)

Year of Election or Appointment: 2021
Trustee

Lieutenant General Bostick also serves as Trustee of other Fidelity® funds. Prior to his retirement, General Bostick (United States Army, Retired) held a variety of positions within the U.S. Army, including Commanding General and Chief of Engineers, U.S. Army Corps of Engineers (2012-2016) and Deputy Chief of Staff and Director of Human Resources, U.S. Army (2009-2012). General Bostick currently serves as a member of the Board and Finance and Governance Committees of CSX Corporation (transportation, 2020-present) and a member of the Board and Corporate Governance and Nominating Committee of Perma-Fix Environmental Services, Inc. (nuclear waste management, 2020-present). General Bostick serves as Chief Executive Officer of Bostick Global Strategies, LLC (consulting, 2016-present) and Managing Partner, Sustainability, of Ridge-Lane Limited Partners (strategic advisory and venture development, 2016-present). Previously, General Bostick served as a Member of the Advisory Board of certain Fidelity® funds (2021), President, Intrexon Bioengineering (2018-2020) and Chief Operating Officer (2017-2020) and Senior Vice President of the Environment Sector (2016-2017) of Intrexon Corporation (biopharmaceutical company).

Dennis J. Dirks (1948)

Year of Election or Appointment: 2005
Trustee

Mr. Dirks also serves as Trustee of other Fidelity® funds. Prior to his retirement in May 2003, Mr. Dirks served as Chief Operating Officer and as a member of the Board of The Depository Trust & Clearing Corporation (financial markets infrastructure), President, Chief Operating Officer and a member of the Board of The Depository Trust Company (DTC), President and a member of the Board of the National Securities Clearing Corporation (NSCC), Chief Executive Officer and a member of the Board of the Government Securities Clearing Corporation and Chief Executive Officer and a member of the Board of the Mortgage-Backed Securities Clearing Corporation. Mr. Dirks currently serves as a member of the Finance Committee (2016-present) and Board (2017-present) and is Treasurer (2018-present) of the Asolo Repertory Theatre.

Donald F. Donahue (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Donahue also serves as Trustee of other Fidelity® funds. Mr. Donahue serves as President and Chief Executive Officer of Miranda Partners, LLC (risk consulting for the financial services industry, 2012-present). Previously, Mr. Donahue served as Chief Executive Officer (2006-2012), Chief Operating Officer (2003-2006) and Managing Director, Customer Marketing and Development (1999-2003) of The Depository Trust & Clearing Corporation (financial markets infrastructure). Mr. Donahue currently serves as a member (2007-present) and Co-Chairman (2016-present) of the Board of United Way of New York and a member of the Board of NYC Leadership Academy (2012-present). Mr. Donahue previously served as a member of the Advisory Board of certain Fidelity® funds (2015-2018).

Vicki L. Fuller (1957)

Year of Election or Appointment: 2020
Trustee

Ms. Fuller also serves as Trustee of other Fidelity® funds. Previously, Ms. Fuller served as a member of the Advisory Board of certain Fidelity® funds (2018-2020), Chief Investment Officer of the New York State Common Retirement Fund (2012-2018) and held a variety of positions at AllianceBernstein L.P. (global asset management, 1985-2012), including Managing Director (2006-2012) and Senior Vice President and Senior Portfolio Manager (2001-2006). Ms. Fuller currently serves as a member of the Board, Audit Committee and Nominating and Governance Committee of The Williams Companies, Inc. (natural gas infrastructure, 2018-present), as a member of the Board, Audit Committee and Nominating and Governance Committee of two Blackstone business development companies (2020-present) and as a member of the Board of Treliant, LLC (consulting, 2019-present).

Patricia L. Kampling (1959)

Year of Election or Appointment: 2020
Trustee

Ms. Kampling also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Kampling served as Chairman of the Board and Chief Executive Officer (2012-2019), President and Chief Operating Officer (2011-2012) and Executive Vice President and Chief Financial Officer (2010-2011) of Alliant Energy Corporation. Ms. Kampling currently serves as a member of the Board, Finance Committee and Governance, Compensation and Nominating Committee of Xcel Energy Inc. (utilities company, 2020-present) and as a member of the Board, Audit, Finance and Risk Committee and Safety, Environmental, Technology and Operations Committee of American Water Works Company, Inc. (utilities company, 2019-present). In addition, Ms. Kampling currently serves as a member of the Board of the Nature Conservancy, Wisconsin Chapter (2019-present). Previously, Ms. Kampling served as a Member of the Advisory Board of certain Fidelity® funds (2020), a member of the Board, Compensation Committee and Executive Committee and Chair of the Audit Committee of Briggs & Stratton Corporation (manufacturing, 2011-2021), a member of the Board of Interstate Power and Light Company (2012-2019) and Wisconsin Power and Light Company (2012-2019) (each a subsidiary of Alliant Energy Corporation) and as a member of the Board and Workforce Development Committee of the Business Roundtable (2018-2019).

Thomas A. Kennedy (1955)

Year of Election or Appointment: 2021
Trustee

Mr. Kennedy also serves as Trustee of other Fidelity® funds. Previously, Mr. Kennedy served as a Member of the Advisory Board of certain Fidelity® funds (2020) and held a variety of positions at Raytheon Company (aerospace and defense, 1983-2020), including Chairman and Chief Executive Officer (2014-2020) and Executive Vice President and Chief Operating Officer (2013-2014). Mr. Kennedy currently serves as Executive Chairman of the Board of Directors of Raytheon Technologies Corporation (aerospace and defense, 2020-present). He is also a member of the Rutgers School of Engineering Industry Advisory Board (2011-present) and a member of the UCLA Engineering Dean's Executive Board (2016-present).

Oscar Munoz (1959)

Year of Election or Appointment: 2021
Trustee

Mr. Munoz also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Munoz served as Executive Chairman (2020-2021), Chief Executive Officer (2015-2020), President (2015-2016) and a member of the Board (2010-2021) of United Airlines Holdings, Inc. Mr. Munoz currently serves as a member of the Board of CBRE Group, Inc. (commercial real estate, 2020-present), a member of the Board of Univision Communications, Inc. (Hispanic media, 2020-present) and a member of the Advisory Board of Salesforce.com, Inc. (cloud-based software, 2020-present). Previously, Mr. Munoz served as a Member of the Advisory Board of certain Fidelity® funds (2021).

Garnett A. Smith (1947)

Year of Election or Appointment: 2018
Trustee

Mr. Smith also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Smith served as Chairman and Chief Executive Officer (1990-1997) and President (1986-1990) of Inbrand Corp. (manufacturer of personal absorbent products). Prior to his employment with Inbrand Corp., he was employed by a retail fabric chain and North Carolina National Bank (now Bank of America). Mr. Smith previously served as a member of the Advisory Board of certain Fidelity® funds (2012-2013).

David M. Thomas (1949)

Year of Election or Appointment: 2008
Trustee
Lead Independent Trustee

Mr. Thomas also serves as Trustee of other Fidelity® funds. Previously, Mr. Thomas served as Executive Chairman (2005-2006) and Chairman and Chief Executive Officer (2000-2005) of IMS Health, Inc. (pharmaceutical and healthcare information solutions). Mr. Thomas currently serves as a member of the Board of Fortune Brands Home and Security (home and security products, 2004-present) and Presiding Director (2013-present) of Interpublic Group of Companies, Inc. (marketing communication).

Susan Tomasky (1953)

Year of Election or Appointment: 2020
Trustee

Ms. Tomasky also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Tomasky served in various executive officer positions at American Electric Power Company, Inc. (1998-2011), including most recently as President of AEP Transmission (2007-2011). Ms. Tomasky currently serves as a member of the Board and Sustainability Committee and as Chair of the Audit Committee of Marathon Petroleum Corporation (2018-present) and as a member of the Board, Corporate Governance Committee and Organization and Compensation Committee and as Chair of the Audit Committee of Public Service Enterprise Group, Inc. (utilities company, 2012-present). In addition, Ms. Tomasky currently serves as a member (2009-present) and President (2020-present) of the Board of the Royal Shakespeare Company – America (2009-present), as a member of the Board of the Columbus Association for the Performing Arts (2011-present) and as a member of the Board and Investment Committee of Kenyon College (2016-present). Previously, Ms. Tomasky served as a Member of the Advisory Board of certain Fidelity® funds (2020), as a member of the Board of the Columbus Regional Airport Authority (2007-2020), as a member of the Board (2011-2018) and Lead Independent Director (2015-2018) of Andeavor Corporation (previously Tesoro Corporation) (independent oil refiner and marketer) and as a member of the Board of Summit Midstream Partners LP (energy, 2012-2018).

Michael E. Wiley (1950)

Year of Election or Appointment: 2020
Trustee

Mr. Wiley also serves as Trustee of other Fidelity® funds. Previously, Mr. Wiley served as a member of the Advisory Board of certain Fidelity® funds (2018-2020), Chairman, President and CEO of Baker Hughes, Inc. (oilfield services, 2000-2004). Mr. Wiley also previously served as a member of the Board of Andeavor Corporation (independent oil refiner and marketer, 2005-2018), a member of the Board of Andeavor Logistics LP (natural resources logistics, 2015-2018) and a member of the Board of High Point Resources (exploration and production, 2005-2020).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for a Member of the Advisory Board (if any) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235. Correspondence intended for an officer or Peter S. Lynch may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Peter S. Lynch (1944)

Year of Election or Appointment: 2003
Member of the Advisory Board

Mr. Lynch also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Lynch is Vice Chairman and a Director of Fidelity Management & Research Company LLC (investment adviser firm). In addition, Mr. Lynch serves as a Trustee of Boston College and as the Chairman of the Inner-City Scholarship Fund. Previously, Mr. Lynch served as Vice Chairman and a Director of FMR Co., Inc. (investment adviser firm) and on the Special Olympics International Board of Directors (1997-2006).

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

William C. Coffey (1969)

Year of Election or Appointment: 2019
Assistant Secretary

Mr. Coffey also serves as Assistant Secretary of other funds. He is Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2010-present), and is an employee of Fidelity Investments. Previously, Mr. Coffey served as Secretary and CLO of certain funds (2018-2019); CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2018-2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2018-2019); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2018-2019); and Assistant Secretary of certain funds (2009-2018).

Timothy M. Cohen (1969)

Year of Election or Appointment: 2018
Vice President

Mr. Cohen also serves as Vice President of other funds. Mr. Cohen serves as Co-Head of Equity (2018-present), a Director of Fidelity Management & Research (Japan) Limited (investment adviser firm, 2016-present), and is an employee of Fidelity Investments. Previously, Mr. Cohen served as Executive Vice President of Fidelity SelectCo, LLC (2019), Head of Global Equity Research (2016-2018), Chief Investment Officer – Equity and a Director of Fidelity Management & Research (U.K.) Inc. (investment adviser firm, 2013-2015) and as a Director of Fidelity Management & Research (Hong Kong) Limited (investment adviser firm, 2017).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
Assistant Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2020
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Pamela R. Holding (1964)

Year of Election or Appointment: 2018
Vice President

Ms. Holding also serves as Vice President of other funds. Ms. Holding serves as Co-Head of Equity (2018-present) and is an employee of Fidelity Investments (2013-present). Previously, Ms. Holding served as Executive Vice President of Fidelity SelectCo, LLC (2019) and as Chief Investment Officer of Fidelity Institutional Asset Management (2013-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Trustees and Officers – continued

Chris Maher (1972)

Year of Election or Appointment: 2020
Deputy Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Jason P. Pogorelec (1975)

Year of Election or Appointment: 2020
Chief Compliance Officer

Mr. Pogorelec also serves as Chief Compliance Officer of other funds. Mr. Pogorelec is a senior Vice President of Asset Management Compliance for Fidelity Investments and is an employee of Fidelity Investments (2006-present). Previously, Mr. Pogorelec served as Vice President, Associate General Counsel for Fidelity Investments (2010-2020) and Assistant Secretary of certain Fidelity funds (2015-2020).

Brett Segaloff (1972)

Year of Election or Appointment: 2021
Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2016
President and Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Jim Wegmann (1979)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in a fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year 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 with the 5% hypothetical examples that appear in the shareholder reports of the other funds. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
VIP Growth Portfolio				
Initial Class	.60%			
Actual		$1,000.00	$1,084.70	$3.15
Hypothetical-[C]		$1,000.00	$1,022.18	$3.06
Service Class	.70%			
Actual		$1,000.00	$1,084.00	$3.68
Hypothetical-[C]		$1,000.00	$1,021.68	$3.57
Service Class 2	.85%			
Actual		$1,000.00	$1,083.30	$4.46
Hypothetical-[C]		$1,000.00	$1,020.92	$4.33
Investor Class	.68%			
Actual		$1,000.00	$1,084.20	$3.57
Hypothetical-[C]		$1,000.00	$1,021.78	$3.47

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/ 365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.*

[C] *5% return per year before expenses*

Distributions (Unaudited)

The Board of Trustees of VIP Growth Portfolio voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities, and dividends derived from net investment income:

	Pay Date	Record Date	Dividends	Capital Gains
VIP Growth Portfolio				
Initial Class	02/11/22	02/11/22	$0.323	$4.085
Service Class	02/11/22	02/11/22	$0.307	$4.085
Service Class 2	02/11/22	02/11/22	$0.282	$4.085
Investor Class	02/11/22	02/11/22	$0.311	$4.085

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2021, $1,000,758,698, or, if subsequently determined to be different, the net capital gain of such year.

Initial Class designates 0%, 35%, and 0%; Service Class designates 0%, 37%, and 0%; Service Class 2 designates 0%, 39%, and 0%; and Investor Class designates 0%, 36%, and 0%; of the dividends distributed in February, December, December, respectively during the fiscal year as qualifying for the dividends–received deduction for corporate shareholders.



VIPGRWT-ANN-0322
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Fidelity® Variable Insurance Products:

Index 500 Portfolio

Annual Report
December 31, 2021



Fidelity INVESTMENTS

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

Fidelity® Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Fund nor Fidelity Distributors Corporation is a bank.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and – given the wide variability in outcomes regarding the outbreak – significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action – in concert with the U.S. Federal Reserve and central banks around the world – to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

For the periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	28.58%	18.34%	16.44%
Service Class	28.45%	18.23%	16.32%
Service Class 2	28.26%	18.05%	16.15%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Index 500 Portfolio – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P 500® Index performed over the same period.



Period Ending Values

——— $45,807 VIP Index 500 Portfolio – Initial Class

..... $46,257 S&P 500® Index

Management's Discussion of Fund Performance

Market Recap: The S&P 500® index gained 28.71% in 2021, with U.S. equities rising on improving economic growth, strong corporate earnings, widespread COVID-19 vaccination, and accommodative fiscal and monetary stimulus. In the first quarter, the index gained 6.17%. Investors were buoyed by the rollout of vaccines, the U.S. Federal Reserve's pledge to hold short-term interest rates near zero until the economy recovered, and the federal government's deployment of trillions of dollars to boost the economy. A flattish May reflected concerns about inflation and jobs, but the rally resumed through August amid strong earnings. In September, the index returned -4.65% as sentiment turned broadly negative due to a host of factors. These included inflationary pressure from surging commodity prices, rising bond yields, supply constraints and disruption, and the fast-spreading delta variant of the coronavirus. The Fed also signaled it could soon begin to taper the bond purchases it has made since the onset of the pandemic. The index sharply reversed course with a 7.01% gain in October, driven by strength in earnings. Then in November, the index stalled again, returning -0.69% amid the emergence of a new, more-highly transmissible variant, omicron, and rising inflation, which breached a 40-year high. The index advanced 4.48% in December, after studies suggested omicron resulted in fewer severe COVID-19 cases. All sectors had a double-digit return, led by energy (+55%) and real estate (+46%), whereas utilities (+18%) notably lagged.

Comments from the Geode Capital Management, LLC, passive equity index team: For the fiscal year ending December 31, 2021, the fund gained roughly 28% to 29%, about in line with the 28.71% advance of the benchmark S&P 500® Index. By sector, information technology gained about 35% and contributed most. Financials, which gained 35%, also helped, as did health care, which advanced 26%. The consumer discretionary sector rose approximately 24%, communication services gained roughly 22%, driven by the media & entertainment industry (+27%), and industrials advanced 21%. Other notable contributors included the energy (+55%), consumer staples (+19%), real estate (+46%), materials (+27%), and utilities (+18%) sectors. Turning to individual stocks, the top contributor was Microsoft (+52%), from the software & services industry, followed by Apple (+35%), within the technology hardware & equipment category. In media & entertainment, Alphabet advanced roughly 65%, and Nvidia (+125%), from the semiconductors & semiconductor equipment group, also helped. Tesla, within the automobiles & components segment, rose about 50% and boosted the fund. In contrast, the biggest individual detractor was PayPal (-19%), from the software & services group. In media & entertainment, Disney (-15%) and Activision Blizzard (-28%) hurt. Moderna, within the pharmaceuticals, biotechnology & life sciences segment, returned about -17% and hindered the fund. Another detractor was Global Payments (-37%), a stock in the software & services category.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Investment Summary (Unaudited)

Top Ten Stocks as of December 31, 2021

	% of fund's net assets
Apple, Inc.	6.8
Microsoft Corp.	6.2
Amazon.com, Inc.	3.6
Alphabet, Inc. Class A	2.1
Tesla, Inc.	2.1
Alphabet, Inc. Class C	2.0
Meta Platforms, Inc. Class A	2.0
NVIDIA Corp.	1.8
Berkshire Hathaway, Inc. Class B	1.3
UnitedHealth Group, Inc.	1.2
	29.1

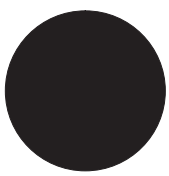
Top Market Sectors as of December 31, 2021

	% of fund's net assets
Information Technology	29.0
Health Care	13.2
Consumer Discretionary	12.5
Financials	10.6
Communication Services	10.1
Industrials	7.7
Consumer Staples	5.8
Real Estate	2.8
Energy	2.7
Materials	2.5

Asset Allocation (% of fund's net assets)

As of December 31, 2021*

■ Stocks and Equity Futures 100.0%



* *Foreign investments – 3.2%*

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Common Stocks – 99.4%

	Shares	Value
COMMUNICATION SERVICES – 10.1%		
Diversified Telecommunication Services – 1.0%		
AT&T, Inc.	2,292,867	$ 56,404,528
Lumen Technologies, Inc. (a)	296,646	3,722,907
Verizon Communications, Inc.	1,329,390	69,075,104
		129,202,539
Entertainment – 1.6%		
Activision Blizzard, Inc.	250,107	16,639,619
Electronic Arts, Inc.	90,814	11,978,367
Live Nation Entertainment, Inc. (b)	43,301	5,182,697
Netflix, Inc. (b)	142,236	85,688,656
Take-Two Interactive Software, Inc. (b)	36,998	6,575,285
The Walt Disney Co. (b)	583,501	90,378,470
		216,443,094
Interactive Media & Services – 6.3%		
Alphabet, Inc.:		
Class A (b)	96,580	279,796,123
Class C (b)	89,792	259,821,233
Match Group, Inc. (b)	90,905	12,022,186
Meta Platforms, Inc. Class A (b)	759,811	255,562,430
Twitter, Inc. (b)	256,771	11,097,643
		818,299,615
Media – 1.0%		
Charter Communications, Inc. Class A (b)	39,729	25,902,116
Comcast Corp. Class A	1,464,124	73,689,361
Discovery Communications, Inc.:		
Class A (b)	54,203	1,275,939
Class C (non-vtg.) (b)	97,569	2,234,330
DISH Network Corp. Class A (b)	80,473	2,610,544
Fox Corp.:		
Class A	102,668	3,788,449
Class B	47,211	1,617,921
Interpublic Group of Companies, Inc.	126,435	4,734,991
News Corp.:		
Class A	125,739	2,805,237
Class B	39,137	880,583
Omnicom Group, Inc.	68,139	4,992,545
ViacomCBS, Inc. Class B	194,594	5,872,847
		130,404,863
Wireless Telecommunication Services – 0.2%		
T-Mobile U.S., Inc. (b)	188,516	21,864,086
TOTAL COMMUNICATION SERVICES		1,316,214,197
CONSUMER DISCRETIONARY – 12.5%		
Auto Components – 0.1%		
Aptiv PLC (b)	86,851	14,326,072
BorgWarner, Inc.	77,084	3,474,176
		17,800,248
Automobiles – 2.5%		
Ford Motor Co.	1,260,439	26,179,318
General Motors Co. (b)	466,184	27,332,368
Tesla, Inc. (b)	261,199	276,029,879
		329,541,565
Distributors – 0.1%		
Genuine Parts Co.	45,674	6,403,495
LKQ Corp.	86,324	$ 5,182,030
Pool Corp.	12,870	7,284,420
		18,869,945
Hotels, Restaurants & Leisure – 2.0%		
Booking Holdings, Inc. (b)	13,186	31,636,247
Caesars Entertainment, Inc. (b)	68,589	6,415,129
Carnival Corp. (a) (b)	257,942	5,189,793
Chipotle Mexican Grill, Inc. (b)	9,035	15,795,439
Darden Restaurants, Inc.	41,689	6,280,031
Domino's Pizza, Inc.	11,674	6,587,988
Expedia, Inc. (b)	46,879	8,471,973
Hilton Worldwide Holdings, Inc. (b)	89,523	13,964,693
Las Vegas Sands Corp. (b)	110,380	4,154,703
Marriott International, Inc. Class A (b)	87,869	14,519,474
McDonald's Corp.	239,951	64,323,665
MGM Resorts International	124,828	5,602,281
Norwegian Cruise Line Holdings Ltd. (a) (b)	118,891	2,465,799
Penn National Gaming, Inc. (b)	53,307	2,763,968
Royal Caribbean Cruises Ltd. (a) (b)	71,972	5,534,647
Starbucks Corp.	378,918	44,322,038
Wynn Resorts Ltd. (b)	33,825	2,876,478
Yum! Brands, Inc.	94,144	13,072,836
		253,977,182
Household Durables – 0.4%		
D.R. Horton, Inc.	104,599	11,343,762
Garmin Ltd.	48,763	6,640,058
Lennar Corp. Class A	87,244	10,134,263
Mohawk Industries, Inc. (b)	17,659	3,217,117
Newell Brands, Inc.	121,650	2,656,836
NVR, Inc. (b)	1,050	6,204,314
PulteGroup, Inc.	81,496	4,658,311
Whirlpool Corp.	19,554	4,588,542
		49,443,203
Internet & Direct Marketing Retail – 3.8%		
Amazon.com, Inc. (b)	140,046	466,960,980
eBay, Inc.	201,008	13,367,032
Etsy, Inc. (b)	40,710	8,913,047
		489,241,059
Leisure Products – 0.0%		
Hasbro, Inc.	41,741	4,248,399
Multiline Retail – 0.5%		
Dollar General Corp.	74,910	17,666,025
Dollar Tree, Inc. (b)	72,220	10,148,354
Target Corp.	156,703	36,267,342
		64,081,721
Specialty Retail – 2.4%		
Advance Auto Parts, Inc.	20,279	4,864,527
AutoZone, Inc. (b)	6,733	14,114,994
Bath & Body Works, Inc.	84,880	5,923,775
Best Buy Co., Inc.	71,047	7,218,375
CarMax, Inc. (b)	52,016	6,774,044
Gap, Inc. (a)	69,107	1,219,739
Lowe's Companies, Inc.	222,331	57,468,117
O'Reilly Automotive, Inc. (b)	21,633	15,277,874
Ross Stores, Inc.	114,099	13,039,234
The Home Depot, Inc.	338,867	140,633,194

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
CONSUMER DISCRETIONARY – continued		
Specialty Retail – continued		
TJX Companies, Inc.	386,117	$ 29,314,003
Tractor Supply Co.	36,530	8,716,058
Ulta Beauty, Inc. (b)	17,443	7,192,447
		311,756,381
Textiles, Apparel & Luxury Goods – 0.7%		
NIKE, Inc. Class B	410,274	68,380,368
PVH Corp.	22,904	2,442,712
Ralph Lauren Corp.	15,605	1,854,810
Tapestry, Inc.	88,575	3,596,145
Under Armour, Inc.:		
Class A (sub. vtg.) (b)	60,620	1,284,538
Class C (non-vtg.) (b)	69,363	1,251,309
VF Corp.	104,630	7,661,009
		86,470,891
TOTAL CONSUMER DISCRETIONARY		1,625,430,594
CONSUMER STAPLES – 5.8%		
Beverages – 1.4%		
Brown-Forman Corp. Class B (non-vtg.)	58,703	4,277,101
Constellation Brands, Inc. Class A (sub. vtg.)	52,746	13,237,664
Molson Coors Beverage Co. Class B	60,535	2,805,797
Monster Beverage Corp. (b)	120,643	11,586,554
PepsiCo, Inc.	443,960	77,120,292
The Coca-Cola Co.	1,248,245	73,908,586
		182,935,994
Food & Staples Retailing – 1.4%		
Costco Wholesale Corp.	141,871	80,540,167
Kroger Co.	217,318	9,835,813
Sysco Corp.	164,616	12,930,587
Walgreens Boots Alliance, Inc.	230,696	12,033,103
Walmart, Inc.	456,642	66,071,531
		181,411,201
Food Products – 0.8%		
Archer Daniels Midland Co.	179,632	12,141,327
Campbell Soup Co.	65,247	2,835,635
Conagra Brands, Inc.	154,248	5,267,569
General Mills, Inc.	194,494	13,105,006
Hormel Foods Corp. (a)	90,583	4,421,356
Kellogg Co.	82,043	5,285,210
Lamb Weston Holdings, Inc.	47,011	2,979,557
McCormick & Co., Inc. (non-vtg.)	80,031	7,731,795
Mondelez International, Inc.	447,914	29,701,177
The Hershey Co.	46,682	9,031,567
The J.M. Smucker Co.	34,766	4,721,918
The Kraft Heinz Co.	227,911	8,182,005
Tyson Foods, Inc. Class A	94,648	8,249,520
		113,653,642
Household Products – 1.4%		
Church & Dwight Co., Inc.	78,377	8,033,643
Colgate-Palmolive Co.	270,636	23,096,076
Kimberly-Clark Corp.	108,122	15,452,796
Procter & Gamble Co.	777,058	$ 127,111,148
The Clorox Co.	39,432	6,875,364
		180,569,027
Personal Products – 0.2%		
Estee Lauder Companies, Inc. Class A	74,400	27,542,880
Tobacco – 0.6%		
Altria Group, Inc.	589,821	27,951,617
Philip Morris International, Inc.	499,900	47,490,500
		75,442,117
TOTAL CONSUMER STAPLES		761,554,861
ENERGY – 2.7%		
Energy Equipment & Services – 0.2%		
Baker Hughes Co. Class A	280,490	6,748,589
Halliburton Co.	287,217	6,568,653
Schlumberger Ltd.	450,504	13,492,595
		26,809,837
Oil, Gas & Consumable Fuels – 2.5%		
APA Corp.	116,925	3,144,113
Chevron Corp.	618,979	72,637,186
ConocoPhillips Co.	423,540	30,571,117
Coterra Energy, Inc.	260,841	4,955,979
Devon Energy Corp.	202,168	8,905,500
Diamondback Energy, Inc.	54,625	5,891,306
EOG Resources, Inc.	187,887	16,690,002
Exxon Mobil Corp.	1,359,407	83,182,114
Hess Corp.	88,453	6,548,176
Kinder Morgan, Inc.	626,140	9,930,580
Marathon Oil Corp.	250,590	4,114,688
Marathon Petroleum Corp.	197,682	12,649,671
Occidental Petroleum Corp.	284,877	8,258,584
ONEOK, Inc.	143,187	8,413,668
Phillips 66 Co.	140,711	10,195,919
Pioneer Natural Resources Co.	72,911	13,261,053
The Williams Companies, Inc.	390,167	10,159,949
Valero Energy Corp.	131,288	9,861,042
		319,370,647
TOTAL ENERGY		346,180,484
FINANCIALS – 10.6%		
Banks – 3.9%		
Bank of America Corp.	2,312,527	102,884,326
Citigroup, Inc.	637,107	38,474,892
Citizens Financial Group, Inc.	136,771	6,462,430
Comerica, Inc.	42,228	3,673,836
Fifth Third Bancorp	219,549	9,561,359
First Republic Bank	57,568	11,888,368
Huntington Bancshares, Inc.	464,300	7,159,506
JPMorgan Chase & Co.	948,917	150,261,007
KeyCorp	298,868	6,912,817
M&T Bank Corp.	41,291	6,341,472
Peoples United Financial, Inc.	137,434	2,449,074
PNC Financial Services Group, Inc.	135,706	27,211,767
Regions Financial Corp.	306,411	6,679,760

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
FINANCIALS – continued		
Banks – continued		
Signature Bank	19,454	$ 6,292,785
SVB Financial Group (b)	18,846	12,782,111
Truist Financial Corp.	428,610	25,095,116
U.S. Bancorp	433,263	24,336,383
Wells Fargo & Co.	1,280,292	61,428,410
Zions Bancorp NA	50,377	3,181,811
		513,077,230
Capital Markets – 3.0%		
Ameriprise Financial, Inc.	35,933	10,839,549
Bank of New York Mellon Corp.	243,960	14,169,197
BlackRock, Inc. Class A	45,854	41,982,088
Cboe Global Markets, Inc.	34,201	4,459,810
Charles Schwab Corp.	482,744	40,598,770
CME Group, Inc.	115,406	26,365,655
FactSet Research Systems, Inc.	12,073	5,867,599
Franklin Resources, Inc.	90,397	3,027,396
Goldman Sachs Group, Inc.	108,996	41,696,420
Intercontinental Exchange, Inc.	180,912	24,743,334
Invesco Ltd.	109,596	2,522,900
MarketAxess Holdings, Inc.	12,206	5,019,962
Moody's Corp.	51,933	20,283,991
Morgan Stanley	460,943	45,246,165
MSCI, Inc.	26,475	16,220,968
NASDAQ, Inc.	37,573	7,890,706
Northern Trust Corp.	66,686	7,976,312
Raymond James Financial, Inc.	59,441	5,967,876
S&P Global, Inc.	77,385	36,520,303
State Street Corp.	117,407	10,918,851
T. Rowe Price Group, Inc.	72,170	14,191,509
		386,509,361
Consumer Finance – 0.6%		
American Express Co.	201,459	32,958,692
Capital One Financial Corp.	136,659	19,827,854
Discover Financial Services	94,104	10,874,658
Synchrony Financial	175,710	8,151,187
		71,812,391
Diversified Financial Services – 1.3%		
Berkshire Hathaway, Inc. Class B (b)	588,044	175,825,156
Insurance – 1.8%		
AFLAC, Inc.	195,384	11,408,472
Allstate Corp.	92,037	10,828,153
American International Group, Inc.	266,581	15,157,796
Aon PLC	70,751	21,264,921
Arthur J. Gallagher & Co.	66,564	11,293,914
Assurant, Inc.	18,344	2,859,096
Brown & Brown, Inc.	75,160	5,282,245
Chubb Ltd.	138,304	26,735,546
Cincinnati Financial Corp.	48,150	5,485,730
Everest Re Group Ltd.	12,673	3,471,388
Globe Life, Inc.	29,818	2,794,543
Hartford Financial Services Group, Inc.	109,261	7,543,379
Lincoln National Corp.	54,677	3,732,252
Loews Corp.	64,503	3,725,693
Marsh & McLennan Companies, Inc.	162,121	28,179,872
MetLife, Inc.	229,518	$ 14,342,580
Principal Financial Group, Inc.	79,072	5,719,278
Progressive Corp.	187,865	19,284,342
Prudential Financial, Inc.	121,314	13,131,027
The Travelers Companies, Inc.	78,983	12,355,311
W.R. Berkley Corp.	44,784	3,689,754
Willis Towers Watson PLC	40,013	9,502,687
		237,787,979
TOTAL FINANCIALS		1,385,012,117
HEALTH CARE – 13.2%		
Biotechnology – 1.8%		
AbbVie, Inc.	567,664	76,861,706
Amgen, Inc.	180,866	40,689,424
Biogen, Inc. (b)	47,170	11,317,026
Gilead Sciences, Inc.	402,783	29,246,074
Incyte Corp. (b)	60,259	4,423,011
Moderna, Inc. (b)	113,266	28,767,299
Regeneron Pharmaceuticals, Inc. (b)	33,948	21,438,841
Vertex Pharmaceuticals, Inc. (b)	81,644	17,929,022
		230,672,403
Health Care Equipment & Supplies – 2.9%		
Abbott Laboratories	567,810	79,913,579
Abiomed, Inc. (b)	14,583	5,237,776
Align Technology, Inc. (b)	23,549	15,475,932
Baxter International, Inc.	160,803	13,803,330
Becton, Dickinson & Co.	92,227	23,193,246
Boston Scientific Corp. (b)	457,638	19,440,462
Dentsply Sirona, Inc.	70,156	3,914,003
DexCom, Inc. (b)	31,124	16,712,032
Edwards Lifesciences Corp. (b)	200,495	25,974,127
Hologic, Inc. (b)	81,364	6,229,228
IDEXX Laboratories, Inc. (b)	27,230	17,929,866
Intuitive Surgical, Inc. (b)	114,631	41,186,918
Medtronic PLC	432,156	44,706,538
ResMed, Inc.	46,800	12,190,464
STERIS PLC	32,106	7,814,921
Stryker Corp.	107,818	28,832,690
Teleflex, Inc.	15,020	4,933,770
The Cooper Companies, Inc.	15,818	6,626,793
Zimmer Biomet Holdings, Inc.	67,075	8,521,208
		382,636,883
Health Care Providers & Services – 2.7%		
AmerisourceBergen Corp.	48,030	6,382,707
Anthem, Inc.	77,937	36,126,917
Cardinal Health, Inc.	90,315	4,650,319
Centene Corp. (b)	187,373	15,439,535
Cigna Corp.	106,421	24,437,454
CVS Health Corp.	423,869	43,726,326
DaVita HealthCare Partners, Inc. (b)	20,991	2,387,936
HCA Holdings, Inc.	76,900	19,757,148
Henry Schein, Inc. (b)	44,570	3,455,512
Humana, Inc.	41,274	19,145,358
Laboratory Corp. of America Holdings (b)	30,731	9,655,988
McKesson Corp.	49,031	12,187,636

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
HEALTH CARE – continued		
Health Care Providers & Services – continued		
Quest Diagnostics, Inc.	39,367	$ 6,810,885
UnitedHealth Group, Inc.	302,428	151,861,196
Universal Health Services, Inc. Class B	23,535	3,051,548
		359,076,465
Health Care Technology – 0.1%		
Cerner Corp.	94,404	8,767,299
Life Sciences Tools & Services – 2.0%		
Agilent Technologies, Inc.	97,229	15,522,610
Bio-Rad Laboratories, Inc. Class A (b)	6,927	5,233,833
Bio-Techne Corp.	12,605	6,521,071
Charles River Laboratories International, Inc. (b)	16,188	6,099,315
Danaher Corp.	204,219	67,190,093
Illumina, Inc. (b)	50,192	19,095,044
IQVIA Holdings, Inc. (b)	61,358	17,311,546
Mettler-Toledo International, Inc. (b)	7,382	12,528,804
PerkinElmer, Inc.	40,513	8,145,544
Thermo Fisher Scientific, Inc.	126,533	84,427,879
Waters Corp. (b)	19,582	7,296,253
West Pharmaceutical Services, Inc.	23,795	11,160,093
		260,532,085
Pharmaceuticals – 3.7%		
Bristol-Myers Squibb Co.	712,759	44,440,524
Catalent, Inc. (b)	54,936	7,033,456
Eli Lilly & Co.	254,946	70,421,184
Johnson & Johnson	845,329	144,610,432
Merck & Co., Inc.	811,090	62,161,938
Organon & Co.	81,321	2,476,224
Pfizer, Inc.	1,802,303	106,425,992
Viatris, Inc.	388,384	5,254,836
Zoetis, Inc. Class A	151,927	37,074,746
		479,899,332
TOTAL HEALTH CARE		1,721,584,467
INDUSTRIALS – 7.7%		
Aerospace & Defense – 1.4%		
General Dynamics Corp.	74,422	15,514,754
Howmet Aerospace, Inc.	123,253	3,923,143
Huntington Ingalls Industries, Inc.	12,880	2,405,211
L3Harris Technologies, Inc.	63,015	13,437,319
Lockheed Martin Corp.	78,814	28,011,284
Northrop Grumman Corp.	47,855	18,523,235
Raytheon Technologies Corp.	480,618	41,361,985
Textron, Inc.	70,674	5,456,033
The Boeing Co. (b)	177,396	35,713,363
TransDigm Group, Inc. (b)	16,814	10,698,412
		175,044,739
Air Freight & Logistics – 0.6%		
C.H. Robinson Worldwide, Inc.	41,841	4,503,347
Expeditors International of Washington, Inc.	54,375	7,302,019
FedEx Corp.	78,463	20,293,670
United Parcel Service, Inc. Class B	234,112	50,179,566
		82,278,602
Airlines – 0.2%		
Alaska Air Group, Inc. (b)	40,284	$ 2,098,796
American Airlines Group, Inc. (a) (b)	207,913	3,734,117
Delta Air Lines, Inc. (b)	205,561	8,033,324
Southwest Airlines Co. (b)	190,065	8,142,385
United Airlines Holdings, Inc. (b)	103,822	4,545,327
		26,553,949
Building Products – 0.5%		
A.O. Smith Corp.	42,755	3,670,517
Allegion PLC	28,786	3,812,418
Carrier Global Corp.	278,251	15,092,334
Fortune Brands Home & Security, Inc.	43,689	4,670,354
Johnson Controls International PLC	227,541	18,501,359
Masco Corp.	78,270	5,496,119
Trane Technologies PLC	76,268	15,408,424
		66,651,525
Commercial Services & Supplies – 0.4%		
Cintas Corp.	28,223	12,507,587
Copart, Inc. (b)	68,519	10,388,851
Republic Services, Inc.	67,145	9,363,370
Rollins, Inc.	72,647	2,485,254
Waste Management, Inc.	123,572	20,624,167
		55,369,229
Construction & Engineering – 0.0%		
Quanta Services, Inc.	45,687	5,238,471
Electrical Equipment – 0.6%		
AMETEK, Inc.	74,292	10,923,896
Eaton Corp. PLC	127,999	22,120,787
Emerson Electric Co.	191,966	17,847,079
Generac Holdings, Inc. (b)	20,259	7,129,547
Rockwell Automation, Inc.	37,245	12,992,918
		71,014,227
Industrial Conglomerates – 1.0%		
3M Co.	185,030	32,866,879
General Electric Co.	352,625	33,312,484
Honeywell International, Inc.	221,053	46,091,761
Roper Technologies, Inc.	33,874	16,661,266
		128,932,390
Machinery – 1.5%		
Caterpillar, Inc.	173,699	35,910,531
Cummins, Inc.	45,911	10,015,026
Deere & Co.	90,601	31,066,177
Dover Corp.	46,229	8,395,186
Fortive Corp.	115,138	8,783,878
IDEX Corp.	24,399	5,765,972
Illinois Tool Works, Inc.	91,716	22,635,509
Ingersoll Rand, Inc.	130,848	8,095,566
Otis Worldwide Corp.	136,403	11,876,609
PACCAR, Inc.	111,482	9,839,401
Parker Hannifin Corp.	41,457	13,188,301
Pentair PLC	53,236	3,887,825
Snap-On, Inc.	17,227	3,710,351
Stanley Black & Decker, Inc.	52,354	9,875,011
Westinghouse Air Brake Tech Co.	59,905	5,517,850
Xylem, Inc.	57,869	6,939,650
		195,502,843

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INDUSTRIALS – continued		
Professional Services – 0.4%		
Equifax, Inc.	39,176	$ 11,470,341
IHS Markit Ltd.	128,070	17,023,064
Jacobs Engineering Group, Inc.	41,841	5,825,522
Leidos Holdings, Inc.	45,178	4,016,324
Nielsen Holdings PLC	115,216	2,363,080
Robert Half International, Inc.	35,754	3,987,286
Verisk Analytics, Inc.	51,749	11,836,549
		56,522,166
Road & Rail – 0.9%		
CSX Corp.	712,167	26,777,479
J.B. Hunt Transport Services, Inc.	27,014	5,521,662
Norfolk Southern Corp.	78,135	23,261,571
Old Dominion Freight Lines, Inc.	29,913	10,720,221
Union Pacific Corp.	206,417	52,002,635
		118,283,568
Trading Companies & Distributors – 0.2%		
Fastenal Co.	184,676	11,830,345
United Rentals, Inc. (b)	23,240	7,722,420
W.W. Grainger, Inc.	13,890	7,198,354
		26,751,119
TOTAL INDUSTRIALS		1,008,142,828
INFORMATION TECHNOLOGY – 29.0%		
Communications Equipment – 0.9%		
Arista Networks, Inc. (b)	72,040	10,355,750
Cisco Systems, Inc.	1,354,284	85,820,977
F5, Inc. (b)	19,357	4,736,851
Juniper Networks, Inc.	104,373	3,727,160
Motorola Solutions, Inc.	54,239	14,736,736
		119,377,474
Electronic Equipment & Components – 0.7%		
Amphenol Corp. Class A	192,053	16,796,955
CDW Corp.	43,585	8,925,336
Corning, Inc.	246,652	9,182,854
IPG Photonics Corp. (b)	11,479	1,975,995
Keysight Technologies, Inc. (b)	59,157	12,216,512
TE Connectivity Ltd.	104,789	16,906,657
Teledyne Technologies, Inc. (b)	14,970	6,540,243
Trimble, Inc. (b)	80,538	7,022,108
Zebra Technologies Corp. Class A (b)	17,163	10,215,418
		89,782,078
IT Services – 4.5%		
Accenture PLC Class A	202,823	84,080,275
Akamai Technologies, Inc. (b)	52,093	6,096,965
Automatic Data Processing, Inc.	135,315	33,365,973
Broadridge Financial Solutions, Inc.	37,405	6,838,382
Cognizant Technology Solutions Corp. Class A	168,674	14,964,757
DXC Technology Co. (b)	80,873	2,603,302
EPAM Systems, Inc. (b)	18,215	12,175,817
Fidelity National Information Services, Inc.	195,537	21,342,864
Fiserv, Inc. (b)	190,814	19,804,585
FleetCor Technologies, Inc. (b)	26,041	5,829,017
Gartner, Inc. (b)	26,406	8,828,054
Global Payments, Inc.	93,174	$ 12,595,261
IBM Corp.	287,966	38,489,536
Jack Henry & Associates, Inc.	23,815	3,976,867
MasterCard, Inc. Class A	278,553	100,089,664
Paychex, Inc.	103,064	14,068,236
PayPal Holdings, Inc. (b)	377,274	71,146,331
VeriSign, Inc. (b)	31,020	7,873,496
Visa, Inc. Class A (a)	538,489	116,695,951
		580,865,333
Semiconductors & Semiconductor Equipment – 6.3%		
Advanced Micro Devices, Inc. (b)	387,771	55,800,247
Analog Devices, Inc.	172,580	30,334,387
Applied Materials, Inc.	289,940	45,624,958
Broadcom, Inc.	132,171	87,947,905
Enphase Energy, Inc. (b)	43,317	7,924,412
Intel Corp.	1,305,919	67,254,829
KLA Corp.	48,690	20,942,056
Lam Research Corp.	45,213	32,514,929
Microchip Technology, Inc.	178,199	15,514,005
Micron Technology, Inc.	359,198	33,459,294
Monolithic Power Systems, Inc.	13,904	6,859,260
NVIDIA Corp.	802,750	236,096,803
NXP Semiconductors NV	85,397	19,451,729
Qorvo, Inc. (b)	35,344	5,527,448
Qualcomm, Inc.	359,635	65,766,452
Skyworks Solutions, Inc.	53,024	8,226,143
SolarEdge Technologies, Inc. (b)	16,833	4,722,835
Teradyne, Inc.	52,339	8,558,997
Texas Instruments, Inc.	296,552	55,891,155
Xilinx, Inc.	79,602	16,878,012
		825,295,856
Software – 9.5%		
Adobe, Inc. (b)	152,780	86,635,427
ANSYS, Inc. (b)	28,019	11,238,981
Autodesk, Inc. (b)	70,595	19,850,608
Cadence Design Systems, Inc. (b)	88,994	16,584,032
Ceridian HCM Holding, Inc. (b)	43,832	4,578,691
Citrix Systems, Inc.	40,146	3,797,410
Fortinet, Inc. (b)	43,577	15,661,574
Intuit, Inc.	90,926	58,485,422
Microsoft Corp.	2,410,801	810,800,592
NortonLifeLock, Inc.	186,791	4,852,830
Oracle Corp.	517,891	45,165,274
Paycom Software, Inc. (b)	15,444	6,412,194
PTC, Inc. (b)	33,912	4,108,439
Salesforce.com, Inc. (b)	314,358	79,887,799
ServiceNow, Inc. (b)	63,900	41,478,129
Synopsys, Inc. (b)	48,971	18,045,814
Tyler Technologies, Inc. (b)	13,148	7,072,967
		1,234,656,183
Technology Hardware, Storage & Peripherals – 7.1%		
Apple, Inc.	5,004,670	888,679,234
Hewlett Packard Enterprise Co.	419,820	6,620,561
HP, Inc.	370,104	13,941,818
NetApp, Inc.	71,908	6,614,817

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – continued		
Technology Hardware, Storage & Peripherals – continued		
Seagate Technology Holdings PLC	65,750	$ 7,428,435
Western Digital Corp. (b)	99,967	6,518,848
		929,803,713
TOTAL INFORMATION TECHNOLOGY		3,779,780,637
MATERIALS – 2.5%		
Chemicals – 1.8%		
Air Products & Chemicals, Inc.	71,079	21,626,497
Albemarle Corp. U.S.	37,562	8,780,869
Celanese Corp. Class A	34,921	5,868,823
CF Industries Holdings, Inc.	68,942	4,879,715
Corteva, Inc.	234,049	11,065,837
Dow, Inc.	237,462	13,468,845
DuPont de Nemours, Inc.	166,364	13,438,884
Eastman Chemical Co.	43,104	5,211,705
Ecolab, Inc.	80,053	18,779,633
FMC Corp.	40,800	4,483,512
International Flavors & Fragrances, Inc.	81,728	12,312,323
Linde PLC	164,578	57,014,757
LyondellBasell Industries NV Class A	84,375	7,781,906
PPG Industries, Inc.	76,231	13,145,274
Sherwin-Williams Co.	77,455	27,276,553
The Mosaic Co.	118,912	4,672,052
		229,807,185
Construction Materials – 0.1%		
Martin Marietta Materials, Inc.	20,028	8,822,735
Vulcan Materials Co.	42,610	8,844,984
		17,667,719
Containers & Packaging – 0.3%		
Amcor PLC	493,030	5,921,290
Avery Dennison Corp.	26,607	5,762,278
Ball Corp.	103,985	10,010,636
International Paper Co.	124,258	5,837,641
Packaging Corp. of America	30,461	4,147,265
Sealed Air Corp.	47,723	3,219,871
WestRock Co.	85,727	3,802,850
		38,701,831
Metals & Mining – 0.3%		
Freeport-McMoRan, Inc.	471,527	19,676,822
Newmont Corp.	256,061	15,880,903
Nucor Corp.	91,769	10,475,431
		46,033,156
TOTAL MATERIALS		332,209,891
REAL ESTATE – 2.8%		
Equity Real Estate Investment Trusts (REITs) – 2.7%		
Alexandria Real Estate Equities, Inc.	45,282	10,096,075
American Tower Corp.	146,232	42,772,860
AvalonBay Communities, Inc.	44,875	11,334,976
Boston Properties, Inc.	45,643	5,257,161
Crown Castle International Corp.	138,783	28,969,563
Digital Realty Trust, Inc.	91,128	16,117,809
Duke Realty Corp.	122,249	$ 8,024,424
Equinix, Inc.	28,913	24,455,772
Equity Residential (SBI)	109,589	9,917,805
Essex Property Trust, Inc.	20,890	7,358,085
Extra Space Storage, Inc.	42,997	9,748,710
Federal Realty Investment Trust	22,462	3,062,020
Healthpeak Properties, Inc.	172,946	6,241,621
Host Hotels & Resorts, Inc. (b)	229,246	3,986,588
Iron Mountain, Inc.	93,016	4,867,527
Kimco Realty Corp.	198,404	4,890,659
Mid-America Apartment Communities, Inc.	36,966	8,481,479
Prologis (REIT), Inc.	237,400	39,968,664
Public Storage	48,988	18,348,945
Realty Income Corp.	181,677	13,006,256
Regency Centers Corp.	49,600	3,737,360
SBA Communications Corp. Class A	34,930	13,588,469
Simon Property Group, Inc.	105,514	16,857,972
UDR, Inc.	93,208	5,591,548
Ventas, Inc.	128,075	6,547,194
Vornado Realty Trust	51,032	2,136,200
Welltower, Inc.	139,774	11,988,416
Weyerhaeuser Co.	240,514	9,904,367
		347,258,525
Real Estate Management & Development – 0.1%		
CBRE Group, Inc.	107,460	11,660,485
TOTAL REAL ESTATE		358,919,010
UTILITIES – 2.5%		
Electric Utilities – 1.6%		
Alliant Energy Corp.	80,384	4,941,204
American Electric Power Co., Inc.	161,734	14,389,474
Duke Energy Corp.	246,999	25,910,195
Edison International	121,985	8,325,476
Entergy Corp.	64,509	7,266,939
Evergy, Inc.	73,524	5,044,482
Eversource Energy	110,419	10,045,921
Exelon Corp.	314,155	18,145,593
FirstEnergy Corp.	174,806	7,270,182
NextEra Energy, Inc.	630,053	58,821,748
NRG Energy, Inc.	78,661	3,388,716
Pinnacle West Capital Corp.	36,237	2,557,970
PPL Corp.	241,007	7,244,670
Southern Co.	340,304	23,338,048
Xcel Energy, Inc.	173,007	11,712,574
		208,403,192
Gas Utilities – 0.0%		
Atmos Energy Corp.	42,624	4,465,716
Independent Power and Renewable Electricity Producers – 0.1%		
The AES Corp.	213,750	5,194,125
Multi-Utilities – 0.7%		
Ameren Corp.	82,676	7,358,991
CenterPoint Energy, Inc.	201,691	5,629,196
CMS Energy Corp.	93,019	6,050,886
Consolidated Edison, Inc.	113,593	9,691,755
Dominion Energy, Inc.	260,061	20,430,392

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
UTILITIES – continued		
Multi-Utilities – continued		
DTE Energy Co.	62,188	$ 7,433,954
NiSource, Inc.	126,053	3,480,323
Public Service Enterprise Group, Inc.	162,393	10,836,485
Sempra Energy	102,541	13,564,123
WEC Energy Group, Inc.	101,304	9,833,579
		94,309,684
Water Utilities – 0.1%		
American Water Works Co., Inc.	58,307	11,011,860
TOTAL UTILITIES		323,384,577
TOTAL COMMON STOCKS		
(Cost $3,725,075,571)		**12,958,413,663**

Money Market Funds – 1.7%

Fidelity Cash Central Fund 0.08% (c)	74,647,068	74,661,998
Fidelity Securities Lending Cash Central Fund 0.08% (c) (d)	138,606,630	138,620,491
TOTAL MONEY MARKET FUNDS		
(Cost $213,280,172)		**213,282,489**
TOTAL INVESTMENT IN SECURITIES – 101.1%		
(Cost $3,938,355,743)		**13,171,696,152**
NET OTHER ASSETS (LIABILITIES) – (1.1)%		**(137,408,893)**
NET ASSETS – 100%		**$13,034,287,259**

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Purchased					
Equity Index Contracts					
CME E-mini S&P 500 Index Contracts (United States)	356	March 2022	$84,701,300	$1,959,384	$ 1,959,384

The notional amount of futures purchased as a percentage of Net Assets is 0.6%

Legend

(a) Security or a portion of the security is on loan at period end.

(b) Non-income producing

(c) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(d) Investment made with cash collateral received from securities on loan.

See accompanying notes which are an integral part of the financial statements.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$ 72,153,345	$ 784,579,851	$ 782,071,545	$ 56,815	$347	$ —	$ 74,661,998	0.1%
Fidelity Securities Lending Cash Central Fund 0.08%	55,728,020	1,276,093,376	1,193,200,905	117,506	360	(360)	138,620,491	0.4%
Total	$127,881,365	$2,060,673,227	$1,975,272,450	$174,321	$707	$ (360)	$213,282,489	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equities:				
Communication Services	$ 1,316,214,197	$ 1,316,214,197	$ —	$ —
Consumer Discretionary	1,625,430,594	1,625,430,594	—	—
Consumer Staples	761,554,861	761,554,861	—	—
Energy	346,180,484	346,180,484	—	—
Financials	1,385,012,117	1,385,012,117	—	—
Health Care	1,721,584,467	1,721,584,467	—	—
Industrials	1,008,142,828	1,008,142,828	—	—
Information Technology	3,779,780,637	3,779,780,637	—	—
Materials	332,209,891	332,209,891	—	—
Real Estate	358,919,010	358,919,010	—	—
Utilities	323,384,577	323,384,577	—	—
Money Market Funds	213,282,489	213,282,489	—	—
Total Investments in Securities:	$13,171,696,152	$13,171,696,152	$ —	$ —
Derivative Instruments:				
Assets				
Futures Contracts	$ 1,959,384	$ 1,959,384	$ —	$ —
Total Assets	$ 1,959,384	$ 1,959,384	$ —	$ —
Total Derivative Instruments:	$ 1,959,384	$ 1,959,384	$ —	$ —

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts [a]	$1,959,384	$0
Total Equity Risk	1,959,384	0
Total Value of Derivatives	$1,959,384	$0

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value (including securities loaned of $134,983,809) — See accompanying schedule:		
Unaffiliated issuers (cost $3,725,075,571)	$ 12,958,413,663	
Fidelity Central Funds (cost $213,280,172)	213,282,489	
Total Investment in Securities (cost $3,938,355,743)		$ 13,171,696,152
Segregated cash with brokers for derivative instruments		4,013,500
Receivable for fund shares sold		1,723,511
Dividends receivable		7,800,295
Distributions receivable from Fidelity Central Funds		16,023
Other receivables		40,600
Total assets		13,185,290,081
Liabilities		
Payable for fund shares redeemed	$ 10,538,733	
Accrued management fee	481,009	
Distribution and service plan fees payable	532,503	
Payable for daily variation margin on futures contracts	240,802	
Other affiliated payables	587,900	
Other payables and accrued expenses	22,325	
Collateral on securities loaned	138,599,550	
Total liabilities		151,002,822
Net Assets		$ 13,034,287,259
Net Assets consist of:		
Paid in capital		$ 3,708,877,907
Total accumulated earnings (loss)		9,325,409,352
Net Assets		$ 13,034,287,259
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($10,323,306,991 ÷ 22,045,499 shares)		$ 468.27
Service Class:		
Net Asset Value, offering price and redemption price per share ($175,058,069 ÷ 375,389 shares)		$ 466.34
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($2,535,922,199 ÷ 5,489,662 shares)		$ 461.95

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends		$ 161,187,946
Interest		796
Income from Fidelity Central Funds (including $117,506 from security lending)		174,321
Total income		161,363,063
Expenses		
Management fee	$ 5,236,553	
Transfer agent fees	6,400,231	
Distribution and service plan fees	5,892,145	
Independent trustees' fees and expenses	39,448	
Legal	3,202	
Total expenses before reductions	17,571,579	
Expense reductions	(61)	
Total expenses after reductions		17,571,518
Net investment income (loss)		143,791,545
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	71,968,625	
Fidelity Central Funds	707	
Futures contracts	27,280,720	
Total net realized gain (loss)		99,250,052
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	2,654,923,204	
Fidelity Central Funds	(360)	
Futures contracts	173,525	
Total change in net unrealized appreciation (depreciation)		2,655,096,369
Net gain (loss)		2,754,346,421
Net increase (decrease) in net assets resulting from operations		$ 2,898,137,966

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 143,791,545	$ 144,294,391
Net realized gain (loss)	99,250,052	72,709,353
Change in net unrealized appreciation (depreciation)	2,655,096,369	1,242,113,335
Net increase (decrease) in net assets resulting from operations	2,898,137,966	1,459,117,079
Distributions to shareholders	(226,094,161)	(181,638,785)
Share transactions – net increase (decrease)	276,243,190	(466,996,900)
Total increase (decrease) in net assets	2,948,286,995	810,481,394
Net Assets		
Beginning of period	10,086,000,264	9,275,518,870
End of period	$ 13,034,287,259	$ 10,086,000,264

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Index 500 Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 371.59	$ 320.35	$ 252.46	$ 271.18	$ 227.46
Income from Investment Operations					
Net investment income (loss) [A]	5.42	5.43	5.54	5.09	4.71
Net realized and unrealized gain (loss)	99.69	52.57	72.46	(17.22)	44.36
Total from investment operations	105.11	58.00	78.00	(12.13)	49.07
Distributions from net investment income	(5.38)	(5.72)	(5.82)	(5.28) [B]	(4.57)
Distributions from net realized gain	(3.04)	(1.04)	(4.29)	(1.31) [B]	(.78)
Total distributions	(8.43) [C]	(6.76)	(10.11)	(6.59)	(5.35)
Net asset value, end of period	$ 468.27	$ 371.59	$ 320.35	$ 252.46	$ 271.18
Total Return [D,E]	28.58%	18.24%	31.35%	(4.49)%	21.71%
Ratios to Average Net Assets [F,G]					
Expenses before reductions	.10%	.10%	.10%	.10%	.10%
Expenses net of fee waivers, if any	.10%	.10%	.10%	.10%	.10%
Expenses net of all reductions	.10%	.10%	.10%	.10%	.10%
Net investment income (loss)	1.28%	1.70%	1.90%	1.82%	1.89%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 10,323,307	$ 7,930,738	$ 7,294,879	$ 5,719,086	$ 6,139,813
Portfolio turnover rate [H]	2%	8%	7%	5%	5%

A *Calculated based on average shares outstanding during the period.*

B *The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.*

C *Total distributions per share do not sum due to rounding.*

D *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

E *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

F *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

G *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

H *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Index 500 Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 370.12	$ 319.14	$ 251.57	$ 270.23	$ 226.70
Income from Investment Operations					
Net investment income (loss) [A]	4.97	5.09	5.23	4.79	4.44
Net realized and unrealized gain (loss)	99.27	52.34	72.18	(17.13)	44.21
Total from investment operations	104.24	57.43	77.41	(12.34)	48.65
Distributions from net investment income	(4.98)	(5.41)	(5.55)	(5.01)[B]	(4.34)
Distributions from net realized gain	(3.04)	(1.04)	(4.29)	(1.31)[B]	(.78)
Total distributions	(8.02)	(6.45)	(9.84)	(6.32)	(5.12)
Net asset value, end of period	$ 466.34	$ 370.12	$ 319.14	$ 251.57	$ 270.23
Total Return [C,D]	28.45%	18.13%	31.22%	(4.59)%	21.59%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.20%	.20%	.20%	.20%	.20%
Expenses net of fee waivers, if any	.20%	.20%	.20%	.20%	.20%
Expenses net of all reductions	.20%	.20%	.20%	.20%	.20%
Net investment income (loss)	1.18%	1.60%	1.80%	1.72%	1.79%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 175,058	$ 138,695	$ 117,666	$ 89,704	$ 92,965
Portfolio turnover rate [G]	2%	8%	7%	5%	5%

A *Calculated based on average shares outstanding during the period.*

B *The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

VIP Index 500 Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 366.73	$ 316.37	$ 249.51	$ 267.78	$ 224.72
Income from Investment Operations					
Net investment income (loss) [A]	4.30	4.61	4.77	4.34	4.04
Net realized and unrealized gain (loss)	98.34	51.78	71.54	(16.96)	43.79
Total from investment operations	102.64	56.39	76.31	(12.62)	47.83
Distributions from net investment income	(4.38)	(4.99)	(5.16)	(4.34)[B]	(3.99)
Distributions from net realized gain	(3.04)	(1.04)	(4.29)	(1.31)[B]	(.78)
Total distributions	(7.42)	(6.03)	(9.45)	(5.65)	(4.77)
Net asset value, end of period	$ 461.95	$ 366.73	$ 316.37	$ 249.51	$ 267.78
Total Return [C,D]	28.26%	17.95%	31.02%	(4.73)%	21.41%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.35%	.35%	.35%	.35%	.35%
Expenses net of fee waivers, if any	.35%	.35%	.35%	.35%	.35%
Expenses net of all reductions	.35%	.35%	.35%	.35%	.35%
Net investment income (loss)	1.03%	1.45%	1.65%	1.57%	1.64%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 2,535,922	$ 2,016,568	$ 1,862,974	$ 1,016,922	$ 1,502,688
Portfolio turnover rate [G]	2%	8%	7%	5%	5%

A *Calculated based on average shares outstanding during the period.*

B *The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Index 500 Portfolio (the Fund) is a fund of Variable Insurance Products Fund II (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares and Service Class 2 shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

Funds may invest in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the investing fund. These strategies are consistent with the investment objectives of the investing fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio[a]
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services – Investment Companies*. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2021 is included at the end of the Fund's Schedule of Investments.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of a fund include an amount in addition to trade execution, which may be rebated back to a fund. Any such rebates are included in net realized gain (loss) on investments in the Statement of Operations. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Interest income is accrued as earned and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Deferred Trustee Compensation. Under a Deferred Compensation Plan (the Plan) for certain Funds, certain independent Trustees have elected to defer receipt of a portion of their annual compensation. Deferred amounts are invested in affiliated mutual funds, are marked-to-market and remain in a fund until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting payable to the Trustees presented below are included in the accompanying Statement of Assets and Liabilities in other receivables and other payables and accrued expenses, as applicable.

VIP Index 500 Portfolio	$22,325

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2021, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to futures contracts, deferred Trustee compensation, certain deemed dividends and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	$9,347,685,521
Gross unrealized depreciation	(135,326,714)
Net unrealized appreciation (depreciation)	$9,212,358,807
Tax Cost	$3,959,337,345

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	$ 31,400,146
Undistributed long-term capital gain	$ 81,650,397
Net unrealized appreciation (depreciation) on securities and other investments	$9,212,358,807

The tax character of distributions paid was as follows:

	December 31, 2021	December 31, 2020
Ordinary Income	$170,527,925	$157,435,503
Long-term Capital Gains	55,566,236	24,203,281
Total	$226,094,161	$181,638,784

4. Derivative Instruments.

Risk Exposures and the Use of Derivative Instruments. The Fund's investment objective allows the Fund to enter into various types of derivative contracts, including futures contracts. Derivatives are investments whose value is primarily derived from underlying assets, indices or reference rates and may be transacted on an exchange or over-the-counter (OTC). Derivatives may involve a future commitment to buy or sell a specified asset based on specified terms, to exchange future cash flows at periodic intervals based on a notional principal amount, or for one party to make one or more payments upon the occurrence of specified events in exchange for periodic payments from the other party.

The Fund used derivatives to increase returns and to manage exposure to certain risks as defined below. The success of any strategy involving derivatives depends on analysis of numerous economic factors, and if the strategies for investment do not work as intended, the Fund may not achieve its objectives.

The Fund's use of derivatives increased or decreased its exposure to the following risk:

Equity Risk — Equity risk relates to the fluctuations in the value of financial instruments as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

The Fund is also exposed to additional risks from investing in derivatives, such as liquidity risk and counterparty credit risk. Liquidity risk is the risk that the Fund will be unable to close out the derivative in the open market in a timely manner. Counterparty credit risk is the risk that the counterparty will not be able to fulfill its obligation to the Fund. Counterparty credit risk related to exchange-traded futures contracts may be mitigated by the protection provided by the exchange on which they trade.

Investing in derivatives may involve greater risks than investing in the underlying assets directly and, to varying degrees, may involve risk of loss in excess of any initial investment and collateral received and amounts recognized in the Statement of Assets and Liabilities. In addition, there may be the risk that the change in value of the derivative contract does not correspond to the change in value of the underlying instrument.

Futures Contracts. A futures contract is an agreement between two parties to buy or sell a specified underlying instrument for a fixed price at a specified future date. The Fund used futures contracts to manage its exposure to the stock market.

Upon entering into a futures contract, a fund is required to deposit either cash or securities (initial margin) with a clearing broker in an amount equal to a certain percentage of the face value of the contract. Futures contracts are marked-to-market daily and subsequent daily payments (variation margin) are made or received by a fund depending on the daily fluctuations in the value of the futures contracts and are recorded as unrealized appreciation or (depreciation). This receivable and/or payable, if any, is included in daily variation margin on futures contracts in the Statement of Assets and Liabilities. Realized gain or (loss) is recorded upon the expiration or closing of a futures contract. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on futures contracts during the period is presented in the Statement of Operations.

Any open futures contracts at period end are presented in the Schedule of Investments under the caption "Futures Contracts". The notional amount at value reflects each contract's exposure to the underlying instrument or index at period end and is representative of volume of activity during the period. Cash deposited to meet initial margin requirements is presented as segregated cash with brokers for derivative instruments in the Statement of Assets and Liabilities.

5. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases ($)	Sales ($)
VIP Index 500 Portfolio	520,371,955	282,085,004

6. Fees and Other Transactions with Affiliates.

Management Fee and Expense Contract. Fidelity Management & Research Company LLC (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is based on an annual rate of .045% of the Fund's average net assets. Under the management contract, the investment adviser pays all other fund-level expenses, except the compensation of the independent Trustees and certain other expenses such as interest expense. In addition, under an expense contract, the investment adviser pays class-level expenses as necessary so that total expenses do not exceed an annual rate of .10% of each class' average net assets, excluding the distribution and service fee for each applicable class, with certain exceptions.

Sub-Adviser. Geode Capital Management, LLC (Geode), serves as sub-adviser for the Fund. Geode provides discretionary investment advisory services to the Fund and is paid by the investment adviser for providing these services.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Company LLC (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	$ 156,782
Service Class 2	5,735,363
	$5,892,145

Transfer Agent Fees. Fidelity Investments Institutional Operations Company LLC (FIIOC), an affiliate of the investment adviser, is the transfer, dividend disbursing, and shareholder servicing agent for each class. FIIOC receives asset-based fees based on each class's average net assets for transfer agent services, typesetting, and printing and mailing of shareholder reports, excluding mailing of proxy statements, equal to an annual rate of .06% of average net assets. Under the expense contract, each class pays a portion of the transfer agent fees equal to an annual rate of .055% of class-level average net assets. For the period, transfer agent fees for each class were as follows:

Initial Class	$5,052,221
Service Class	86,230
Service Class 2	1,261,780
	$6,400,231

Interfund Trades. Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. During the period there were no interfund trades.

7. Committed Line of Credit.

Certain Funds participate with other funds managed by the investment adviser or an affiliate in a $4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The commitment fees on the pro-rata portion of the line of credit are borne by the investment adviser. During the period, there were no borrowings on this line of credit.

8. Security Lending.

Funds lend portfolio securities from time to time in order to earn additional income. Lending agents are used, including National Financial Services (NFS), an affiliate of the investment adviser. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of a fund's daily lending revenue, for its services as lending agent. A fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, a fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of a fund and any additional required collateral is delivered to a fund on the next business day. A fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, a fund may apply collateral received from the borrower against the obligation. A fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. Any loaned securities are identified as such in the Schedule of Investments, and the value of loaned securities and cash collateral at period end, as applicable, are presented in the Statement of Assets and Liabilities. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Affiliated security lending activity, if any, was as follows:

	Total Security Lending Fees Paid to NFS	Security Lending Income From Securities Loaned to NFS	Value of Securities Loaned to NFS at Period End
VIP Index 500 Portfolio	$12,283	$3	$–

9. Expense Reductions.

Through arrangements with the Fund's custodian, credits realized as a result of certain uninvested cash balances were used to reduce the Fund's expenses. During the period, custodian credits reduced the Fund's expenses by $61.

10. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Index 500 Portfolio		
Distributions to shareholders		
Initial Class	$182,479,752	$145,636,522
Service Class	2,994,448	2,382,180
Service Class 2	40,619,961	33,620,083
Total	$226,094,161	$181,638,785

11. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Index 500 Portfolio				
Initial Class				
Shares sold	2,745,150	3,059,684	$ 1,148,896,729	$ 932,410,160
Reinvestment of distributions	436,935	415,674	182,479,752	145,636,521
Shares redeemed	(2,479,063)	(4,904,628)	(1,048,210,036)	(1,523,166,500)
Net increase (decrease)	703,022	(1,429,270)	$ 283,166,445	$ (445,119,819)
Service Class				
Shares sold	23,523	34,884	$ 9,835,903	$ 10,894,556
Reinvestment of distributions	7,222	6,820	2,994,448	2,382,180
Shares redeemed	(30,087)	(35,666)	(12,494,804)	(11,130,854)
Net increase (decrease)	658	6,038	$ 335,547	$ 2,145,882
Service Class 2				
Shares sold	417,151	1,893,648	$ 170,508,643	$ 579,777,299
Reinvestment of distributions	99,223	97,397	40,619,961	33,620,083
Shares redeemed	(525,457)	(2,380,870)	(218,387,406)	(637,420,345)
Net increase (decrease)	(9,083)	(389,825)	$ (7,258,802)	$ (24,022,963)

12. Other.

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

At the end of the period, the investment adviser or its affiliates were owners of record of more than 10% of the outstanding shares as follows:

Fund	Affiliated %
VIP: Index 500 Portfolio	41%

13. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Fund's performance.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund II and Shareholders of VIP Index 500 Portfolio

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of VIP Index 500 Portfolio (the "Fund"), a fund of Variable Insurance Products Fund II, including the schedule of investments, as of December 31, 2021, the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. 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, 2021, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

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 the Fund's 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. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

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. 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP
Boston, Massachusetts
February 15, 2022

We have served as the auditor of one or more of the Fidelity investment companies since 1999.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Each of the Trustees oversees 314 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. Robert A. Lawrence is an interested person and currently serves as Acting Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. David M. Thomas serves as Lead Independent Trustee and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's high income and certain equity funds, and other Boards oversee Fidelity's investment-grade bond, money market, asset allocation, and other equity funds. The asset allocation funds may invest in Fidelity® funds overseen by the fund's Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations, Audit, and Compliance Committees. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Bettina Doulton (1964)

Year of Election or Appointment: 2020
Trustee

Ms. Doulton also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Doulton served in a variety of positions at Fidelity Investments, including as a managing director of research (2006-2007), portfolio manager to certain Fidelity® funds (1993-2005), equity analyst and portfolio assistant (1990-1993), and research assistant (1987-1990). Ms. Doulton currently owns and operates Phi Builders + Architects and Cellardoor Winery. Previously, Ms. Doulton served as a member of the Board of Brown Capital Management, LLC (2014-2018).

Robert A. Lawrence (1952)

Year of Election or Appointment: 2020
Trustee
Acting Chairman of the Board of Trustees

Mr. Lawrence also serves as Trustee of other funds. Previously, Mr. Lawrence served as a Member of the Advisory Board of certain funds. Prior to his retirement in 2008, Mr. Lawrence served as Vice President of certain Fidelity® funds (2006-2008), Senior Vice President, Head of High Income Division of Fidelity Management & Research Company (investment adviser firm, 2006-2008), and President of Fidelity Strategic Investments (investment adviser firm, 2002-2005).

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Thomas P. Bostick (1956)

Year of Election or Appointment: 2021
Trustee

Lieutenant General Bostick also serves as Trustee of other Fidelity® funds. Prior to his retirement, General Bostick (United States Army, Retired) held a variety of positions within the U.S. Army, including Commanding General and Chief of Engineers, U.S. Army Corps of Engineers (2012-2016) and Deputy Chief of Staff and Director of Human Resources, U.S. Army (2009-2012). General Bostick currently serves as a member of the Board and Finance and Governance Committees of CSX Corporation (transportation, 2020-present) and a member of the Board and Corporate Governance and Nominating Committee of Perma-Fix Environmental Services, Inc. (nuclear waste management, 2020-present). General Bostick serves as Chief Executive Officer of Bostick Global Strategies, LLC (consulting, 2016-present) and Managing Partner, Sustainability, of Ridge-Lane Limited Partners (strategic advisory and venture development, 2016-present). Previously, General Bostick served as a Member of the Advisory Board of certain Fidelity® funds (2021), President, Intrexon Bioengineering (2018-2020) and Chief Operating Officer (2017-2020) and Senior Vice President of the Environment Sector (2016-2017) of Intrexon Corporation (biopharmaceutical company).

Dennis J. Dirks (1948)

Year of Election or Appointment: 2005
Trustee

Mr. Dirks also serves as Trustee of other Fidelity® funds. Prior to his retirement in May 2003, Mr. Dirks served as Chief Operating Officer and as a member of the Board of The Depository Trust & Clearing Corporation (financial markets infrastructure), President, Chief Operating Officer and a member of the Board of The Depository Trust Company (DTC), President and a member of the Board of the National Securities Clearing Corporation (NSCC), Chief Executive Officer and a member of the Board of the Government Securities Clearing Corporation and Chief Executive Officer and a member of the Board of the Mortgage-Backed Securities Clearing Corporation. Mr. Dirks currently serves as a member of the Finance Committee (2016-present) and Board (2017-present) and is Treasurer (2018-present) of the Asolo Repertory Theatre.

Donald F. Donahue (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Donahue also serves as Trustee of other Fidelity® funds. Mr. Donahue serves as President and Chief Executive Officer of Miranda Partners, LLC (risk consulting for the financial services industry, 2012-present). Previously, Mr. Donahue served as Chief Executive Officer (2006-2012), Chief Operating Officer (2003-2006) and Managing Director, Customer Marketing and Development (1999-2003) of The Depository Trust & Clearing Corporation (financial markets infrastructure). Mr. Donahue currently serves as a member (2007-present) and Co-Chairman (2016-present) of the Board of United Way of New York and a member of the Board of NYC Leadership Academy (2012-present). Mr. Donahue previously served as a member of the Advisory Board of certain Fidelity® funds (2015-2018).

Vicki L. Fuller (1957)

Year of Election or Appointment: 2020
Trustee

Ms. Fuller also serves as Trustee of other Fidelity® funds. Previously, Ms. Fuller served as a member of the Advisory Board of certain Fidelity® funds (2018-2020), Chief Investment Officer of the New York State Common Retirement Fund (2012-2018) and held a variety of positions at AllianceBernstein L.P. (global asset management, 1985-2012), including Managing Director (2006-2012) and Senior Vice President and Senior Portfolio Manager (2001-2006). Ms. Fuller currently serves as a member of the Board, Audit Committee and Nominating and Governance Committee of The Williams Companies, Inc. (natural gas infrastructure, 2018-present), as a member of the Board, Audit Committee and Nominating and Governance Committee of two Blackstone business development companies (2020-present) and as a member of the Board of Treliant, LLC (consulting, 2019-present).

Patricia L. Kampling (1959)

Year of Election or Appointment: 2020
Trustee

Ms. Kampling also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Kampling served as Chairman of the Board and Chief Executive Officer (2012-2019), President and Chief Operating Officer (2011-2012) and Executive Vice President and Chief Financial Officer (2010-2011) of Alliant Energy Corporation. Ms. Kampling currently serves as a member of the Board, Finance Committee and Governance, Compensation and Nominating Committee of Xcel Energy Inc. (utilities company, 2020-present) and as a member of the Board, Audit, Finance and Risk Committee and Safety, Environmental, Technology and Operations Committee of American Water Works Company, Inc. (utilities company, 2019-present). In addition, Ms. Kampling currently serves as a member of the Board of the Nature Conservancy, Wisconsin Chapter (2019-present). Previously, Ms. Kampling served as a Member of the Advisory Board of certain Fidelity® funds (2020), a member of the Board, Compensation Committee and Executive Committee and Chair of the Audit Committee of Briggs & Stratton Corporation (manufacturing, 2011-2021), a member of the Board of Interstate Power and Light Company (2012-2019) and Wisconsin Power and Light Company (2012-2019) (each a subsidiary of Alliant Energy Corporation) and as a member of the Board and Workforce Development Committee of the Business Roundtable (2018-2019).

Thomas A. Kennedy (1955)

Year of Election or Appointment: 2021
Trustee

Mr. Kennedy also serves as Trustee of other Fidelity® funds. Previously, Mr. Kennedy served as a Member of the Advisory Board of certain Fidelity® funds (2020) and held a variety of positions at Raytheon Company (aerospace and defense, 1983-2020), including Chairman and Chief Executive Officer (2014-2020) and Executive Vice President and Chief Operating Officer (2013-2014). Mr. Kennedy currently serves as Executive Chairman of the Board of Directors of Raytheon Technologies Corporation (aerospace and defense, 2020-present). He is also a member of the Rutgers School of Engineering Industry Advisory Board (2011-present) and a member of the UCLA Engineering Dean's Executive Board (2016-present).

Oscar Munoz (1959)

Year of Election or Appointment: 2021
Trustee

Mr. Munoz also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Munoz served as Executive Chairman (2020-2021), Chief Executive Officer (2015-2020), President (2015-2016) and a member of the Board (2010-2021) of United Airlines Holdings, Inc. Mr. Munoz currently serves as a member of the Board of CBRE Group, Inc. (commercial real estate, 2020-present), a member of the Board of Univision Communications, Inc. (Hispanic media, 2020-present) and a member of the Advisory Board of Salesforce.com, Inc. (cloud-based software, 2020-present). Previously, Mr. Munoz served as a Member of the Advisory Board of certain Fidelity® funds (2021).

Garnett A. Smith (1947)

Year of Election or Appointment: 2018
Trustee

Mr. Smith also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Smith served as Chairman and Chief Executive Officer (1990-1997) and President (1986-1990) of Inbrand Corp. (manufacturer of personal absorbent products). Prior to his employment with Inbrand Corp., he was employed by a retail fabric chain and North Carolina National Bank (now Bank of America). Mr. Smith previously served as a member of the Advisory Board of certain Fidelity® funds (2012-2013).

David M. Thomas (1949)

Year of Election or Appointment: 2008
Trustee
Lead Independent Trustee

Mr. Thomas also serves as Trustee of other Fidelity® funds. Previously, Mr. Thomas served as Executive Chairman (2005-2006) and Chairman and Chief Executive Officer (2000-2005) of IMS Health, Inc. (pharmaceutical and healthcare information solutions). Mr. Thomas currently serves as a member of the Board of Fortune Brands Home and Security (home and security products, 2004-present) and Presiding Director (2013-present) of Interpublic Group of Companies, Inc. (marketing communication).

Susan Tomasky (1953)

Year of Election or Appointment: 2020
Trustee

Ms. Tomasky also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Tomasky served in various executive officer positions at American Electric Power Company, Inc. (1998-2011), including most recently as President of AEP Transmission (2007-2011). Ms. Tomasky currently serves as a member of the Board and Sustainability Committee and as Chair of the Audit Committee of Marathon Petroleum Corporation (2018-present) and as a member of the Board, Corporate Governance Committee and Organization and Compensation Committee and as Chair of the Audit Committee of Public Service Enterprise Group, Inc. (utilities company, 2012-present). In addition, Ms. Tomasky currently serves as a member (2009-present) and President (2020-present) of the Board of the Royal Shakespeare Company – America (2009-present), as a member of the Board of the Columbus Association for the Performing Arts (2011-present) and as a member of the Board and Investment Committee of Kenyon College (2016-present). Previously, Ms. Tomasky served as a Member of the Advisory Board of certain Fidelity® funds (2020), as a member of the Board of the Columbus Regional Airport Authority (2007-2020), as a member of the Board (2011-2018) and Lead Independent Director (2015-2018) of Andeavor Corporation (previously Tesoro Corporation) (independent oil refiner and marketer) and as a member of the Board of Summit Midstream Partners LP (energy, 2012-2018).

Michael E. Wiley (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Wiley also serves as Trustee of other Fidelity® funds. Previously, Mr. Wiley served as a member of the Advisory Board of certain Fidelity® funds (2018-2020), Chairman, President and CEO of Baker Hughes, Inc. (oilfield services, 2000-2004). Mr. Wiley also previously served as a member of the Board of Andeavor Corporation (independent oil refiner and marketer, 2005-2018), a member of the Board of Andeavor Logistics LP (natural resources logistics, 2015-2018) and a member of the Board of High Point Resources (exploration and production, 2005-2020).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for a Member of the Advisory Board (if any) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235. Correspondence intended for an officer or Peter S. Lynch may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Peter S. Lynch (1944)

Year of Election or Appointment: 2003
Member of the Advisory Board

Mr. Lynch also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Lynch is Vice Chairman and a Director of Fidelity Management & Research Company LLC (investment adviser firm). In addition, Mr. Lynch serves as a Trustee of Boston College and as the Chairman of the Inner-City Scholarship Fund. Previously, Mr. Lynch served as Vice Chairman and a Director of FMR Co., Inc. (investment adviser firm) and on the Special Olympics International Board of Directors (1997-2006).

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

William C. Coffey (1969)

Year of Election or Appointment: 2019
Assistant Secretary

Mr. Coffey also serves as Assistant Secretary of other funds. He is Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2010-present), and is an employee of Fidelity Investments. Previously, Mr. Coffey served as Secretary and CLO of certain funds (2018-2019); CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2018-2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2018-2019); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2018-2019); and Assistant Secretary of certain funds (2009-2018).

Timothy M. Cohen (1969)

Year of Election or Appointment: 2018
Vice President

Mr. Cohen also serves as Vice President of other funds. Mr. Cohen serves as Co-Head of Equity (2018-present), a Director of Fidelity Management & Research (Japan) Limited (investment adviser firm, 2016-present), and is an employee of Fidelity Investments. Previously, Mr. Cohen served as Executive Vice President of Fidelity SelectCo, LLC (2019), Head of Global Equity Research (2016-2018), Chief Investment Officer – Equity and a Director of Fidelity Management & Research (U.K.) Inc. (investment adviser firm, 2013-2015) and as a Director of Fidelity Management & Research (Hong Kong) Limited (investment adviser firm, 2017).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
Assistant Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2020
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Pamela R. Holding (1964)

Year of Election or Appointment: 2018
Vice President

Ms. Holding also serves as Vice President of other funds. Ms. Holding serves as Co-Head of Equity (2018-present) and is an employee of Fidelity Investments (2013-present). Previously, Ms. Holding served as Executive Vice President of Fidelity SelectCo, LLC (2019) and as Chief Investment Officer of Fidelity Institutional Asset Management (2013-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Chris Maher (1972)

Year of Election or Appointment: 2020
Deputy Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Jason P. Pogorelec (1975)

Year of Election or Appointment: 2020
Chief Compliance Officer

Mr. Pogorelec also serves as Chief Compliance Officer of other funds. Mr. Pogorelec is a senior Vice President of Asset Management Compliance for Fidelity Investments and is an employee of Fidelity Investments (2006-present). Previously, Mr. Pogorelec served as Vice President, Associate General Counsel for Fidelity Investments (2010-2020) and Assistant Secretary of certain Fidelity funds (2015-2020).

Brett Segaloff (1972)

Year of Election or Appointment: 2021
Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2016
President and Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Jim Wegmann (1979)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in a fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year 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 with the 5% hypothetical examples that appear in the shareholder reports of the other funds. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
VIP Index 500 Portfolio				
Initial Class	.10%			
Actual		$1,000.00	$1,116.10	$.53
Hypothetical-[C]		$1,000.00	$1,024.70	$.51
Service Class	.20%			
Actual		$1,000.00	$1,115.60	$1.07
Hypothetical-[C]		$1,000.00	$1,024.20	$1.02
Service Class 2	.35%			
Actual		$1,000.00	$1,114.70	$1.87
Hypothetical-[C]		$1,000.00	$1,023.44	$1.79

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/ 365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.*

[C] *5% return per year before expenses*

Distributions (Unaudited)

The Board of Trustees of VIP Index 500 Portfolio voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities, and dividends derived from net investment income:

	Pay Date	Record Date	Dividends	Capital Gains
VIP Index 500 Portfolio				
Initial Class	02/04/22	02/04/22	$1.018	$3.092
Service Class	02/04/22	02/04/22	$0.946	$3.092
Service Class 2	02/04/22	02/04/22	$0.835	$3.092

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2021, $81,676,611, or, if subsequently determined to be different, the net capital gain of such year.

Initial Class designates 63% and 100%; Service Class designates 66% and 100%; and Service Class 2 designates 70% and 100%; of the dividends distributed in February and December, respectively, during the fiscal year as qualifying for the dividends–received deduction for corporate shareholders.

Board Approval of Investment Advisory Contracts

VIP Index 500 Portfolio

At its July 2021 meeting, the Board of Trustees, including a majority of the Independent Trustees (together, the Board), voted to approve an amended and restated sub-advisory agreement with Geode Capital Management, LLC (Geode) for the fund (the Amended Contract) to decrease the sub-advisory fee rate paid by Fidelity Management & Research Company LLC (FMR), the fund's investment adviser, to Geode on behalf of the fund by 0.05 basis points, effective August 1, 2021. The Board, assisted by the advice of fund counsel and Independent Trustees' counsel, considered a broad range of information.

Nature, Extent, and Quality of Services Provided. The Board previously received and considered materials relating to the nature, extent and quality of services provided by FMR and Geode to the fund, including the resources dedicated to investment management and support services, shareholder and administrative services, the benefits to shareholders of investment in a large fund family and the investment performance of the fund in connection with the annual renewal of the fund's current management contract and sub-advisory agreement (Advisory Contracts). At its May 2021 meeting, the Board concluded that the nature, extent and quality of the services provided to the fund under the existing Advisory Contracts should continue to benefit the fund's shareholders. The Board noted that approval of the Amended Contract would not change the fund's portfolio manager, the investment processes, the level or nature of services provided, the resources and personnel allocated or trading and compliance operations. The Board concluded that the nature, extent, and quality of services to be provided to the fund under the Amended Contract should continue to benefit the fund's shareholders.

Competitiveness of Management Fee and Total Expense Ratio. The Board noted that the Amended Contract would result in no change in the fund's management fee and total expense ratio and considered that it received and reviewed information regarding the fund's current management fee and total expense ratio compared to "mapped groups" of competitive funds and classes in connection with the annual renewal of the Advisory Contracts. Based on its review, the Board concluded at its May 2021 and July 2021 meetings that the fund's management fee is fair and reasonable in light of the services that the fund receives and the other factors considered and that the fund's total expense ratio was reasonable in light of the services that the fund and its shareholders receive and the other factors considered.

Costs of the Services and Profitability. The Board previously reviewed information regarding the revenues earned and the expenses incurred by Fidelity in providing services to the fund and the level of Fidelity's profitability. At its May 2021 meeting, the Board concluded that it was satisfied that Fidelity's profitability in connection with the operation of the fund was not excessive. At the July 2021 meeting, the Board concluded that the Amended Contract would not have a meaningful effect on Fidelity's profitability.

Economies of Scale. The Board has previously received and reviewed information regarding whether there have been economies of scale in respect of the management of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is potential for realization of any further economies of scale and that it concluded, at its May 2021 meeting, that economies of scale, if any, are being appropriately shared between fund shareholders and Fidelity. At the July 2021 meeting, the Board concluded that the Amended Contract would not have a meaningful effect on any potential economies of scale.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board concluded that the sub-advisory fee arrangement is fair and reasonable, and that the fund's Amended Contract should be approved.



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Fidelity® Variable Insurance Products:

Mid Cap Portfolio

Annual Report
December 31, 2021



Fidelity INVESTMENTS

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

Fidelity® Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.institutional.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Fund nor Fidelity Distributors Corporation is a bank.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and – given the wide variability in outcomes regarding the outbreak – significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action – in concert with the U.S. Federal Reserve and central banks around the world – to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

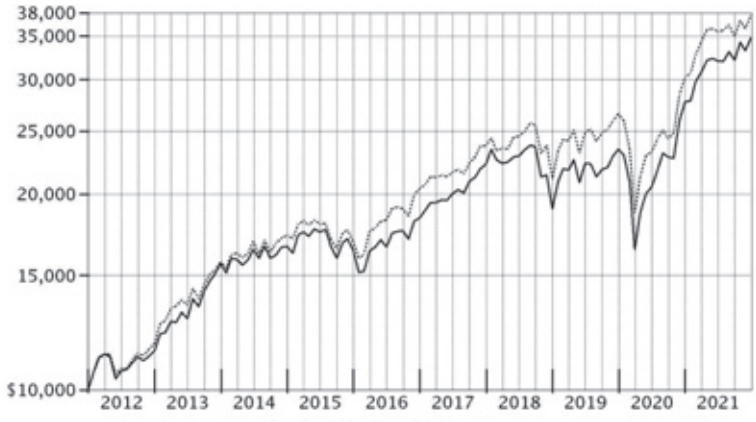
Average Annual Total Returns

For the periods ended December 31, 2021	Past 1 year	Past 5 years	Past 10 years
Initial Class	25.60%	13.60%	13.29%
Service Class	25.51%	13.49%	13.17%
Service Class 2	25.31%	13.32%	13.00%
Investor Class	25.54%	13.52%	13.20%

$10,000 Over 10 Years

Let's say hypothetically that $10,000 was invested in VIP Mid Cap Portfolio – Initial Class on December 31, 2011.

The chart shows how the value of your investment would have changed, and also shows how the S&P MidCap 400® Index performed over the same period.



Period Ending Values

$34,817 VIP Mid Cap Portfolio – Initial Class

$37,738 S&P MidCap 400® Index

Management's Discussion of Fund Performance

Market Recap: The S&P 500® index gained 28.71% in 2021, with U.S. equities rising on improving economic growth, strong corporate earnings, widespread COVID-19 vaccination, and accommodative fiscal and monetary stimulus. In the first quarter, the index gained 6.17%. Investors were buoyed by the rollout of vaccines, the U.S. Federal Reserve's pledge to hold short-term interest rates near zero until the economy recovered, and the federal government's deployment of trillions of dollars to boost the economy. A flattish May reflected concerns about inflation and jobs, but the rally resumed through August amid strong earnings. In early September, the index returned -4.65% as sentiment turned broadly negative due to a host of factors. These included inflationary pressure from surging commodity prices, rising bond yields, supply constraints and disruption, and the fast-spreading delta variant of the coronavirus. The Fed also signaled it could soon begin to taper the bond purchases it has made since the onset of the pandemic. The index sharply reversed course with a 7.01% gain in October, driven by strength in earnings. Then in November, the index stalled again, returning -0.69% amid the emergence of a new, more-highly transmissible variant, omicron, and rising inflation, which breached a 40-year high. The index advanced 4.48% in December, after studies suggested omicron resulted in fewer severe COVID-19 cases. All sectors had a double-digit return, led by energy (+55%) and real estate (+46%), whereas utilities (+18%) notably lagged.

Comments from Co-Managers Thomas Allen and Daniel Sherwood: For the year ending December 31, 2021, the fund's share classes gained about 25% to 26%, slightly ahead of the 24.76% result of the benchmark S&P MidCap 400® Index. Versus the benchmark, security selection was the primary contributor, led by the information technology sector, particularly among semiconductors & semiconductor equipment companies. Investment choices and an underweighting in the health care sector, especially within the health care equipment & services industry, further boosted the portfolio's relative result. Picks in consumer staples also helped this past year. Our biggest individual relative contributor was an overweighting in Builders FirstSource, which gained about 110% in 2021 and was among the fund's largest holdings. Another key performer was our out-of-benchmark position in onsemi, formerly ON Semiconductor (+107%). Outsized exposure to Signature Bank (+141%), one of our biggest holdings at the end of the year, also added value. In contrast, the biggest detractor from performance versus the benchmark was security selection in energy. Weak picks among consumer discretionary stocks, especially within the consumer services industry, hampered the portfolio's relative result as well. Further weighing on performance this period was an underweighting in real estate. The fund's largest individual relative detractor was a larger-than-benchmark position in Sunrun, which returned -51% the past year. Our non-benchmark stake in Activision Blizzard returned roughly -28% and also detracted on a relative basis. We decreased exposure to the company. The portfolio's out-of-benchmark allocation in the shares of Zimmer Biomet (-17%) also hurt this period. Notable changes in positioning include increases in the industrials and financials sectors.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Investment Summary (Unaudited)

Top Ten Stocks as of December 31, 2021

	% of fund's net assets
Builders FirstSource, Inc.	1.7
Molina Healthcare, Inc.	1.6
ITT, Inc.	1.6
Deckers Outdoor Corp.	1.4
Williams-Sonoma, Inc.	1.4
BJ's Wholesale Club Holdings, Inc.	1.3
Signature Bank	1.2
Churchill Downs, Inc.	1.2
NextEra Energy Partners LP	1.2
onsemi	1.1
	13.7

Top Five Market Sectors as of December 31, 2021

	% of fund's net assets
Industrials	19.6
Financials	14.9
Consumer Discretionary	14.8
Information Technology	13.0
Health Care	9.5

Asset Allocation (% of fund's net assets)

As of December 31, 2021*

■ Stocks	98.9%
□ Short-Term Investments and Net Other Assets (Liabilities)	1.1%



* *Foreign investments – 10.7%*

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Common Stocks – 98.9%

	Shares	Value
COMMUNICATION SERVICES – 1.8%		
Entertainment – 0.8%		
Activision Blizzard, Inc.	512,158	$ 34,073,872
Live Nation Entertainment, Inc. (a)	237,594	28,437,626
		62,511,498
Interactive Media & Services – 0.2%		
IAC (a)	149,475	19,537,877
Media – 0.8%		
Interpublic Group of Companies, Inc.	1,822,442	68,250,453
TOTAL COMMUNICATION SERVICES		150,299,828
CONSUMER DISCRETIONARY – 14.8%		
Auto Components – 0.3%		
Adient PLC (a)	467,046	22,362,162
Diversified Consumer Services – 0.4%		
Grand Canyon Education, Inc. (a)	415,580	35,619,362
Hotels, Restaurants & Leisure – 4.1%		
ARAMARK Holdings Corp. (b)	955,058	35,193,887
Caesars Entertainment, Inc. (a)	698,206	65,303,207
Churchill Downs, Inc.	401,852	96,806,147
Hilton Grand Vacations, Inc. (a)	969,538	50,522,625
Jubilant Foodworks Ltd.	150,140	7,238,511
Noodles & Co. (a) (c)	2,926,551	26,543,818
Planet Fitness, Inc. (a)	295,371	26,754,705
Vail Resorts, Inc.	88,747	29,100,141
		337,463,041
Household Durables – 2.5%		
KB Home	612,518	27,397,930
Lovesac (a)	205,753	13,633,194
Meritage Homes Corp. (a)	186,204	22,728,060
NVR, Inc. (a)	5,658	33,432,386
Taylor Morrison Home Corp. (a)	2,007,512	70,182,620
Toll Brothers, Inc.	492,511	35,652,871
		203,027,061
Internet & Direct Marketing Retail – 0.4%		
Global-e Online Ltd. (a)	137,745	8,731,656
Revolve Group, Inc. (a)	352,181	19,736,223
thredUP, Inc. (a)	156,448	1,996,276
		30,464,155
Leisure Products – 0.6%		
YETI Holdings, Inc. (a)	587,220	48,639,433
Specialty Retail – 4.2%		
Academy Sports & Outdoors, Inc. (a)	951,730	41,780,947
America's Car Mart, Inc. (a)	101,049	10,347,418
American Eagle Outfitters, Inc. (b)	1,472,985	37,295,980
Burlington Stores, Inc. (a)	73,900	21,542,589
Dick's Sporting Goods, Inc. (b)	465,736	53,554,983
Five Below, Inc. (a)	362,246	74,945,075
Williams-Sonoma, Inc. (b)	661,023	111,798,820
		351,265,812
Textiles, Apparel & Luxury Goods – 2.3%		
Capri Holdings Ltd. (a)	778,560	50,536,330
Deckers Outdoor Corp. (a)	308,039	$ 112,837,766
PVH Corp.	229,561	24,482,681
		187,856,777
TOTAL CONSUMER DISCRETIONARY		1,216,697,803
CONSUMER STAPLES – 4.3%		
Beverages – 0.6%		
Boston Beer Co., Inc. Class A (a) (b)	93,300	47,125,830
Food & Staples Retailing – 2.1%		
BJ's Wholesale Club Holdings, Inc. (a)	1,631,099	109,234,700
Grocery Outlet Holding Corp. (a)	355,200	10,045,056
U.S. Foods Holding Corp. (a)	1,585,540	55,224,358
		174,504,114
Food Products – 0.9%		
Nomad Foods Ltd. (a)	2,918,001	74,088,045
Household Products – 0.7%		
Spectrum Brands Holdings, Inc.	590,131	60,028,125
TOTAL CONSUMER STAPLES		355,746,114
ENERGY – 2.9%		
Energy Equipment & Services – 0.4%		
Baker Hughes Co. Class A	1,197,048	28,800,975
Oil, Gas & Consumable Fuels – 2.5%		
Antero Resources Corp. (a)	1,344,725	23,532,688
Cheniere Energy, Inc.	439,670	44,591,331
Genesis Energy LP	880,400	9,429,084
Hess Corp.	427,088	31,617,325
Magnolia Oil & Gas Corp. Class A	2,409,231	45,462,189
New Fortress Energy, Inc. (b)	484,362	11,692,499
Range Resources Corp. (a)	2,362,168	42,117,455
		208,442,571
TOTAL ENERGY		237,243,546
FINANCIALS – 14.9%		
Banks – 6.9%		
Bancorp, Inc., Delaware (a)	1,153,322	29,190,580
Comerica, Inc.	327,599	28,501,113
East West Bancorp, Inc.	728,917	57,351,190
First Horizon National Corp.	3,410,685	55,696,486
First Republic Bank	134,427	27,760,520
Huntington Bancshares, Inc.	3,143,610	48,474,466
KeyCorp	1,676,320	38,773,282
M&T Bank Corp.	224,194	34,431,715
Meta Financial Group, Inc.	640,902	38,236,213
Popular, Inc.	301,227	24,712,663
Signature Bank	301,330	97,471,215
Wintrust Financial Corp.	969,441	88,044,632
		568,644,075
Capital Markets – 2.6%		
Ameriprise Financial, Inc.	264,027	79,646,385
Northern Trust Corp.	355,955	42,575,778
Raymond James Financial, Inc.	719,597	72,247,539
TMX Group Ltd.	204,300	20,713,447
		215,183,149

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
FINANCIALS – continued		
Consumer Finance – 0.4%		
Synchrony Financial	788,560	$ 36,581,298
Diversified Financial Services – 0.6%		
Equitable Holdings, Inc.	1,486,244	48,733,941
Insurance – 3.9%		
American Financial Group, Inc.	342,213	46,992,689
Assurant, Inc.	256,027	39,904,368
Hartford Financial Services Group, Inc.	620,722	42,854,647
Hiscox Ltd.	1,364,717	16,027,334
Old Republic International Corp.	1,726,310	42,432,700
Primerica, Inc.	549,147	84,167,761
Reinsurance Group of America, Inc.	420,378	46,027,187
		318,406,686
Thrifts & Mortgage Finance – 0.5%		
Essent Group Ltd.	966,004	43,982,162
TOTAL FINANCIALS		1,231,531,311
HEALTH CARE – 9.5%		
Biotechnology – 0.9%		
Argenx SE ADR (a)	32,852	11,504,442
Exelixis, Inc. (a)	1,542,860	28,203,481
Neurocrine Biosciences, Inc. (a)	381,602	32,501,042
		72,208,965
Health Care Equipment & Supplies – 2.7%		
Boston Scientific Corp. (a)	777,143	33,013,035
Envista Holdings Corp. (a)	698,966	31,495,408
Hologic, Inc. (a)	285,772	21,878,704
ResMed, Inc.	107,085	27,893,501
Tandem Diabetes Care, Inc. (a)	237,013	35,675,197
The Cooper Companies, Inc.	76,439	32,023,355
Zimmer Biomet Holdings, Inc.	309,032	39,259,425
		221,238,625
Health Care Providers & Services – 2.8%		
Centene Corp. (a)	429,507	35,391,377
Guardant Health, Inc. (a)	101,800	10,182,036
Molina Healthcare, Inc. (a)	415,668	132,215,677
Option Care Health, Inc. (a)	1,976,820	56,220,761
		234,009,851
Life Sciences Tools & Services – 2.6%		
10X Genomics, Inc. (a)	57,486	8,563,115
Avantor, Inc. (a)	1,264,141	53,270,902
Bio-Rad Laboratories, Inc. Class A (a)	23,200	17,529,224
Maravai LifeSciences Holdings, Inc. (a)	583,097	24,431,764
Syneos Health, Inc. (a)	694,215	71,281,996
Thermo Fisher Scientific, Inc.	66,161	44,145,266
		219,222,267
Pharmaceuticals – 0.5%		
UCB SA	343,000	39,145,234
TOTAL HEALTH CARE		785,824,942
INDUSTRIALS – 19.6%		
Aerospace & Defense – 0.8%		
Axon Enterprise, Inc. (a)	211,754	$ 33,245,378
Howmet Aerospace, Inc.	1,070,552	34,075,670
		67,321,048
Air Freight & Logistics – 0.7%		
GXO Logistics, Inc. (a) (b)	617,532	56,090,432
Airlines – 0.5%		
Copa Holdings SA Class A (a)	214,439	17,725,528
Jet2 PLC (a)	1,575,700	23,917,490
		41,643,018
Building Products – 2.9%		
Builders FirstSource, Inc. (a)	1,671,571	143,270,350
Fortune Brands Home & Security, Inc.	203,429	21,746,560
Jeld-Wen Holding, Inc. (a)	1,939,438	51,123,586
UFP Industries, Inc.	232,192	21,363,986
		237,504,482
Commercial Services & Supplies – 0.5%		
Driven Brands Holdings, Inc.	1,123,321	37,766,052
Construction & Engineering – 1.3%		
Quanta Services, Inc.	421,669	48,348,568
Willscot Mobile Mini Holdings (a)	1,528,819	62,436,968
		110,785,536
Electrical Equipment – 4.1%		
Acuity Brands, Inc.	295,523	62,568,130
AMETEK, Inc.	525,126	77,214,527
Generac Holdings, Inc. (a)	166,990	58,767,121
Regal Rexnord Corp.	308,064	52,426,332
Sensata Technologies, Inc. PLC (a)	797,754	49,213,444
Sunrun, Inc. (a)	1,163,146	39,895,908
		340,085,462
Machinery – 3.0%		
Crane Co.	649,736	66,097,643
Fortive Corp.	486,414	37,108,524
IDEX Corp.	72,294	17,084,518
ITT, Inc.	1,264,909	129,261,051
		249,551,736
Marine – 0.3%		
Clarkson PLC	496,075	25,948,527
Professional Services – 2.9%		
ASGN, Inc. (a)	473,306	58,405,960
Clarivate Analytics PLC (a) (b)	1,736,581	40,844,385
Jacobs Engineering Group, Inc.	287,889	40,082,785
KBR, Inc.	1,352,339	64,398,383
TriNet Group, Inc. (a)	421,765	40,177,334
		243,908,847
Road & Rail – 0.6%		
XPO Logistics, Inc. (a) (b)	617,532	47,815,503
Trading Companies & Distributors – 2.0%		
Electrocomponents PLC	2,585,700	42,403,123
GMS, Inc. (a)	645,973	38,829,437
Univar, Inc. (a)	2,831,184	80,264,066
		161,496,626
TOTAL INDUSTRIALS		1,619,917,269

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – 13.0%		
Communications Equipment – 0.5%		
Digi International, Inc. (a)	1,634,801	$ 40,167,061
Electronic Equipment & Components – 1.5%		
CDW Corp.	138,976	28,459,505
Jabil, Inc.	604,875	42,552,956
Trimble, Inc. (a)	236,432	20,614,506
Zebra Technologies Corp. Class A (a)	57,777	34,388,870
		126,015,837
IT Services – 4.3%		
Akamai Technologies, Inc. (a)	172,777	20,221,820
Amadeus IT Holding SA Class A (a)	581,200	39,326,465
Concentrix Corp.	349,471	62,422,510
EPAM Systems, Inc. (a)	29,822	19,934,516
Euronet Worldwide, Inc. (a)	293,522	34,979,017
Genpact Ltd.	1,489,258	79,049,815
GoDaddy, Inc. (a)	450,454	38,225,526
WNS Holdings Ltd. sponsored ADR (a)	687,837	60,680,980
		354,840,649
Semiconductors & Semiconductor Equipment – 4.9%		
Marvell Technology, Inc.	707,378	61,888,501
MediaTek, Inc.	642,000	27,565,578
MKS Instruments, Inc.	409,171	71,265,313
NXP Semiconductors NV	83,424	19,002,319
onsemi (a)	1,297,014	88,093,191
Semtech Corp. (a)	486,367	43,252,617
SolarEdge Technologies, Inc. (a)	96,243	27,002,899
Teradyne, Inc.	388,845	63,587,823
		401,658,241
Software – 1.8%		
Black Knight, Inc. (a)	653,157	54,140,184
Digital Turbine, Inc. (a)	313,566	19,124,390
Dynatrace, Inc. (a)	713,649	43,068,717
KnowBe4, Inc. (a)	373,800	8,574,972
Telos Corp. (a)	1,327,297	20,466,920
		145,375,183
TOTAL INFORMATION TECHNOLOGY		1,068,056,971
MATERIALS – 7.2%		
Chemicals – 2.8%		
Albemarle Corp. U.S.	89,674	20,963,091
Celanese Corp. Class A	311,437	52,340,102
CF Industries Holdings, Inc.	369,741	26,170,268
Element Solutions, Inc.	3,269,505	79,383,581
Olin Corp.	878,025	50,503,998
		229,361,040
Construction Materials – 1.1%		
Eagle Materials, Inc.	293,861	48,916,102
Martin Marietta Materials, Inc.	83,037	36,579,459
		85,495,561
Containers & Packaging – 0.7%		
Avery Dennison Corp.	276,983	59,986,208
Metals & Mining – 2.6%		
Agnico Eagle Mines Ltd. (Canada)	542,900	28,837,069
Cleveland-Cliffs, Inc. (a) (b)	1,634,649	35,586,309
First Quantum Minerals Ltd.	1,973,300	$ 47,220,674
Kirkland Lake Gold Ltd.	615,700	25,802,014
Reliance Steel & Aluminum Co.	203,527	33,016,150
Wheaton Precious Metals Corp.	1,079,200	46,309,321
		216,771,537
TOTAL MATERIALS		591,614,346
REAL ESTATE – 8.0%		
Equity Real Estate Investment Trusts (REITs) – 7.3%		
Alexandria Real Estate Equities, Inc.	213,883	47,687,354
Digital Realty Trust, Inc.	251,627	44,505,267
Douglas Emmett, Inc.	1,500,471	50,265,779
Duke Realty Corp.	875,758	57,484,755
Healthcare Trust of America, Inc.	931,451	31,101,149
Highwoods Properties, Inc. (SBI)	931,407	41,531,438
Invitation Homes, Inc.	1,752,872	79,475,216
Lamar Advertising Co. Class A	586,581	71,152,275
Mid-America Apartment Communities, Inc.	147,105	33,751,771
National Retail Properties, Inc.	1,478,211	71,057,603
Ventas, Inc.	846,337	43,264,747
VICI Properties, Inc.	931,987	28,062,129
		599,339,483
Real Estate Management & Development – 0.7%		
CBRE Group, Inc.	561,828	60,963,956
TOTAL REAL ESTATE		660,303,439
UTILITIES – 2.9%		
Electric Utilities – 0.3%		
OGE Energy Corp.	703,200	26,988,816
Independent Power and Renewable Electricity Producers – 2.6%		
Clearway Energy, Inc. Class C (b)	1,669,254	60,143,222
NextEra Energy Partners LP (b)	1,108,223	93,534,021
The AES Corp.	2,360,938	57,370,793
		211,048,036
TOTAL UTILITIES		238,036,852
TOTAL COMMON STOCKS (Cost $5,234,874,890)		**8,155,272,421**

Money Market Funds – 4.5%

Fidelity Cash Central Fund 0.08% (d)	94,411,453	94,430,335
Fidelity Securities Lending Cash Central Fund 0.08% (d) (e)	279,690,568	279,718,537
TOTAL MONEY MARKET FUNDS (Cost $374,148,872)		**374,148,872**
TOTAL INVESTMENT IN SECURITIES – 103.4% (Cost $5,609,023,762)		**8,529,421,293**
NET OTHER ASSETS (LIABILITIES) – (3.4)%		**(282,669,750)**
NET ASSETS – 100%		**$8,246,751,543**

See accompanying notes which are an integral part of the financial statements.

Legend

(a) Non-income producing

(b) Security or a portion of the security is on loan at period end.

(c) Affiliated company

(d) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

(e) Investment made with cash collateral received from securities on loan.

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	$36,996,886	$1,316,541,032	$1,259,105,460	$ 26,758	$ (2,123)	$—	$ 94,430,335	0.2%
Fidelity Securities Lending Cash Central Fund 0.08%	11,512,106	1,405,144,207	1,136,937,776	108,603	—	—	279,718,537	0.9%
Total	$48,508,992	$2,721,685,239	$2,396,043,236	$135,361	$ (2,123)	$—	$374,148,872	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

Other Affiliated Issuers

An affiliated company is a company in which the Fund has ownership of at least 5% of the voting securities. Fiscal year to date transactions with companies which are or were affiliates are as follows:

Affiliate	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain (loss)	Change in Unrealized appreciation (depreciation)	Value, end of period
Digi International, Inc.	$27,673,380	$4,387,500	$1,153,259	$—	$ 450,053	$ 8,809,387	$ —
Noodles & Co.	23,219,775	975,845	1,230,515	—	800,596	2,778,117	26,543,818
Total	$50,893,155	$5,363,345	$2,383,774	$—	$1,250,649	$11,587,504	$26,543,818

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

	Valuation Inputs at Reporting Date:			
Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Equities:				
Communication Services	$ 150,299,828	$ 150,299,828	$ —	$ —
Consumer Discretionary	1,216,697,803	1,216,697,803	—	—
Consumer Staples	355,746,114	355,746,114	—	—
Energy	237,243,546	237,243,546	—	—
Financials	1,231,531,311	1,215,503,977	16,027,334	—
Health Care	785,824,942	746,679,708	39,145,234	—
Industrials	1,619,917,269	1,527,648,129	92,269,140	—
Information Technology	1,068,056,971	1,028,730,506	39,326,465	—
Materials	591,614,346	591,614,346	—	—
Real Estate	660,303,439	660,303,439	—	—
Utilities	238,036,852	238,036,852	—	—
Money Market Funds	374,148,872	374,148,872	—	—
Total Investments in Securities:	$8,529,421,293	$8,342,653,120	$186,768,173	$ —

See accompanying notes which are an integral part of the financial statements.

Other Information

Distribution of investments by country or territory of incorporation, as a percentage of Total Net Assets, is as follows (Unaudited):

United States of America	89.3%
Canada	2.0%
United Kingdom	1.7%
Bermuda	1.7%
British Virgin Islands	1.5%
Bailiwick of Jersey	1.2%
Others (Individually Less Than 1%)	2.6%
	100.0%

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2021
Assets		
Investment in securities, at value (including securities loaned of $274,713,534) — See accompanying schedule:		
Unaffiliated issuers (cost $5,213,923,444)	$ 8,128,728,603	
Fidelity Central Funds (cost $374,148,872)	374,148,872	
Other affiliated issuers (cost $20,951,446)	26,543,818	
Total Investment in Securities (cost $5,609,023,762)		$ 8,529,421,293
Foreign currency held at value (cost $48,160)		48,744
Receivable for investments sold		1,291,536
Receivable for fund shares sold		1,349,037
Dividends receivable		4,817,336
Distributions receivable from Fidelity Central Funds		19,820
Prepaid expenses		8,137
Other receivables		145,624
Total assets		8,537,101,527
Liabilities		
Payable for fund shares redeemed	$ 5,339,543	
Accrued management fee	3,508,594	
Distribution and service plan fees payable	1,069,541	
Other affiliated payables	575,538	
Other payables and accrued expenses	153,799	
Collateral on securities loaned	279,702,969	
Total liabilities		290,349,984
Net Assets		$ 8,246,751,543
Net Assets consist of:		
Paid in capital		$ 5,180,783,646
Total accumulated earnings (loss)		3,065,967,897
Net Assets		$ 8,246,751,543
Net Asset Value and Maximum Offering Price		
Initial Class:		
Net Asset Value, offering price and redemption price per share ($1,810,650,666 ÷ 43,975,658 shares)		$ 41.17
Service Class:		
Net Asset Value, offering price and redemption price per share ($726,039,301 ÷ 17,868,910 shares)		$ 40.63
Service Class 2:		
Net Asset Value, offering price and redemption price per share ($4,970,428,437 ÷ 126,186,851 shares)		$ 39.39
Investor Class:		
Net Asset Value, offering price and redemption price per share ($739,633,139 ÷ 18,115,630 shares)		$ 40.83

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Dividends		$ 91,917,154
Income from Fidelity Central Funds (including $108,603 from security lending)		135,361
Total income		92,052,515
Expenses		
Management fee	$ 43,104,256	
Transfer agent fees	5,689,868	
Distribution and service plan fees	13,411,325	
Accounting fees	1,212,600	
Custodian fees and expenses	80,164	
Independent trustees' fees and expenses	28,548	
Audit	60,640	
Legal	20,291	
Interest	145	
Miscellaneous	35,060	
Total expenses before reductions	63,642,897	
Expense reductions	(128,555)	
Total expenses after reductions		63,514,342
Net investment income (loss)		28,538,173
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	1,532,514,308	
Fidelity Central Funds	(2,123)	
Other affiliated issuers	1,250,649	
Foreign currency transactions	(86,374)	
Total net realized gain (loss)		1,533,676,460
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	268,026,573	
Affiliated issuers	11,587,504	
Assets and liabilities in foreign currencies	(9,703)	
Total change in net unrealized appreciation (depreciation)		279,604,374
Net gain (loss)		1,813,280,834
Net increase (decrease) in net assets resulting from operations		$ 1,841,819,007

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 28,538,173	$ 19,597,251
Net realized gain (loss)	1,533,676,460	247,943,721
Change in net unrealized appreciation (depreciation)	279,604,374	880,743,954
Net increase (decrease) in net assets resulting from operations	1,841,819,007	1,148,284,926
Distributions to shareholders	(1,305,048,342)	(30,609,677)
Share transactions – net increase (decrease)	86,384,864	(768,065,252)
Total increase (decrease) in net assets	623,155,529	349,609,997
Net Assets		
Beginning of period	7,623,596,014	7,273,986,017
End of period	$ 8,246,751,543	$ 7,623,596,014

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Mid Cap Portfolio Initial Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 38.72	$ 32.95	$ 30.19	$ 38.94	$ 33.98
Income from Investment Operations					
Net investment income (loss) [A]	.23	.15	.27	.23	.26
Net realized and unrealized gain (loss)	9.57	5.83	6.39	(5.47)	6.59
Total from investment operations	9.80	5.98	6.66	(5.24)	6.85
Distributions from net investment income	(.28)	(.21)	(.28)	(.24)	(.26)
Distributions from net realized gain	(7.07)	–	(3.63)	(3.27)	(1.63)
Total distributions	(7.35)	(.21)	(3.90) [B]	(3.51)	(1.89)
Net asset value, end of period	$ 41.17	$ 38.72	$ 32.95	$ 30.19	$ 38.94
Total Return [C,D]	25.60%	18.19%	23.45%	(14.54)%	20.81%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.61%	.62%	.62%	.62%	.63%
Expenses net of fee waivers, if any	.60%	.62%	.62%	.62%	.63%
Expenses net of all reductions	.60%	.62%	.61%	.62%	.62%
Net investment income (loss)	.52%	.48%	.88%	.62%	.74%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 1,810,651	$ 1,579,450	$ 843,080	$ 1,141,305	$ 1,463,407
Portfolio turnover rate [G]	37% [H]	44%	34%	47%	31%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Service Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 38.28	$ 32.59	$ 29.90	$ 38.60	$ 33.70
Income from Investment Operations					
Net investment income (loss) [A]	.18	.12	.24	.19	.23
Net realized and unrealized gain (loss)	9.47	5.74	6.33	(5.42)	6.52
Total from investment operations	9.65	5.86	6.57	(5.23)	6.75
Distributions from net investment income	(.23)	(.17)	(.25)	(.20)	(.22)
Distributions from net realized gain	(7.07)	–	(3.63)	(3.27)	(1.63)
Total distributions	(7.30)	(.17)	(3.88)	(3.47)	(1.85)
Net asset value, end of period	$ 40.63	$ 38.28	$ 32.59	$ 29.90	$ 38.60
Total Return [B,C]	25.51%	18.04%	23.35%	(14.64)%	20.70%
Ratios to Average Net Assets [D,E]					
Expenses before reductions	.71%	.72%	.72%	.72%	.73%
Expenses net of fee waivers, if any	.70%	.72%	.72%	.72%	.73%
Expenses net of all reductions	.70%	.72%	.71%	.72%	.72%
Net investment income (loss)	.42%	.38%	.78%	.52%	.64%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 726,039	$ 642,654	$ 564,678	$ 504,156	$ 629,727
Portfolio turnover rate [F]	37%[G]	44%	34%	47%	31%

A *Calculated based on average shares outstanding during the period.*

B *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

C *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

D *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

E *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

F *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

G *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Service Class 2

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 37.29	$ 31.75	$ 29.22	$ 37.79	$ 33.03
Income from Investment Operations					
Net investment income (loss) [A]	.11	.07	.19	.13	.17
Net realized and unrealized gain (loss)	9.22	5.59	6.18	(5.28)	6.39
Total from investment operations	9.33	5.66	6.37	(5.15)	6.56
Distributions from net investment income	(.16)	(.12)	(.21)	(.15)	(.17)
Distributions from net realized gain	(7.07)	–	(3.63)	(3.27)	(1.63)
Total distributions	(7.23)	(.12)	(3.84)	(3.42)	(1.80)
Net asset value, end of period	$ 39.39	$ 37.29	$ 31.75	$ 29.22	$ 37.79
Total Return [B,C]	25.31%	17.87%	23.17%	(14.77)%	20.54%
Ratios to Average Net Assets [D,E]					
Expenses before reductions	.86%	.87%	.87%	.87%	.88%
Expenses net of fee waivers, if any	.85%	.87%	.87%	.87%	.88%
Expenses net of all reductions	.85%	.87%	.86%	.87%	.87%
Net investment income (loss)	.27%	.23%	.63%	.37%	.49%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 4,970,428	$ 4,807,908	$ 5,282,468	$ 4,526,446	$ 6,070,380
Portfolio turnover rate [F]	37%[G]	44%	34%	47%	31%

A *Calculated based on average shares outstanding during the period.*

B *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

C *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

D *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

E *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

F *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

G *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

VIP Mid Cap Portfolio Investor Class

Years ended December 31,	2021	2020	2019	2018	2017
Selected Per–Share Data					
Net asset value, beginning of period	$ 38.44	$ 32.72	$ 30.01	$ 38.72	$ 33.80
Income from Investment Operations					
Net investment income (loss) [A]	.20	.12	.25	.20	.23
Net realized and unrealized gain (loss)	9.51	5.78	6.34	(5.43)	6.55
Total from investment operations	9.71	5.90	6.59	(5.23)	6.78
Distributions from net investment income	(.24)	(.18)	(.26)	(.21)	(.23)
Distributions from net realized gain	(7.07)	–	(3.63)	(3.27)	(1.63)
Total distributions	(7.32) [B]	(.18)	(3.88) [B]	(3.48)	(1.86)
Net asset value, end of period	$ 40.83	$ 38.44	$ 32.72	$ 30.01	$ 38.72
Total Return [C,D]	25.54%	18.08%	23.35%	(14.60)%	20.72%
Ratios to Average Net Assets [E,F]					
Expenses before reductions	.68%	.70%	.70%	.70%	.71%
Expenses net of fee waivers, if any	.68%	.70%	.70%	.70%	.71%
Expenses net of all reductions	.68%	.69%	.69%	.70%	.71%
Net investment income (loss)	.44%	.41%	.80%	.54%	.65%
Supplemental Data					
Net assets, end of period (000 omitted)	$ 739,633	$ 593,584	$ 583,760	$ 530,794	$ 658,785
Portfolio turnover rate [G]	37% [H]	44%	34%	47%	31%

A *Calculated based on average shares outstanding during the period.*

B *Total distributions per share do not sum due to rounding.*

C *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*

D *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*

E *Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.*

F *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.*

G *Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).*

H *Portfolio turnover rate excludes securities received or delivered in-kind.*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Mid Cap Portfolio (the Fund) is a fund of Variable Insurance Products Fund III (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

Funds may invest in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the investing fund. These strategies are consistent with the investment objectives of the investing fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio[a]
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services – Investment Companies*. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2021 is included at the end of the Fund's Schedule of Investments.

Foreign Currency. Certain Funds may use foreign currency contracts to facilitate transactions in foreign-denominated securities. Gains and losses from these transactions may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rates at period end. Purchases and sales of investment securities, income and dividends received, and expenses denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date.

The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities. Other foreign currency transactions resulting in realized and unrealized gain (loss) are disclosed separately.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of a fund include an amount in addition to trade execution, which may be rebated back to a fund. Any such rebates are included in net realized gain (loss) on investments in the Statement of Operations. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain. Funds may file withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. Any withholding tax reclaims income is included in the Statement of Operations in dividends. Any receivables for withholding tax reclaims are included in the Statement of Assets and Liabilities in dividends receivable.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Deferred Trustee Compensation. Under a Deferred Compensation Plan (the Plan) for certain Funds, certain independent Trustees have elected to defer receipt of a portion of their annual compensation. Deferred amounts are invested in affiliated mutual funds, are marked-to-market and remain in a fund until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting payable to the Trustees presented below are included in the accompanying Statement of Assets and Liabilities in other receivables and other payables and accrued expenses, as applicable.

VIP Mid Cap Portfolio	$76,335

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2021, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to foreign currency transactions, passive foreign investment companies (PFIC), redemptions in kind, partnerships, deferred Trustee compensation, and losses deferred due to wash sales and excise tax regulations.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	$3,013,170,989
Gross unrealized depreciation	(95,666,153)
Net unrealized appreciation (depreciation)	$2,917,504,836
Tax Cost	$5,611,916,457

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	$ 1
Undistributed long-term capital gain	$ 178,560,600
Net unrealized appreciation (depreciation) on securities and other investments	$2,917,457,497

The Fund intends to elect to defer to its next fiscal year $21,637,242 of capital losses recognized during the period November 1, 2021 to December 31, 2021.

The tax character of distributions paid was as follows:

	December 31, 2021	December 31, 2020
Ordinary Income	$ 221,179,830	$30,609,677
Long-term Capital Gains	1,083,868,512	–
Total	$1,305,048,342	$30,609,677

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases ($)	Sales ($)
VIP Mid Cap Portfolio	3,018,349,542	3,997,211,058

Unaffiliated Redemptions In-Kind. Shares that were redeemed in-kind for investments, including accrued interest and cash, if any, are shown in the table below. The net realized gain or loss on investments delivered through in-kind redemptions is included in the accompanying Statement of Operations. The amount of the in-kind redemptions is included in share transactions in the accompanying Statement of Changes in Net Assets. There was no gain or loss for federal income tax purposes.

	Shares	Total net realized gain or loss ($)	Total Proceeds ($)	Participating classes
VIP Mid Cap Portfolio	6,032,548	124,938,878	276,471,713	Service Class 2

5. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company LLC (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is the sum of an individual fund fee rate that is based on an annual rate of .30% of the Fund's average net assets and an annualized group fee rate that averaged .23% during the period. The group fee rate is based upon the monthly average net assets of a group of registered investment companies with which the investment adviser has management contracts. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the reporting period, the total annual management fee rate was .53% of the Fund's average net assets.

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Company LLC (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	$ 701,475
Service Class 2	12,709,850
	$13,411,325

Transfer Agent Fees. Fidelity Investments Institutional Operations Company LLC (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements. For the period, transfer agent fees for each class were as follows:

	Amount	% of Class-Level Average Net Assets
Initial Class	$1,092,879	.06
Service Class	441,556	.06
Service Class 2	3,200,637	.06
Investor Class	954,796	.14
	$5,689,868	

Accounting Fees. Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. For the period, the fees were equivalent to the following annual rates:

	% of Average Net Assets
VIP Mid Cap Portfolio	.01

Brokerage Commissions. A portion of portfolio transactions were placed with brokerage firms which are affiliates of the investment adviser. Brokerage commissions are included in net realized gain (loss) and change in net unrealized appreciation (depreciation) in the Statement of Operations. The commissions paid to these affiliated firms were as follows:

	Amount
VIP Mid Cap Portfolio	$77,835

Interfund Lending Program. Pursuant to an Exemptive Order issued by the Securities and Exchange Commission (the SEC), the Fund, along with other registered investment companies having management contracts with Fidelity Management & Research Company LLC (FMR), or other affiliated entities of FMR, may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from, or lend money to, other participating affiliated funds. At period end, there were no interfund loans outstanding. Activity in this program during the period for which loans were outstanding was as follows:

	Borrower or Lender	Average Loan Balance	Weighted Average Interest Rate	Interest Expense
VIP Mid Cap Portfolio	Borrower	$8,232,500	.32%	$145

Interfund Trades. Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. Interfund trades during the period are noted in the table below.

	Purchases ($)	Sales ($)	Realized Gain (Loss) ($)
VIP Mid Cap Portfolio	124,273,952	203,031,045	85,325,833

Other. During the period, the investment adviser reimbursed the Fund for certain losses as follows:

	Amount ($)
VIP Mid Cap Portfolio	2,263

6. Committed Line of Credit.

Certain Funds participate with other funds managed by the investment adviser or an affiliate in a $4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The participating funds have agreed to pay commitment fees on their pro-rata portion of the line of credit, which are reflected in Miscellaneous expenses on the Statement of Operations, and are listed below. During the period, there were no borrowings on this line of credit.

	Amount
VIP Mid Cap Portfolio	$14,382

7. Security Lending.

Funds lend portfolio securities from time to time in order to earn additional income. Lending agents are used, including National Financial Services (NFS), an affiliate of the investment adviser. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of a fund's daily lending revenue, for its services as lending agent. A fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, a fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of a fund and any additional required collateral is delivered to a fund on the next business day. A fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, a fund may apply collateral received from the borrower against the obligation. A fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. Any loaned securities are identified as such in the Schedule of Investments, and the value of loaned securities and cash collateral at period end, as applicable, are presented in the Statement of Assets and Liabilities. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Affiliated security lending activity, if any, was as follows:

	Total Security Lending Fees Paid to NFS	Security Lending Income From Securities Loaned to NFS	Value of Securities Loaned to NFS at Period End
VIP Mid Cap Portfolio	$11,174	$764	$–

8. Expense Reductions.

Through arrangements with the Fund's custodian, credits realized as a result of certain uninvested cash balances were used to reduce the Fund's expenses. During the period, custodian credits reduced the Fund's expenses by $142.

In addition, during the period the investment adviser or an affiliate reimbursed and/or waived a portion of fund-level operating expenses in the amount of $128,413.

9. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Mid Cap Portfolio		
Distributions to shareholders		
Initial Class	$ 282,249,519	$ 7,591,233
Service Class	113,643,288	2,947,263
Service Class 2	793,950,040	17,182,216
Investor Class	115,205,495	2,888,965
Total	$1,305,048,342	$30,609,677

10. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Mid Cap Portfolio				
Initial Class				
Shares sold	1,506,397	21,181,826	$ 66,737,492	$ 546,687,174
Reinvestment of distributions	6,777,394	211,540	282,249,519	7,591,233
Shares redeemed	(5,103,968)	(6,180,803)	(224,427,231)	(191,581,574)
Net increase (decrease)	3,179,823	15,212,563	$ 124,559,780	$ 362,696,833
Service Class				
Shares sold	609,556	1,939,735	$ 26,928,108	$ 53,696,565
Reinvestment of distributions	2,765,282	84,002	113,643,288	2,947,263

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
Shares redeemed	(2,293,170)	(2,562,942)	(100,931,802)	(78,898,820)
Net increase (decrease)	1,081,668	(539,205)	$ 39,639,594	$ (22,254,992)
Service Class 2				
Shares sold	4,678,886	15,456,377	$ 199,891,636	$ 410,010,791
Reinvestment of distributions	19,921,529	508,274	793,950,039	17,182,216
Shares redeemed	(27,356,107)	(53,411,317)	(1,181,194,025)	(1,466,060,643)
Net increase (decrease)	(2,755,692)	(37,446,666)	$ (187,352,350)	$ (1,038,867,636)
Investor Class				
Shares sold	921,130	938,949	$ 40,113,978	$ 28,839,304
Reinvestment of distributions	2,789,747	82,157	115,205,495	2,888,965
Shares redeemed	(1,036,797)	(3,419,543)	(45,781,633)	(101,367,726)
Net increase (decrease)	2,674,080	(2,398,437)	$ 109,537,840	$ (69,639,457)

11. Other.

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

At the end of the period, the investment adviser or its affiliates were owners of record of more than 10% and certain otherwise unaffiliated shareholders were owners of record of more than 10% of the outstanding shares as follows:

Fund	Affiliated %	Number of Unaffiliated Shareholders	Unaffiliated Shareholders %
VIP Mid Cap Portfolio	15%	2	25%

12. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Fund's performance.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund III and Shareholders of VIP Mid Cap Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VIP Mid Cap Portfolio (one of the funds constituting Variable Insurance Products Fund III, referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
February 11, 2022

We have served as the auditor of one or more investment companies in the Fidelity group of funds since 1932.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Each of the Trustees oversees 314 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-800-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. Robert A. Lawrence is an interested person and currently serves as Acting Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. David M. Thomas serves as Lead Independent Trustee and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's high income and certain equity funds, and other Boards oversee Fidelity's investment-grade bond, money market, asset allocation, and other equity funds. The asset allocation funds may invest in Fidelity® funds overseen by the fund's Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations, Audit, and Compliance Committees. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Trustees and Officers – continued

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Bettina Doulton (1964)

Year of Election or Appointment: 2020
Trustee

Ms. Doulton also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Doulton served in a variety of positions at Fidelity Investments, including as a managing director of research (2006-2007), portfolio manager to certain Fidelity® funds (1993-2005), equity analyst and portfolio assistant (1990-1993), and research assistant (1987-1990). Ms. Doulton currently owns and operates Phi Builders + Architects and Cellardoor Winery. Previously, Ms. Doulton served as a member of the Board of Brown Capital Management, LLC (2014-2018).

Robert A. Lawrence (1952)

Year of Election or Appointment: 2020
Trustee
Acting Chairman of the Board of Trustees

Mr. Lawrence also serves as Trustee of other funds. Previously, Mr. Lawrence served as a Member of the Advisory Board of certain funds. Prior to his retirement in 2008, Mr. Lawrence served as Vice President of certain Fidelity® funds (2006-2008), Senior Vice President, Head of High Income Division of Fidelity Management & Research Company (investment adviser firm, 2006-2008), and President of Fidelity Strategic Investments (investment adviser firm, 2002-2005).

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Thomas P. Bostick (1956)

Year of Election or Appointment: 2021
Trustee

Lieutenant General Bostick also serves as Trustee of other Fidelity® funds. Prior to his retirement, General Bostick (United States Army, Retired) held a variety of positions within the U.S. Army, including Commanding General and Chief of Engineers, U.S. Army Corps of Engineers (2012-2016) and Deputy Chief of Staff and Director of Human Resources, U.S. Army (2009-2012). General Bostick currently serves as a member of the Board and Finance and Governance Committees of CSX Corporation (transportation, 2020-present) and a member of the Board and Corporate Governance and Nominating Committee of Perma-Fix Environmental Services, Inc. (nuclear waste management, 2020-present). General Bostick serves as Chief Executive Officer of Bostick Global Strategies, LLC (consulting, 2016-present) and Managing Partner, Sustainability, of Ridge-Lane Limited Partners (strategic advisory and venture development, 2016-present). Previously, General Bostick served as a Member of the Advisory Board of certain Fidelity® funds (2021), President, Intrexon Bioengineering (2018-2020) and Chief Operating Officer (2017-2020) and Senior Vice President of the Environment Sector (2016-2017) of Intrexon Corporation (biopharmaceutical company).

Dennis J. Dirks (1948)

Year of Election or Appointment: 2005
Trustee

Mr. Dirks also serves as Trustee of other Fidelity® funds. Prior to his retirement in May 2003, Mr. Dirks served as Chief Operating Officer and as a member of the Board of The Depository Trust & Clearing Corporation (financial markets infrastructure), President, Chief Operating Officer and a member of the Board of The Depository Trust Company (DTC), President and a member of the Board of the National Securities Clearing Corporation (NSCC), Chief Executive Officer and a member of the Board of the Government Securities Clearing Corporation and Chief Executive Officer and a member of the Board of the Mortgage-Backed Securities Clearing Corporation. Mr. Dirks currently serves as a member of the Finance Committee (2016-present) and Board (2017-present) and is Treasurer (2018-present) of the Asolo Repertory Theatre.

Donald F. Donahue (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Donahue also serves as Trustee of other Fidelity® funds. Mr. Donahue serves as President and Chief Executive Officer of Miranda Partners, LLC (risk consulting for the financial services industry, 2012-present). Previously, Mr. Donahue served as Chief Executive Officer (2006-2012), Chief Operating Officer (2003-2006) and Managing Director, Customer Marketing and Development (1999-2003) of The Depository Trust & Clearing Corporation (financial markets infrastructure). Mr. Donahue currently serves as a member (2007-present) and Co-Chairman (2016-present) of the Board of United Way of New York and a member of the Board of NYC Leadership Academy (2012-present). Mr. Donahue previously served as a member of the Advisory Board of certain Fidelity® funds (2015-2018).

Vicki L. Fuller (1957)

Year of Election or Appointment: 2020
Trustee

Ms. Fuller also serves as Trustee of other Fidelity® funds. Previously, Ms. Fuller served as a member of the Advisory Board of certain Fidelity® funds (2018-2020), Chief Investment Officer of the New York State Common Retirement Fund (2012-2018) and held a variety of positions at AllianceBernstein L.P. (global asset management, 1985-2012), including Managing Director (2006-2012) and Senior Vice President and Senior Portfolio Manager (2001-2006). Ms. Fuller currently serves as a member of the Board, Audit Committee and Nominating and Governance Committee of The Williams Companies, Inc. (natural gas infrastructure, 2018-present), as a member of the Board, Audit Committee and Nominating and Governance Committee of two Blackstone business development companies (2020-present) and as a member of the Board of Treliant, LLC (consulting, 2019-present).

Patricia L. Kampling (1959)

Year of Election or Appointment: 2020
Trustee

Ms. Kampling also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Kampling served as Chairman of the Board and Chief Executive Officer (2012-2019), President and Chief Operating Officer (2011-2012) and Executive Vice President and Chief Financial Officer (2010-2011) of Alliant Energy Corporation. Ms. Kampling currently serves as a member of the Board, Finance Committee and Governance, Compensation and Nominating Committee of Xcel Energy Inc. (utilities company, 2020-present) and as a member of the Board, Audit, Finance and Risk Committee and Safety, Environmental, Technology and Operations Committee of American Water Works Company, Inc. (utilities company, 2019-present). In addition, Ms. Kampling currently serves as a member of the Board of the Nature Conservancy, Wisconsin Chapter (2019-present). Previously, Ms. Kampling served as a Member of the Advisory Board of certain Fidelity® funds (2020), a member of the Board, Compensation Committee and Executive Committee and Chair of the Audit Committee of Briggs & Stratton Corporation (manufacturing, 2011-2021), a member of the Board of Interstate Power and Light Company (2012-2019) and Wisconsin Power and Light Company (2012-2019) (each a subsidiary of Alliant Energy Corporation) and as a member of the Board and Workforce Development Committee of the Business Roundtable (2018-2019).

Thomas A. Kennedy (1955)

Year of Election or Appointment: 2021
Trustee

Mr. Kennedy also serves as Trustee of other Fidelity® funds. Previously, Mr. Kennedy served as a Member of the Advisory Board of certain Fidelity® funds (2020) and held a variety of positions at Raytheon Company (aerospace and defense, 1983-2020), including Chairman and Chief Executive Officer (2014-2020) and Executive Vice President and Chief Operating Officer (2013-2014). Mr. Kennedy currently serves as Executive Chairman of the Board of Directors of Raytheon Technologies Corporation (aerospace and defense, 2020-present). He is also a member of the Rutgers School of Engineering Industry Advisory Board (2011-present) and a member of the UCLA Engineering Dean's Executive Board (2016-present).

Oscar Munoz (1959)

Year of Election or Appointment: 2021
Trustee

Mr. Munoz also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Munoz served as Executive Chairman (2020-2021), Chief Executive Officer (2015-2020), President (2015-2016) and a member of the Board (2010-2021) of United Airlines Holdings, Inc. Mr. Munoz currently serves as a member of the Board of CBRE Group, Inc. (commercial real estate, 2020-present), a member of the Board of Univision Communications, Inc. (Hispanic media, 2020-present) and a member of the Advisory Board of Salesforce.com, Inc. (cloud-based software, 2020-present). Previously, Mr. Munoz served as a Member of the Advisory Board of certain Fidelity® funds (2021).

Garnett A. Smith (1947)

Year of Election or Appointment: 2018
Trustee

Mr. Smith also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Smith served as Chairman and Chief Executive Officer (1990-1997) and President (1986-1990) of Inbrand Corp. (manufacturer of personal absorbent products). Prior to his employment with Inbrand Corp., he was employed by a retail fabric chain and North Carolina National Bank (now Bank of America). Mr. Smith previously served as a member of the Advisory Board of certain Fidelity® funds (2012-2013).

David M. Thomas (1949)

Year of Election or Appointment: 2008
Trustee
Lead Independent Trustee

Mr. Thomas also serves as Trustee of other Fidelity® funds. Previously, Mr. Thomas served as Executive Chairman (2005-2006) and Chairman and Chief Executive Officer (2000-2005) of IMS Health, Inc. (pharmaceutical and healthcare information solutions). Mr. Thomas currently serves as a member of the Board of Fortune Brands Home and Security (home and security products, 2004-present) and Presiding Director (2013-present) of Interpublic Group of Companies, Inc. (marketing communication).

Susan Tomasky (1953)

Year of Election or Appointment: 2020
Trustee

Ms. Tomasky also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Tomasky served in various executive officer positions at American Electric Power Company, Inc. (1998-2011), including most recently as President of AEP Transmission (2007-2011). Ms. Tomasky currently serves as a member of the Board and Sustainability Committee and as Chair of the Audit Committee of Marathon Petroleum Corporation (2018-present) and as a member of the Board, Corporate Governance Committee and Organization and Compensation Committee and as Chair of the Audit Committee of Public Service Enterprise Group, Inc. (utilities company, 2012-present). In addition, Ms. Tomasky currently serves as a member (2009-present) and President (2020-present) of the Board of the Royal Shakespeare Company – America (2009-present), as a member of the Board of the Columbus Association for the Performing Arts (2011-present) and as a member of the Board and Investment Committee of Kenyon College (2016-present). Previously, Ms. Tomasky served as a Member of the Advisory Board of certain Fidelity® funds (2020), as a member of the Board of the Columbus Regional Airport Authority (2007-2020), as a member of the Board (2011-2018) and Lead Independent Director (2015-2018) of Andeavor Corporation (previously Tesoro Corporation) (independent oil refiner and marketer) and as a member of the Board of Summit Midstream Partners LP (energy, 2012-2018).

Michael E. Wiley (1950)

Year of Election or Appointment: 2018
Trustee

Mr. Wiley also serves as Trustee of other Fidelity® funds. Previously, Mr. Wiley served as a member of the Advisory Board of certain Fidelity® funds (2018-2020), Chairman, President and CEO of Baker Hughes, Inc. (oilfield services, 2000-2004). Mr. Wiley also previously served as a member of the Board of Andeavor Corporation (independent oil refiner and marketer, 2005-2018), a member of the Board of Andeavor Logistics LP (natural resources logistics, 2015-2018) and a member of the Board of High Point Resources (exploration and production, 2005-2020).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for a Member of the Advisory Board (if any) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235. Correspondence intended for an officer or Peter S. Lynch may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Peter S. Lynch (1944)

Year of Election or Appointment: 2003
Member of the Advisory Board

Mr. Lynch also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Lynch is Vice Chairman and a Director of Fidelity Management & Research Company LLC (investment adviser firm). In addition, Mr. Lynch serves as a Trustee of Boston College and as the Chairman of the Inner-City Scholarship Fund. Previously, Mr. Lynch served as Vice Chairman and a Director of FMR Co., Inc. (investment adviser firm) and on the Special Olympics International Board of Directors (1997-2006).

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

William C. Coffey (1969)

Year of Election or Appointment: 2019
Assistant Secretary

Mr. Coffey also serves as Assistant Secretary of other funds. He is Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2010-present), and is an employee of Fidelity Investments. Previously, Mr. Coffey served as Secretary and CLO of certain funds (2018-2019); CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company and FMR Co., Inc. (investment adviser firms, 2018-2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2018-2019); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2018-2019); and Assistant Secretary of certain funds (2009-2018).

Timothy M. Cohen (1969)

Year of Election or Appointment: 2018
Vice President

Mr. Cohen also serves as Vice President of other funds. Mr. Cohen serves as Co-Head of Equity (2018-present), a Director of Fidelity Management & Research (Japan) Limited (investment adviser firm, 2016-present), and is an employee of Fidelity Investments. Previously, Mr. Cohen served as Executive Vice President of Fidelity SelectCo, LLC (2019), Head of Global Equity Research (2016-2018), Chief Investment Officer – Equity and a Director of Fidelity Management & Research (U.K.) Inc. (investment adviser firm, 2013-2015) and as a Director of Fidelity Management & Research (Hong Kong) Limited (investment adviser firm, 2017).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
Assistant Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2020
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Pamela R. Holding (1964)

Year of Election or Appointment: 2018
Vice President

Ms. Holding also serves as Vice President of other funds. Ms. Holding serves as Co-Head of Equity (2018-present) and is an employee of Fidelity Investments (2013-present). Previously, Ms. Holding served as Executive Vice President of Fidelity SelectCo, LLC (2019) and as Chief Investment Officer of Fidelity Institutional Asset Management (2013-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Chris Maher (1972)

Year of Election or Appointment: 2020
Deputy Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Trustees and Officers – continued

Jason P. Pogorelec (1975)

Year of Election or Appointment: 2020
Chief Compliance Officer

Mr. Pogorelec also serves as Chief Compliance Officer of other funds. Mr. Pogorelec is a senior Vice President of Asset Management Compliance for Fidelity Investments and is an employee of Fidelity Investments (2006-present). Previously, Mr. Pogorelec served as Vice President, Associate General Counsel for Fidelity Investments (2010-2020) and Assistant Secretary of certain Fidelity funds (2015-2020).

Brett Segaloff (1972)

Year of Election or Appointment: 2021
Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2016
President and Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Jim Wegmann (1979)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in a fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year 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 with the 5% hypothetical examples that appear in the shareholder reports of the other funds. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio-[A]	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period-[B] July 1, 2021 to December 31, 2021
VIP Mid Cap Portfolio				
Initial Class	.60%			
Actual		$1,000.00	$1,086.20	$3.16
Hypothetical-[C]		$1,000.00	$1,022.18	$3.06
Service Class	.70%			
Actual		$1,000.00	$1,085.70	$3.68
Hypothetical-[C]		$1,000.00	$1,021.68	$3.57
Service Class 2	.85%			
Actual		$1,000.00	$1,085.10	$4.47
Hypothetical-[C]		$1,000.00	$1,020.92	$4.33
Investor Class	.68%			
Actual		$1,000.00	$1,086.10	$3.58
Hypothetical-[C]		$1,000.00	$1,021.78	$3.47

[A] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

[B] *Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/ 365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.*

[C] *5% return per year before expenses*

Distributions (Unaudited)

The Board of Trustees of VIP Mid Cap Portfolio voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities:

	Pay Date	Record Date	Capital Gains
VIP Mid Cap Portfolio			
Initial Class	02/04/2022	02/04/2022	$0.882
Service Class	02/04/2022	02/04/2022	$0.882
Service Class 2	02/04/2022	02/04/2022	$0.882
Investor Class	02/04/2022	02/04/2022	$0.882

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2021, $1,233,481,267, or, if subsequently determined to be different, the net capital gain of such year.

Initial Class designates 26% and 21%; Service Class designates 27% and 25%; Service Class 2 designates 28% and 31%; and Investor Class designates 26% and 24%; of the dividends distributed on December 1, 2021 and December 31, 2021, respectively, during the fiscal year as qualifying for the dividends–received deduction for corporate shareholders.



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ANNUAL REPORT

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

December 31, 2021



FRANKLIN TEMPLETON

Franklin Templeton Variable Insurance Products Trust Annual Report

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*Not part of the annual report. Retain for your records.

Not FDIC Insured | May Lose Value | No Bank Guarantee

Important Notes to Performance Information

Performance data is historical and cannot predict or guarantee future results. Principal value and investment return will fluctuate with market conditions, and you may have a gain or loss when you withdraw your money. Inception dates of the funds may have preceded the effective dates of the subaccounts, contracts or their availability in all states.

When reviewing the index comparisons, please keep in mind that indexes have a number of inherent performance differentials over the funds. First, unlike the funds, which must hold a minimum amount of cash to maintain liquidity, indexes do not have a cash component. Second, the funds are actively managed and, thus, are subject to management fees to cover salaries of securities analysts or portfolio managers in addition to other expenses. Indexes are unmanaged and do not include any commissions or other expenses typically associated with investing in securities. Third, indexes often contain a different mix of securities than the fund to which they are compared. Additionally, please remember that indexes are simply a measure of performance and cannot be invested in directly.

VIP1 SA1 SA2 SA4 SA5 02/22

SUPPLEMENT DATED FEBRUARY 4, 2022
TO THE STATEMENT OF ADDITIONAL INFORMATION
DATED MAY 1, 2021 FOR
FRANKLIN ALLOCATION VIP FUND
FRANKLIN DYNATECH VIP FUND
FRANKLIN GLOBAL REAL ESTATE VIP FUND
FRANKLIN GROWTH AND INCOME VIP FUND
FRANKLIN INCOME VIP FUND
FRANKLIN LARGE CAP GROWTH VIP FUND
FRANKLIN MUTUAL GLOBAL DISCOVERY VIP FUND
FRANKLIN MUTUAL SHARES VIP FUND
FRANKLIN RISING DIVIDENDS VIP FUND
FRANKLIN SMALL CAP VALUE VIP FUND
FRANKLIN SMALL-MID CAP GROWTH VIP FUND
FRANKLIN STRATEGIC INCOME VIP FUND
FRANKLIN U.S. GOVERNMENT SECURITIES VIP FUND
FRANKLIN VOLSMART ALLOCATION VIP FUND
TEMPLETON DEVELOPING MARKETS VIP FUND
TEMPLETON FOREIGN VIP FUND
TEMPLETON GLOBAL BOND VIP FUND
TEMPLETON GROWTH VIP FUND
(each, a series of Franklin Templeton Variable Insurance Products Trust)

The statement of additional information (SAI) of each Fund is amended as follows:

I. For all Funds, the name “Franklin Templeton Distributors, Inc.” is replaced throughout the SAI with “Franklin Distributors, LLC.”

II. For Franklin Allocation VIP Fund, Templeton Developing Markets VIP Fund and Templeton Foreign VIP Fund, the following bullet is added to the list of securities in which each Fund may invest under “The Funds – Goals, Additional Strategies and Risks:”

- Chinese securities including Chinese variable interest entities

III. The following is added to the “Goals, Strategies and Risks – Glossary of Investments, Techniques, Strategies and Their Risks – Foreign securities:”

China companies. Investing in China, Hong Kong and Taiwan involves a high degree of risk and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include: (a) the risk of nationalization or expropriation of assets or confiscatory taxation; (b) greater social, economic and political uncertainty (including the risk of war); (c) dependency on exports and the corresponding importance of international trade; (d) the increasing competition from Asia’s other low-cost emerging economies; (e) greater price volatility and significantly smaller market capitalization of securities markets, particularly in China; (f) substantially less liquidity, particularly of certain share classes of Chinese securities; (g) currency exchange rate fluctuations and the lack of available currency hedging instruments; (h) higher rates of inflation; (i) controls on foreign investment and limitations on repatriation of invested capital and on the Fund’s ability to exchange local currencies for U.S. dollars; (j) greater governmental involvement in and control over the economy; (k) the risk that the Chinese government may decide not to continue to support the economic reform programs implemented since 1978 and could return to the prior, completely centrally planned, economy; (l) the fact that China companies, particularly those located in China, may be smaller, less seasoned and newly-organized companies; (m) the difference in, or lack of, auditing and financial reporting standards which may result in unavailability of material information about issuers, particularly in China; (n) the fact that statistical information regarding the economy of China may be inaccurate or not comparable to statistical information regarding

the U.S. or other economies; (o) the less extensive, and still developing, regulation of the securities markets, business entities and commercial transactions; (p) the fact that the settlement period of securities transactions in foreign markets may be longer; (q) the willingness and ability of the Chinese government to support the Chinese and Hong Kong economies and markets is uncertain; (r) the risk that it may be more difficult, or impossible, to obtain and/or enforce a judgment than in other countries and that there may be significant obstacles to obtaining information necessary for investigations into or litigation against Chinese companies; and (s) the rapidity and erratic nature of growth, particularly in China, resulting in inefficiencies and dislocations; and (t) the risk that because of the degree of interconnectivity between the economies and financial markets of China, Hong Kong and Taiwan, any sizable reduction in the demand for goods from China, or an economic downturn in China, could negatively affect the economies and financial markets of Hong Kong and Taiwan, as well.

The Public Company Accounting Oversight Board (PCAOB) has warned that positions taken by Chinese authorities impair the PCAOB's ability to conduct inspections and investigations of the audits of public companies with China-based operations. The PCAOB's impaired ability to oversee PCAOB-registered audit firms in China may result in inaccurate or incomplete financial records of an issuer's operations within China, which may negatively impact the Fund's investments in such companies.

Investment in China, Hong Kong and Taiwan is subject to certain political risks. Following the establishment of the People’s Republic of China by the Communist Party in 1949, the Chinese government renounced various debt obligations incurred by China’s predecessor governments, which obligations remain in default, and expropriated assets without compensation. There can be no assurance that the Chinese government will not take similar action in the future. An investment in the Fund involves risk of a total loss.The political reunification of China and Taiwan is a highly problematic issue and is unlikely to be settled in the near future. This situation poses a threat to Taiwan’s economy and could negatively affect its stock market.

The equity securities of China companies the Fund may invest in include securities issued by Hong Kong and Taiwan domiciled companies, as well as China H shares (shares of China-incorporated, Hong Kong-listed companies), Shanghai and Shenzhen-listed B shares (shares of China-incorporated companies that are traded in foreign currencies - U.S. Dollar for the Shanghai Stock Exchange and Hong Kong dollar for the Shenzhen Stock Exchange), and China “red chip” shares (shares of companies based in Mainland China that are incorporated outside China and listed in Hong Kong). The Fund may also invest in eligible China A shares (shares of publicly traded companies based in Mainland China) listed and traded on the Shanghai Stock Exchange ("SSE") through the Shanghai – Hong Kong Stock Connect program, as well as eligible China A shares listed and traded on the Shenzhen Stock Exchange (“SZSE”) through the Shenzhen – Hong Kong Stock Connect program (both programs collectively referred to as “Stock Connect”). The Fund may also invest in China A shares through any other means permitted by applicable law or regulation.

Chinese variable interest entities. In China, equity ownership of companies by foreign individuals and entities is restricted or prohibited in certain sectors, such as internet, media, education and telecommunications. To circumvent these limits, starting in the early 2000s many Chinese companies, including most of the well-known Chinese Internet companies, have used a special structure known as a variable interest entity (VIE) to raise capital from foreign investors. In a typical VIE structure, a shell company is set up in an offshore jurisdiction, such as the Cayman Islands. The shell company, through a wholly foreign-owned enterprise (WFOE) based in China, enters into service and other contracts with another Chinese company known as the VIE. The VIE must be owned by Chinese nationals (and/or other Chinese companies), which often are the VIE’s founders, in order to obtain the licenses and/or assets required to operate in the restricted or prohibited industry in China. The contractual arrangements entered into between the WFOE and VIE (which often include powers of attorney, loan and equity pledge agreements, call option agreements and exclusive services or business cooperation agreements) are designed to allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership.

The contractual arrangements are structured to require the shell company to consolidate the VIE into its financial statements, pursuant to U.S. generally accepted accounting principles, despite the absence of equity ownership. Such consolidation provides the shell company with the ability to issue shares on a foreign exchange, such as the New York

Stock Exchange or NASDAQ, often with the same name as the VIE. Accordingly, foreign investors, such as the Fund, will only own stock in the shell company rather than directly in the VIE. Further, the ability of the WFOE to easily extract profits from the VIE structure through service agreements will partially depend on the proportion of the business that can legally be conducted by the WFOE versus the VIE, which varies based on the industry.

While VIEs are a longstanding industry practice that is well known to Chinese officials and regulators, historically they have not been formally recognized under Chinese law. In late December 2021, the China Securities Regulatory Commission (CSRC) released draft rules that would permit the use of VIE structures, provided they abide by Chinese laws and register with the CSRC. The new draft rules, however, may cause Chinese companies to undergo greater scrutiny and may make the process to create VIEs more difficult and costly. Guidance or further rulemaking prohibiting or restricting these structures by the Chinese government, generally or with respect to specific industries, would likely cause impacted VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Fund's returns and net asset value. The future of the VIE structure generally and with respect to certain industries remains uncertain.

Further, if a Chinese court or arbitration body chose not to enforce the contracts, the value of the shell company would significantly decline, since it derives its value from the ability to consolidate the VIE into its financials pursuant to such contracts, and in turn, adversely affect the Fund's returns and net asset value. The contractual arrangements with the VIE may not be as effective in providing operational control as direct equity ownership. The Chinese equity owner(s) of the VIE could decide to breach the contractual arrangement and may have conflicting interests and fiduciary duties as compared to investors in the shell company. Accordingly, VIEs depend heavily on executives who are Chinese nationals and own the underlying business licenses and/or assets required to operate in China. In addition to creating "key person" succession risk, the structure can restrict the ability of outside shareholders to challenge executives for poor decision-making, weak management, or equity-eroding actions. Any breach or dispute under these contracts will likely fall under Chinese jurisdiction and law.

IV. For all Funds, the following replaces Robert G. Kubilis in the section "Officers and Trustees – Interested Board Members and Officers:"

Christopher Kings (1974) Chief Financial Officer, Chief Accounting Officer and Treasurer Since January 2022 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906
Principal Occupation During at Least the Past 5 Years:
Treasurer, U.S. Fund Administration & Reporting; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Please keep this supplement with your SAI for future reference.

Franklin Small Cap Value VIP Fund

This annual report for Franklin Small Cap Value VIP Fund covers the fiscal year ended December 31, 2021. The Fund closed to new insurance company subaccounts on June 20, 2021. Existing insurance company subaccounts who had an open and funded account on June 20, 2021, can continue to make additional purchases.

Class 2 Performance Summary as of December 31, 2021

Average annual total return of Class 2 shares represents the average annual change in value, assuming reinvestment of dividends and capital gains. Average returns smooth out variations in returns, which can be significant; they are not the same as year-by-year results.

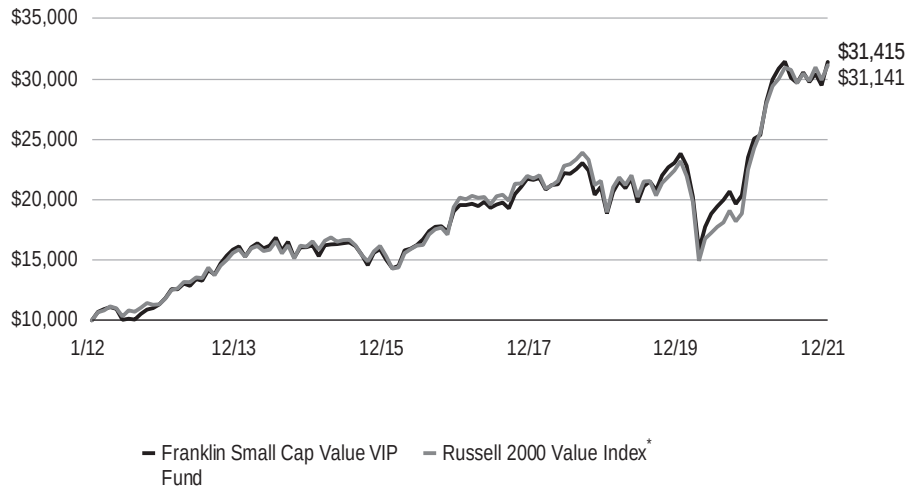
Share Class	Average Annual Total Return
2	
1-Year	+25.37%
5-Year	+9.94%
10-Year	+12.13%

*Performance reflects the Fund's Class 2 operating expenses, but does **not** include any contract fees, expenses or sales charges. If they had been included, performance would be lower. These charges and deductions, particularly for variable life policies, can have a significant effect on contract values and insurance benefits. See the contract prospectus for a complete description of these expenses, including sales charges.*

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown.

Total Return Index Comparison for a Hypothetical $10,000 Investment (1/1/12–12/31/21)

The graph below shows the change in value of a hypothetical $10,000 investment in the Fund over the indicated period and includes reinvestment of any income or distributions. The Fund's performance is compared to the performance of the Russell 2000® Value Index. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. **Please see Important Notes to Performance Information preceding the Fund Summaries.**



*Source: Morningstar. Please see Index Descriptions following the Fund Summaries.

Franklin Small Cap Value VIP Fund

Fund Goal and Main Investments

The Fund seeks long-term total return. Under normal market conditions, the Fund invests at least 80% of its net assets in investments of small capitalization companies. For this Fund, small capitalization companies are those with market capitalizations not exceeding either the highest market capitalization in the Russell 2000® Index or the 12-month average of the highest market capitalization in the Russell 2000® Index, whichever is greater, at the time of purchase. The Fund generally invests in equity securities of companies that the Fund's investment manager believes are undervalued at the time of purchase and have the potential for capital appreciation.

Fund Risks

All investments involve risks, including possible loss of principal. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. Securities issued by small-capitalization companies may be more volatile in price than those of larger companies and may involve substantial risks. Such risks may include greater sensitivity to economic conditions, less certain growth prospects, lack of depth of management and funds for growth and development and limited or less developed product lines and markets. A value stock may not increase in price as anticipated by the investment manager if other investors fail to recognize the company's value and bid up the price, the markets favor faster-growing companies, or the factors that the investment manager believes will increase the price of the security do not occur or do not have the anticipated effect. Investing in foreign securities typically involves more risks than investing in U.S. securities, including risks related to currency exchange rates and policies, country or government specific issues, less favorable trading practices or regulation and greater price volatility. A REIT's performance depends on the types, values and locations of the properties it owns and how well those properties are managed. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results. The Fund's prospectus also includes a description of the main investment risks.

Performance Overview

You can find the Fund's one-year total return in the Performance Summary. In comparison, the Russell 2000® Value Index posted a +28.27% total return for the same period.[1] Please note the Fund employs a bottom-up stock selection process, and the managers invest in securities without regard to benchmark comparisons.

Portfolio Composition
12/31/21

	% of Total Net Assets
Insurance	10.0%
Banks	9.4%
Machinery	7.5%
Chemicals	7.3%
Hotels, Restaurants & Leisure	6.9%
Construction & Engineering	5.0%
Electronic Equipment, Instruments & Components	5.0%
Software	4.6%
Building Products	4.5%
Specialty Retail	3.9%
Trading Companies & Distributors	3.8%
Oil, Gas & Consumable Fuels	3.3%
Equity Real Estate Investment Trusts (REITs)	3.1%
Health Care Equipment & Supplies	2.5%
Other*	21.3%
Short-Term Investments & Other Net Assets	1.9%

*Categories within the Other category are listed in full in the Fund's Statement of Investments (SOI), which can be found later in this report.

Economic and Market Overview

U.S. equities, as measured by the Standard & Poor's® 500 Index (S&P 500®), posted a +28.71% total return for the 12 months ended December 31, 2021.[1] Stocks benefited from the continued economic recovery, monetary and fiscal stimulus measures, rollout of highly effective COVID-19 vaccines, implementation of vaccination programs and easing pandemic restrictions. As many businesses reopened, stimulus payments and generally high household savings contributed to increased consumer spending. A rebound in corporate earnings and the passage of a bipartisan infrastructure bill further bolstered investor sentiment, helping equities to reach new all-time price highs late in the 12-month period.

1. Source: Morningstar. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Please see Index Descriptions following the Fund Summaries.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI).

Gross domestic product growth was robust during most of the period, as the lifting of many COVID-19 restrictions and strong consumer spending continued to support the economy. Both exports and imports increased significantly in an environment of high business confidence and recovering industrial production. The continued growth of the economy led the U.S. to surpass its pre-pandemic output in 2021's second quarter.

The inflation rate was notably elevated during the 12-month period amid increased demand and supply-chain bottlenecks. U.S. consumer spending on goods remained strong, adding to pressure on the prices of many products. Consequently, the personal consumption expenditures index, a measure of inflation, surged during the period, representing the highest 12-month increase in decades. The unemployment rate declined from 6.7% in December 2020 to 3.9% in December 2021 as job openings increased, but a relative lack of available workers fueled wage growth, adding to some investors' inflation concerns.

In an effort to support the economy, the U.S. Federal Reserve (Fed) kept the federal funds target rate at a record-low range of 0.00%–0.25%. While the Fed also maintained quantitative easing measures with U.S. Treasury and mortgage bond purchasing, it began to reduce the rate of purchases beginning in November 2021 and accelerated the pace of tapering in December. The Fed also noted that it expected easing supply constraints to help reduce inflationary pressures and that further employment progress was needed before the Fed would consider raising the range for the federal funds target rate.

Investment Strategy

Our strategy is to invest in small-cap companies that we believe are undervalued at the time of purchase and have the potential for capital appreciation. A stock is undervalued when it trades at less than the price at which the investment manager believes it would trade if the market reflected all factors relating to the company's worth. Following this strategy, the Fund invests in companies that the investment manager believes have, for example: stock prices that are low relative to current, or historical or future earnings, book value, cash flow or sales; recent sharp price declines but the potential for good long-term earnings prospects; and valuable intangibles not reflected in the stock price. The Fund also may invest in real estate investment trusts (REITs).

Top 10 Holdings
12/31/21

Company *Industry*	% of Total Net Assets
WillScot Mobile Mini Holdings Corp. *Construction & Engineering*	3.6%
ACI Worldwide, Inc. *Software*	3.2%
Hanover Insurance Group, Inc. (The) *Insurance*	3.1%
Knowles Corp. *Electronic Equipment, Instruments & Components*	2.8%
Ashland Global Holdings, Inc. *Chemicals*	2.7%
NetScout Systems, Inc. *Communications Equipment*	2.5%
McGrath RentCorp *Trading Companies & Distributors*	2.4%
Timken Co. (The) *Machinery*	2.4%
Summit Materials, Inc. *Construction Materials*	2.4%
Crescent Point Energy Corp. *Oil, Gas & Consumable Fuels*	2.3%

Manager's Discussion

During 2021, the Fund underperformed its benchmark. Security selection in the consumer discretionary and financials sectors, as well as an underweight in energy, curbed relative results. In contrast, security selection in industrials, an underweight in health care, and stock selection and an overweight in materials contributed to relative results.

During the 12-month period, investments that detracted from Fund performance included The Timken Company, Horace Mann Educators and Jack in the Box.

The Timken Company detracted from relative returns. The company's recent earnings have come under pressure from significant cost headwinds. Looking ahead, management struck a positive tone with regards to demand, citing strength from every end market and geographic region. The one end-market exception was automotive due to the semiconductor shortage, but we have begun to see a recovery.

Horace Mann Educators, a multi-line insurer focused on the educator market, hampered relative returns as COVID-19 continued to adversely impact the company's new policy sales. Although lower claim frequency in its supplemental segment benefited Horace Mann's 2021 profitability outlook, personal lines and supplemental policy sales have been pressured as leads are often generated through in-person meetings. Sales activity is on a positive trajectory in these segments, although this remains dependent on schools remaining open with improving access for agents.

Jack in the Box, an operator and franchisor of quick service restaurants, was a relative detractor. Weaker-than-expected revenue growth and larger-than-expected cost pressures caused by input and labor inflation stemming from staffing shortages weighed on its financial performance. While some of these cost pressures are expected to persist into 2022, we believe the company's franchised, asset-light business model positions it well to navigate these headwinds over the longer term.

Top positive contributors to performance during the 12-month period included Crescent Point Energy, Meggitt and Willscot Mobile Mini Holdings.

In contrast, Crescent Point Energy, a Canada-based exploration and production company, boosted relative performance. Multiple factors contributed to the strong performance including a surprise dividend boost, a share buyback announcement, a reduction in debt, a positive free cash flow outlook and an increase in oil prices.

Meggitt, a U.K.-based producer of commercial and military aerospace parts, contributed to relative results in 2021. The stock rose sharply following an announcement that U.S.-based Parker-Hannifin (not a Fund holding) had offered to acquire the company for 800 pence per share, or 70% more than the closing stock price on July 30, 2021. The stock rose further after U.S.-based TransDigm Group (not held at period-end) offered a topping bid of 900 pence. TransDigm withdrew its bid for Meggitt in September.

Willscot Mobile Mini Holdings (WSC), a provider of modular rental offices and portable storage containers, outperformed during the period following the successful integration of the Mobile Mini acquisition and continuation of favorable rental rate increases for both products. Specifically, WSC continues to experience above-peer rental revenue growth in its modular offices due to the inclusion of value-added products, or VAPs, such as office furniture, white boards and coffee makers, etc. The VAPs provide their customers with a "move-in ready" office and allow WSC to charge a higher rental rate. WSC is expanding relevant VAPs offerings to the portable storage side of the business. Lastly, in November, the company held an investor day and unveiled longer-term financial targets that were higher than investors anticipated.

Thank you for your participation in Franklin Small Cap Value VIP Fund. We look forward to serving your future investment needs.

The foregoing information reflects our analysis, opinions and portfolio holdings as of December 31, 2021, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Class 2 Fund Expenses

As an investor in a variable insurance contract (Contract) that indirectly provides for investment in an underlying mutual fund, you can incur transaction and/or ongoing expenses at both the Fund level and the Contract Level: (1) transaction expenses can include sales charges (loads) on purchases, surrender fees, transfer fees and premium taxes; and (2) ongoing expenses can include management fees, distribution and service (12b-1) fees, contract fees, annual maintenance fees, mortality and expense risk fees and other fees and expenses. All mutual funds and Contracts have some types of ongoing expenses. The table below shows Fund-level ongoing expenses and can help you understand these costs and compare them with those of other mutual funds offered through the Contract. The table assumes a $1,000 investment held for the six months indicated. Please refer to the Fund prospectus for additional information on operating expenses.

Actual Fund Expenses

The table below provides information about the actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of ongoing Fund expenses but does not include the effect of ongoing Contract expenses, is used to calculate the "Ending Account Value." You can estimate the Fund-level expenses you paid during the period by following these steps *(of course, your account value and expenses will differ from those in this illustration):* Divide your account value by $1,000 *(if your account had an $8,600 value, then $8,600 ÷ $1,000 = 8.6)*. Then multiply the result by the number under the headings "Actual" and "Fund-Level Expenses Paid During Period" *(if Fund-Level Expenses Paid During Period were $7.50, then 8.6 x $7.50 = $64.50)*. In this illustration, the estimated expenses paid this period at the Fund level are $64.50.

Hypothetical Example for Comparison with Other Mutual Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other mutual funds offered through the Contract. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds offered through the Contract.

Please note that expenses shown in the table are meant to highlight ongoing costs at the Fund level only and do not reflect any ongoing expenses at the Contract level, or transaction expenses at either the Fund or Contract levels. In addition, while the Fund does not have transaction expenses, if the transaction and ongoing expenses at the Contract level were included, the expenses shown below would be higher. You should consult your Contract prospectus or disclosure document for more information.

		Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		
Share Class	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Fund-Level Expenses Paid During Period 7/1/21–12/31/21[1,2]	Ending Account Value 12/31/21	Fund-Level Expenses Paid During Period 7/1/21–12/31/21[1,2]	Net Annualized Expense Ratio[2]
2	$1,000	$1,043.40	$4.72	$1,020.58	$4.67	0.92%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 184/365 to reflect the one-half year period.
2. Reflects expenses after fee waivers and expense reimbursements. Does not include acquired fund fees and expenses.

Financial Highlights

Franklin Small Cap Value VIP Fund

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$15.20	$15.73	$15.14	$20.43	$19.93
Income from investment operations[a]:					
Net investment income[b]	0.19	0.20	0.24[c]	0.21	0.21[d]
Net realized and unrealized gains (losses)	3.71	0.31	3.35	(2.29)	1.82
Total from investment operations	3.90	0.51	3.59	(2.08)	2.03
Less distributions from:					
Net investment income	(0.21)	(0.23)	(0.22)	(0.23)	(0.15)
Net realized gains	(0.46)	(0.81)	(2.78)	(2.98)	(1.38)
Total distributions	(0.67)	(1.04)	(3.00)	(3.21)	(1.53)
Net asset value, end of year	$18.43	$15.20	$15.73	$15.14	$20.43
Total return[e]	25.67%	5.41%	26.72%	(12.69)%	10.92%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.66%	0.68%	0.67%	0.66%	0.66%
Expenses net of waiver and payments by affiliates	0.66%[f]	0.68%[f,g]	0.67%[f,g]	0.65%[g]	0.65%[g]
Net investment income	1.07%	1.54%	1.58%[c]	1.13%	1.06%[d]
Supplemental data					
Net assets, end of year (000's)	$73,715	$50,572	$46,980	$40,644	$51,245
Portfolio turnover rate	60.41%	69.40%	54.36%	47.82%	33.36%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

[b]Based on average daily shares outstanding.

[c]Net investment income per share includes approximately $0.05 per share related to income received in the form of special dividends in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 1.23%.

[d]Net investment income per share includes approximately $0.06 per share related to income received in the form of special dividends in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.75%.

[e]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.

[f]Benefit of waiver and payments by affiliates rounds to less than 0.01%.

[g]Benefit of expense reduction rounds to less than 0.01%.

Franklin Small Cap Value VIP Fund (continued)

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 2					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$14.50	$15.05	$14.60	$19.80	$19.36
Income from investment operations[a]:					
Net investment income[b]	0.14	0.16	0.20[c]	0.16	0.15[d]
Net realized and unrealized gains (losses)	3.53	0.30	3.20	(2.20)	1.77
Total from investment operations	3.67	0.46	3.40	(2.04)	1.92
Less distributions from:					
Net investment income	(0.17)	(0.19)	(0.17)	(0.18)	(0.10)
Net realized gains	(0.46)	(0.82)	(2.78)	(2.98)	(1.38)
Total distributions	(0.63)	(1.01)	(2.95)	(3.16)	(1.48)
Net asset value, end of year	$17.54	$14.50	$15.05	$14.60	$19.80
Total return[e]	25.37%	5.19%	26.35%	(12.88)%	10.65%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.91%	0.93%	0.92%	0.91%	0.91%
Expenses net of waiver and payments by affiliates	0.91%[f]	0.93%[f,g]	0.92%[f,g]	0.90%[g]	0.90%[g]
Net investment income	0.83%	1.28%	1.33%[c]	0.88%	0.81%[d]
Supplemental data					
Net assets, end of year (000's)	$1,135,623	$1,103,373	$1,123,093	$978,675	$1,302,055
Portfolio turnover rate	60.41%	69.40%	54.36%	47.82%	33.36%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Net investment income per share includes approximately $0.05 per share related to income received in the form of special dividends in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.98%.
[d]Net investment income per share includes approximately $0.06 per share related to income received in the form of special dividends in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.50%.
[e]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[f]Benefit of waiver and payments by affiliates rounds to less than 0.01%.
[g]Benefit of expense reduction rounds to less than 0.01%.

Franklin Small Cap Value VIP Fund (continued)

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 4					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$14.99	$15.51	$14.96	$20.22	$19.74
Income from investment operations[a]:					
Net investment income[b]	0.13	0.15	0.19[c]	0.15	0.14[d]
Net realized and unrealized gains (losses)	3.64	0.32	3.30	(2.28)	1.81
Total from investment operations	3.77	0.47	3.49	(2.13)	1.95
Less distributions from:					
Net investment income	(0.16)	(0.18)	(0.16)	(0.15)	(0.09)
Net realized gains	(0.46)	(0.81)	(2.78)	(2.98)	(1.38)
Total distributions	(0.62)	(0.99)	(2.94)	(3.13)	(1.47)
Net asset value, end of year	$18.14	$14.99	$15.51	$14.96	$20.22
Total return[e]	25.17%	5.13%	26.23%	(13.01)%	10.56%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.01%	1.03%	1.02%	1.01%	1.01%
Expenses net of waiver and payments by affiliates	1.01%[f]	1.03%[f,g]	1.02%[f,g]	1.00%[g]	1.00%[g]
Net investment income	0.73%	1.18%	1.23%[c]	0.78%	0.71%[d]
Supplemental data					
Net assets, end of year (000's)	$38,148	$29,461	$29,238	$24,592	$32,053
Portfolio turnover rate	60.41%	69.40%	54.36%	47.82%	33.36%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Net investment income per share includes approximately $0.05 per share related to income received in the form of special dividends in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.88%.
[d]Net investment income per share includes approximately $0.06 per share related to income received in the form of special dividends in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.40%.
[e]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[f]Benefit of waiver and payments by affiliates rounds to less than 0.01%.
[g]Benefit of expense reduction rounds to less than 0.01%.

Statement of Investments, December 31, 2021

Franklin Small Cap Value VIP Fund

	Country	Shares	Value
Common Stocks 98.1%			
Auto Components 2.1%			
[a]Adient plc	United States	423,558	$20,279,957
LCI Industries	United States	36,149	5,634,545
			25,914,502
Banks 9.4%			
Atlantic Union Bankshares Corp.	United States	294,870	10,995,702
Bryn Mawr Bank Corp.	United States	278,146	12,519,351
Camden National Corp.	United States	85,185	4,102,510
Columbia Banking System, Inc.	United States	400,580	13,106,978
First Horizon Corp.	United States	839,742	13,712,987
First Interstate BancSystem, Inc., A	United States	70,227	2,856,132
First of Long Island Corp. (The)	United States	317,915	6,863,785
German American Bancorp, Inc.	United States	173,793	6,774,451
Peoples Bancorp, Inc.	United States	195,922	6,232,279
SouthState Corp.	United States	267,726	21,447,530
TriCo Bancshares	United States	170,046	7,305,176
Washington Trust Bancorp, Inc.	United States	197,439	11,129,636
			117,046,517
Biotechnology 0.3%			
[a]Mirum Pharmaceuticals, Inc.	United States	66,430	1,059,558
[a]Rhythm Pharmaceuticals, Inc.	United States	288,452	2,878,751
			3,938,309
Building Products 4.5%			
Apogee Enterprises, Inc.	United States	391,655	18,858,188
Insteel Industries, Inc.	United States	39,005	1,552,789
[a]Masonite International Corp.	United States	110,214	12,999,742
UFP Industries, Inc.	United States	254,299	23,398,051
			56,808,770
Chemicals 7.3%			
Ashland Global Holdings, Inc.	United States	314,880	33,899,981
Avient Corp.	United States	511,506	28,618,761
[a]Elementis plc	United Kingdom	4,238,109	7,543,088
Minerals Technologies, Inc.	United States	293,260	21,451,969
			91,513,799
Communications Equipment 2.5%			
[a]NetScout Systems, Inc.	United States	941,584	31,147,599
Construction & Engineering 5.0%			
Argan, Inc.	United States	68,824	2,662,801
[a]Great Lakes Dredge & Dock Corp.	United States	969,461	15,239,927
[a]WillScot Mobile Mini Holdings Corp.	United States	1,086,623	44,377,683
			62,280,411
Construction Materials 2.4%			
[a]Summit Materials, Inc., A.	United States	739,996	29,703,439
Electric Utilities 0.6%			
IDACORP, Inc.	United States	61,420	6,959,500
Electrical Equipment 1.5%			
Regal Rexnord Corp.	United States	111,511	18,976,942
Electronic Equipment, Instruments & Components 5.0%			
Benchmark Electronics, Inc.	United States	635,574	17,224,055
CTS Corp.	United States	59,994	2,202,980

Franklin Small Cap Value VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Electronic Equipment, Instruments & Components (continued)			
[a]II-VI, Inc.	United States	107,026	$7,313,087
[a]Knowles Corp.	United States	1,518,352	35,453,519
			62,193,641
Energy Equipment & Services 1.8%			
Hunting plc	United Kingdom	1,227,732	2,809,475
[a]Natural Gas Services Group, Inc.	United States	153,048	1,602,412
[a]NexTier Oilfield Solutions, Inc.	United States	866,751	3,076,966
[a]TechnipFMC plc	United Kingdom	2,432,464	14,400,187
			21,889,040
Equity Real Estate Investment Trusts (REITs) 3.1%			
Alexander & Baldwin, Inc.	United States	352,261	8,838,229
Healthcare Realty Trust, Inc.	United States	325,821	10,308,976
Highwoods Properties, Inc.	United States	169,044	7,537,672
[a]Sunstone Hotel Investors, Inc.	United States	1,069,334	12,543,288
			39,228,165
Food & Staples Retailing 0.3%			
[a]BJ's Wholesale Club Holdings, Inc.	United States	50,771	3,400,134
Food Products 1.4%			
Glanbia plc	Ireland	1,285,277	17,942,933
Gas Utilities 0.2%			
Spire, Inc.	United States	30,218	1,970,818
Health Care Equipment & Supplies 2.5%			
[a]Envista Holdings Corp.	United States	407,158	18,346,540
[a]Integer Holdings Corp.	United States	153,956	13,177,094
			31,523,634
Hotels, Restaurants & Leisure 6.9%			
[a]Dalata Hotel Group plc	Ireland	2,233,133	9,450,333
[a]Denny's Corp.	United States	1,253,382	20,054,112
[a]Hilton Grand Vacations, Inc.	United States	541,455	28,215,220
Jack in the Box, Inc.	United States	328,392	28,727,732
			86,447,397
Household Durables 0.3%			
[a]M/I Homes, Inc.	United States	54,909	3,414,242
Insurance 10.0%			
Argo Group International Holdings Ltd.	United States	227,110	13,197,362
CNO Financial Group, Inc.	United States	710,486	16,937,986
Hanover Insurance Group, Inc. (The)	United States	293,022	38,403,463
Horace Mann Educators Corp.	United States	610,203	23,614,856
Old Republic International Corp.	United States	590,483	14,514,072
Selective Insurance Group, Inc.	United States	227,760	18,662,655
			125,330,394
IT Services 1.2%			
Alliance Data Systems Corp.	United States	222,662	14,822,609
Leisure Products 1.7%			
Brunswick Corp.	United States	215,421	21,699,357
Machinery 7.5%			
Astec Industries, Inc.	United States	51,760	3,585,415

Franklin Small Cap Value VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Machinery (continued)			
Columbus McKinnon Corp.	United States	19,801	$915,994
Flowserve Corp.	United States	185,883	5,688,020
Greenbrier Cos., Inc. (The)	United States	589,622	27,057,754
Mueller Industries, Inc.	United States	110,000	6,529,600
Mueller Water Products, Inc., A	United States	410,639	5,913,202
REV Group, Inc.	United States	565,076	7,995,826
Terex Corp.	United States	123,853	5,443,339
Timken Co. (The)	United States	431,982	29,932,033
			93,061,183
Media 0.2%			
[a]Loyalty Ventures, Inc.	United States	82,239	2,472,927
Metals & Mining 0.3%			
Kaiser Aluminum Corp.	United States	39,516	3,712,133
Multi-Utilities 1.4%			
Black Hills Corp.	United States	244,148	17,229,524
Oil, Gas & Consumable Fuels 3.3%			
Crescent Point Energy Corp.	Canada	5,385,736	28,749,481
[a]Green Plains, Inc.	United States	350,082	12,168,850
			40,918,331
Professional Services 1.2%			
ICF International, Inc.	United States	54,292	5,567,644
Stantec, Inc.	Canada	178,690	10,043,099
			15,610,743
Real Estate Management & Development 0.3%			
[a]Cushman & Wakefield plc	United States	152,886	3,400,185
Semiconductors & Semiconductor Equipment 0.7%			
[a]Cohu, Inc.	United States	221,414	8,433,659
Software 4.6%			
[a]ACI Worldwide, Inc.	United States	1,140,313	39,568,861
Software AG	Germany	454,043	18,075,008
			57,643,869
Specialty Retail 3.9%			
[a]Children's Place, Inc. (The)	United States	114,932	9,112,958
[a]Dufry AG	Switzerland	364,366	17,940,586
Group 1 Automotive, Inc.	United States	110,929	21,655,560
			48,709,104
Textiles, Apparel & Luxury Goods 0.5%			
Carter's, Inc.	United States	65,579	6,637,906
Thrifts & Mortgage Finance 0.4%			
Enact Holdings, Inc.	United States	232,466	4,805,072
Trading Companies & Distributors 3.8%			
Herc Holdings, Inc.	United States	108,485	16,983,327
McGrath RentCorp	United States	377,219	30,275,597
			47,258,924
Total Common Stocks (Cost $932,130,479)			**1,224,045,712**

Franklin Small Cap Value VIP Fund (continued)

Short Term Investments 1.9%

	Country	Shares	Value
Money Market Funds 1.9%			
[b,c]Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	24,112,773	$24,112,773
Total Money Market Funds (Cost $24,112,773)			**24,112,773**
Total Short Term Investments (Cost $24,112,773)			**24,112,773**
Total Investments (Cost $956,243,252) 100.0%			**$1,248,158,485**
Other Assets, less Liabilities (0.0)%†			**(672,082)**
Net Assets 100.0%			**$1,247,486,403**

†Rounds to less than 0.1% of net assets.
[a]Non-income producing.
[b]See Note 3(e) regarding investments in affiliated management investment companies.
[c]The rate shown is the annualized seven-day effective yield at period end.

Statement of Assets and Liabilities

December 31, 2021

	Franklin Small Cap Value VIP Fund
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	$932,130,479
Cost - Non-controlled affiliates (Note 3e)	24,112,773
Value - Unaffiliated issuers	$1,224,045,712
Value - Non-controlled affiliates (Note 3e)	24,112,773
Receivables:	
Investment securities sold	317,372
Capital shares sold	322,165
Dividends	812,031
Total assets	1,249,610,053
Liabilities:	
Payables:	
Investment securities purchased	266,202
Capital shares redeemed	563,309
Management fees	659,066
Distribution fees	246,495
Reports to shareholders fees	372,469
Accrued expenses and other liabilities	16,109
Total liabilities	2,123,650
Net assets, at value	$1,247,486,403
Net assets consist of:	
Paid-in capital	$750,535,695
Total distributable earnings (losses)	496,950,708
Net assets, at value	$1,247,486,403

	Franklin Small Cap Value VIP Fund
Class 1:	
Net assets, at value	$73,714,989
Shares outstanding	3,999,050
Net asset value and maximum offering price per share	$18.43
Class 2:	
Net assets, at value	$1,135,623,455
Shares outstanding	64,748,023
Net asset value and maximum offering price per share	$17.54
Class 4:	
Net assets, at value	$38,147,959
Shares outstanding	2,102,402
Net asset value and maximum offering price per share	$18.14

Statement of Operations

for the year ended December 31, 2021

	Franklin Small Cap Value VIP Fund
Investment income:	
Dividends: (net of foreign taxes of $79,649)	
Unaffiliated issuers	$23,052,882
Non-controlled affiliates (Note 3e)	1,884
Interest:	
Unaffiliated issuers	1,868
Total investment income	23,056,634
Expenses:	
Management fees (Note 3a)	8,345,066
Interest expense	27
Distribution fees: (Note 3c)	
Class 2	3,054,670
Class 4	121,493
Custodian fees (Note 4)	8,348
Reports to shareholders fees	296,725
Professional fees	74,682
Trustees' fees and expenses	12,301
Other	34,042
Total expenses	11,947,354
Expenses waived/paid by affiliates (Note 3e)	(19,367)
Net expenses	11,927,987
Net investment income	11,128,647
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments:	
Unaffiliated issuers	199,381,865
Foreign currency transactions	58,552
Net realized gain (loss)	199,440,417
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	78,102,132
Translation of other assets and liabilities denominated in foreign currencies	(8,242)
Net change in unrealized appreciation (depreciation)	78,093,890
Net realized and unrealized gain (loss)	277,534,307
Net increase (decrease) in net assets resulting from operations	$288,662,954

Statements of Changes in Net Assets

	Franklin Small Cap Value VIP Fund	
	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (decrease) in net assets:		
Operations:		
Net investment income	$11,128,647	$12,966,525
Net realized gain (loss)	199,440,417	35,583,469
Net change in unrealized appreciation (depreciation)	78,093,890	9,897,496
Net increase (decrease) in net assets resulting from operations	288,662,954	58,447,490
Distributions to shareholders:		
Class 1	(2,642,045)	(3,163,057)
Class 2	(45,737,885)	(74,826,606)
Class 4	(1,174,804)	(1,993,248)
Total distributions to shareholders	(49,554,734)	(79,982,911)
Capital share transactions: (Note 2)		
Class 1	12,468,955	3,879,512
Class 2	(189,934,717)	1,523,597
Class 4	2,438,024	226,802
Total capital share transactions	(175,027,738)	5,629,911
Net increase (decrease) in net assets	64,080,482	(15,905,510)
Net assets:		
Beginning of year	1,183,405,921	1,199,311,431
End of year	$1,247,486,403	$1,183,405,921

Notes to Financial Statements

Franklin Small Cap Value VIP Fund

1. Organization and Significant Accounting Policies

Franklin Templeton Variable Insurance Products Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of eighteen separate funds and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). Franklin Small Cap Value VIP Fund (Fund) is included in this report. Shares of the Fund are generally sold only to insurance company separate accounts to fund the benefits of variable life insurance policies or variable annuity contracts. The Fund offers three classes of shares: Class 1, Class 2 and Class 4. Each class of shares may differ by its distribution fees, voting rights on matters affecting a single class and its exchange privilege.

The following summarizes the Fund's significant accounting policies.

a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Fund's administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). The Fund may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or as of 4 p.m. Eastern time. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Investments in open-end mutual funds are valued at closing NAV.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Fund primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before 4 p.m. Eastern time. In addition, trading in certain foreign markets may not take place on every Fund's business day. Events can occur between the time at which trading in a foreign security is completed and 4 p.m. Eastern time that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Fund's portfolio securities as determined at the foreign market close and the latest indications of value at 4 p.m. Eastern time. In order to minimize the potential for these differences, an independent pricing service may be used to adjust the value of the Fund's securities to the latest indications of fair value at 4 p.m. Eastern time. At December 31, 2021, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 inputs within the fair value hierarchy (referred to as "market level fair value"). See the Fair Value Measurements note for more information.

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Fund's NAV is not calculated, which could result in differences between the value of the Fund's portfolio securities on the last business day and the last calendar day

Franklin Small Cap Value VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

a. Financial Instrument Valuation (continued)

of the reporting period. Any security valuation changes due to an open foreign market are adjusted and reflected by the Funds for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statement of Operations.

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 and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and if applicable, excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply, the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

The Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of December 31, 2021, the Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Fund invests.

d. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Dividend income and capital gain distributions are recorded on the ex-dividend date except for certain dividends from securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary.

Franklin Small Cap Value VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Security Transactions, Investment Income, Expenses and Distributions (continued)

Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Common expenses incurred by the Trust are allocated among the Funds based on the ratio of net assets of each Fund to the combined net assets of the Trust or based on the ratio of number of shareholders of each Fund to the combined number of shareholders of the Trust. Fund specific expenses are charged directly to the Fund that incurred the expense.

Realized and unrealized gains and losses and net investment income, excluding class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class. Differences in per share distributions by class are generally due to differences in class specific expenses.

e. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

f. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

2. Shares of Beneficial Interest

At December 31, 2021, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	1,117,537	$20,319,471	455,233	$5,805,187
Shares issued in reinvestment of distributions	136,633	2,503,125	275,768	3,163,057
Shares redeemed	(581,230)	(10,353,641)	(392,293)	(5,088,732)
Net increase (decrease)	672,940	$12,468,955	338,708	$3,879,512
Class 2 Shares:				
Shares sold	8,044,540	$137,488,496	9,825,906	$112,925,732
Shares issued in reinvestment of distributions	2,619,581	45,737,885	6,827,245	74,826,606
Shares redeemed	(21,998,749)	(373,161,098)	(15,190,634)	(186,228,741)
Net increase (decrease)	(11,334,628)	$(189,934,717)	1,462,517	$1,523,597
Class 4 Shares:				
Shares sold	593,014	$10,356,001	422,087	$4,787,696
Shares issued in reinvestment of distributions	65,014	1,174,804	175,927	1,993,248
Shares redeemed	(521,176)	(9,092,781)	(517,251)	(6,554,142)
Net increase (decrease)	136,852	$2,438,024	80,763	$226,802

Franklin Small Cap Value VIP Fund (continued)

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Fund are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Mutual Advisers, LLC (Franklin Mutual)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

a. Management Fees

The Fund pays an investment management fee to Franklin Mutual based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.750%	Up to and including $200 million
0.635%	Over $200 million, up to and including $700 million
0.600%	Over $700 million, up to and including $1.2 billion
0.575%	Over $1.2 billion, up to and including $1.3 billion
0.475%	In excess of $1.3 billion

For the year ended December 31, 2021, the gross effective investment management fee rate was 0.630% of the Fund's average daily net assets.

b. Administrative Fees

Under an agreement with Franklin Mutual, FT Services provides administrative services to the Fund. The fee is paid by Franklin Mutual based on the Fund's average daily net assets, and is not an additional expense of the Fund.

c. Distribution Fees

The Board has adopted distribution plans for Class 2 and Class 4 shares pursuant to Rule 12b-1 under the 1940 Act. Under the Fund's compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to 0.35% per year of its average daily net asset of each class. The Board has agreed to limit the current rate to 0.25% per year for Class 2. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31.

d. Transfer Agent Fees

Investor Services, under terms of an agreement, performs shareholder servicing for the Fund and is not paid by the Fund for the services.

e. Investments in Affiliated Management Investment Companies

The Fund invests in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a "Controlled Affiliate" of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund's outstanding shares or has the power to exercise control over management or policies of such fund. The Funds do not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Fund

Franklin Small Cap Value VIP Fund (continued)

3. Transactions with Affiliates (continued)

e. Investments in Affiliated Management Investment Companies (continued)

are waived on assets invested in the affiliated management investment companies, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the year ended December 31, 2021, the Fund held investments in affiliated management investment companies as follows:

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Franklin Small Cap Value VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	$21,360,711	$430,860,043	$(428,107,981)	$—	$—	$24,112,773	24,112,773	$1,884
Total Affiliated Securities . . .	$21,360,711	$430,860,043	$(428,107,981)	$—	$—	$24,112,773		$1,884

4. Expense Offset Arrangement

The Fund has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund's custodian expenses. During the year ended December 31, 2021, there were no credits earned.

5. Income Taxes

The tax character of distributions paid during the years ended December 31, 2021 and 2020, was as follows:

	2021	2020
Distributions paid from:		
Ordinary income	$29,683,290	$20,917,706
Long term capital gain	19,871,444	59,065,205
	$49,554,734	$79,982,911

At December 31, 2021, the cost of investments, net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long term capital gains for income tax purposes were as follows:

Cost of investments	$962,773,502
Unrealized appreciation.	$315,013,250
Unrealized depreciation.	(29,628,267)
Net unrealized appreciation (depreciation).	$285,384,983
Distributable earnings:	
Undistributed ordinary income	$84,341,803
Undistributed long term capital gains	127,224,321
Total distributable earnings	$211,566,124

Franklin Small Cap Value VIP Fund (continued)

5. Income Taxes (continued)

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatment of wash sales.

6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended December 31, 2021, aggregated $772,912,080 and $992,486,044, respectively.

7. Novel Coronavirus Pandemic

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Fund, its ability to buy and sell fund investments at appropriate valuations and its ability to achieve its investment objectives.

8. Credit Facility

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling $2.675 billion (Global Credit Facility) which matured on February 4, 2022. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests. Effective February 4, 2022, the Borrowers renewed the Global Credit Facility for a one-year term, maturing February 3, 2023, for a total of $2.675 billion.

Under the terms of the Global Credit Facility, the Fund shall, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statement of Operations. During the year ended December 31, 2021, the Fund did not use the Global Credit Facility.

9. Fair Value Measurements

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments).

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of December 31, 2021, in valuing the Fund's assets carried at fair value, is as follows:

Franklin Small Cap Value VIP Fund (continued)

9. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Small Cap Value VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Auto Components	$25,914,502	$—	$—	$25,914,502
Banks	117,046,517	—	—	117,046,517
Biotechnology	3,938,309	—	—	3,938,309
Building Products	56,808,770	—	—	56,808,770
Chemicals	91,513,799	—	—	91,513,799
Communications Equipment	31,147,599	—	—	31,147,599
Construction & Engineering	62,280,411	—	—	62,280,411
Construction Materials	29,703,439	—	—	29,703,439
Electric Utilities	6,959,500	—	—	6,959,500
Electrical Equipment	18,976,942	—	—	18,976,942
Electronic Equipment, Instruments & Components	62,193,641	—	—	62,193,641
Energy Equipment & Services	21,889,040	—	—	21,889,040
Equity Real Estate Investment Trusts (REITs)	39,228,165	—	—	39,228,165
Food & Staples Retailing	3,400,134	—	—	3,400,134
Food Products	—	17,942,933	—	17,942,933
Gas Utilities	1,970,818	—	—	1,970,818
Health Care Equipment & Supplies	31,523,634	—	—	31,523,634
Hotels, Restaurants & Leisure	86,447,397	—	—	86,447,397
Household Durables	3,414,242	—	—	3,414,242
Insurance	125,330,394	—	—	125,330,394
IT Services	14,822,609	—	—	14,822,609
Leisure Products	21,699,357	—	—	21,699,357
Machinery	93,061,183	—	—	93,061,183
Media	2,472,927	—	—	2,472,927
Metals & Mining	3,712,133	—	—	3,712,133
Multi-Utilities	17,229,524	—	—	17,229,524
Oil, Gas & Consumable Fuels	40,918,331	—	—	40,918,331
Professional Services	15,610,743	—	—	15,610,743
Real Estate Management & Development	3,400,185	—	—	3,400,185
Semiconductors & Semiconductor Equipment	8,433,659	—	—	8,433,659
Software	39,568,861	18,075,008	—	57,643,869
Specialty Retail	30,768,518	17,940,586	—	48,709,104
Textiles, Apparel & Luxury Goods	6,637,906	—	—	6,637,906
Thrifts & Mortgage Finance	4,805,072	—	—	4,805,072
Trading Companies & Distributors	47,258,924	—	—	47,258,924
Short Term Investments	24,112,773	—	—	24,112,773
Total Investments in Securities	$1,194,199,958	$53,958,527[a]	$—	$1,248,158,485

[a]Includes foreign securities valued at $53,958,527, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

10. New Accounting Pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting. In January 2021, the FASB issued ASU No. 2021-01, with further amendments to Topic 848. The amendments in the ASUs provide optional temporary accounting recognition and financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021 for certain LIBOR settings and 2023 for the remainder. The ASUs are effective for certain reference

Franklin Small Cap Value VIP Fund (continued)

10. New Accounting Pronouncements (continued)

rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management has reviewed the requirements and believes the adoption of these ASUs will not have a material impact on the financial statements.

11. Subsequent Events

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure other than those already disclosed in the financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Templeton Variable Insurance Products Trust and Shareholders of Franklin Small Cap Value VIP Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the statement of investments, of Franklin Small Cap Value VIP Fund (one of the funds constituting Franklin Templeton Variable Insurance Products Trust, referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

San Francisco, California
February 17, 2022

We have served as the auditor of one or more investment companies in the Franklin Templeton Group of Funds since 1948.

Tax Information (unaudited)

Franklin Small Cap Value VIP Fund

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to www.franklintempleton.com for per share tax information related to any distributions paid during the preceding calendar year. Shareholders are advised to consult with their tax advisors for further information on the treatment of these amounts on their tax returns.

The following tax information for the Fund is required to be furnished to shareholders with respect to income earned and distributions paid during its fiscal year.

The Fund hereby reports the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended December 31, 2021:

	Pursuant to:	Amount Reported
Long-Term Capital Gain Dividends Distributed	§852(b)(3)(C)	$19,871,444
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	$20,999,365

Index Descriptions

The indexes are unmanaged and include reinvestment of any income or distributions. They do not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Net Returns (NR) include income net of tax withholding when dividends are paid.

For Russell Indexes: Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company.

See www.franklintempletondatasources.com for additional data provider information.

Bloomberg 1-3 Month U.S. Treasury Bill Index measures the performance of U.S. Treasury bills that have a remaining maturity of greater than or equal to one month and less than three months. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

Bloomberg U.S. Aggregate Bond Index measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities and commercial mortgage-backed securities (agency and nonagency).

Bloomberg U.S. Corporate Bond Index measures the performance of the investment-grade, fixed-rate, taxable corporate bond market. It includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Bloomberg U.S. Corporate High Yield Bond Index measures the performance of the U.S. dollar-denominated, high-yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and Standard & Poor's is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets (EM) country of risk, based on Bloomberg EM country definition, are excluded.

Bloomberg U.S. Government - Intermediate Index is the intermediate component of the Bloomberg U.S. Government Index, which includes U.S. dollar-denominated, fixed-rate, nominal U.S. Treasuries and U.S. agency debentures (securities issued by U.S. government-owned or government-sponsored entities, and debt explicitly guaranteed by the U.S. government).

Bloomberg U.S. High Yield Very Liquid Index is a component of the U.S. Corporate High Yield Index that is designed to track a more liquid component of the U.S. dollar-denominated, high-yield, fixed-rate corporate bond market.

Bloomberg U.S. Mortgage-Backed Securities (MBS) Index tracks the performance of fixed-rate agency mortgage-backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA) and Freddie Mac (FHLMC). Effective June 1, 2017, hybrid adjustable-rate mortgages were removed from the index.

Bloomberg U.S. Treasury Index measures the performance of U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury with at least one year until final maturity. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

FTSE® EPRA®/NAREIT® Developed Index is a free float-adjusted index designed to measure the performance of publicly traded real estate securities in the North American, European and Asian real estate markets.

FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds and is stated in U.S. dollar terms.

J.P. Morgan (JPM) Global Government Bond Index (GGBI) tracks total returns for liquid, fixed-rate, domestic government bonds with maturities greater than one year issued by developed countries globally.

Lipper Multi-Sector Income Funds Classification Average is calculated by averaging the total returns of all funds within the Lipper Multi-Sector Income Funds classification in the Lipper Open-End underlying funds universe. Lipper Multi-Sector Income Funds are defined as funds that seek current income by allocating assets among different fixed income securities sectors (not primarily in one sector except for defensive purposes), including U.S. and foreign governments, with a significant portion rated below investment grade. For the 12-month period ended 12/31/21,

there were 365 funds in this category. Lipper calculations do not include sales charges, but include reinvestment of any income or distributions. Fund performance relative to the average may have differed if these and other factors had been considered.

Lipper VIP General U.S. Government Funds Classification Average is an equally weighted average calculation of performance figures for all funds within the Lipper General U.S. Government Funds classification in the Lipper VIP underlying funds universe. Lipper General U.S. Government Funds invest primarily in U.S. government and agency issues. For the 12-month period ended 12/31/21, there were 24 funds in this category. Lipper calculations do not include contract fees, expenses or sales charges, and may have been different if such charges had been considered.

MSCI All Country Asia Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of developed and emerging markets in Asia.

MSCI All Country World Index (ACWI) is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets.

MSCI All Country World Index (ACWI)-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets.

MSCI All Country World Index (ACWI) ex USA Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI All Country World Index (ACWI) ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI Emerging Markets (EM) Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global emerging markets.

MSCI Europe Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of developed markets in Europe.

MSCI USA High Dividend Yield Index is based on the MSCI USA Index, its parent index, and includes large- and mid-capitalization stocks. The index is designed to reflect the performance of equities in the parent index (excluding real estate investment trusts) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent.

MSCI World ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets, excluding the U.S.

MSCI World Growth Index-NR measures large and midcap securities exhibiting overall growth style characteristics across 23 developed markets countries.

MSCI World Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets.

MSCI World Value Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the performance of stocks exhibiting overall value style characteristics in global developed markets.

Russell 1000® Growth Index is market capitalization weighted and measures the performance of those Russell 1000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell 1000® Index is market capitalization weighted and measures the performance of the approximately 1,000 largest companies in the Russell 3000® Index, which represents the majority of the U.S. market's total capitalization.

Russell 1000® Value Index is market capitalization weighted and measures the performance of those Russell 1000® Index companies with relatively lower price-to-book ratios and lower forecasted growth rates.

Russell 2000® Index is market capitalization weighted and measures the performance of the approximately 2,000 smallest companies in the Russell 3000® Index that represent a small amount of the total market capitalization of the Russell 3000® Index.

Russell 2000® Value Index is market capitalization weighted and measures the performance of those Russell 2000® Index companies with relatively lower price-to-book ratios and lower forecasted growth rates.

Russell 2500™ Index is market capitalization weighted and measures the performance of the approximately 2,500 smallest companies in the Russell 3000 Index® that represent a modest amount of the Russell 3000® Index's total market capitalization.

Russell 3000® Growth Index is market capitalization weighted and measures the performance of those Russell 3000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell 3000® Index is market capitalization weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.

Russell Midcap® Growth Index is market capitalization weighted and measures the performance of those Russell Midcap® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell Midcap® Index is market capitalization weighted and measures the performance of the approximately 800 smallest companies in the Russell 1000® Index that represent a modest amount of the Russell 1000® Index's total market capitalization.

Standard & Poor's® 500 Index (S&P 500®) is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton/Legg Mason fund complex, are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1988	120	Bar-S Foods (meat packing company) (1981-2010).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and **formerly**, Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998).				
Terrence J. Checki (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2017	101	Hess Corporation (exploration of oil and gas) (2014-present).
Principal Occupation During at Least the Past 5 Years: Member of the Council on Foreign Relations (1996-present); Member of the National Committee on U.S.-China Relations (1999-present); member of the board of trustees of the Economic Club of New York (2013-present); member of the board of trustees of the Foreign Policy Association (2005-present); member of the board of directors of Council of the Americas (2007-present) and the Tallberg Foundation (2018-present); and **formerly**, Executive Vice President of the Federal Reserve Bank of New York and Head of its Emerging Markets and Internal Affairs Group and Member of Management Committee (1995-2014); and Visiting Fellow at the Council on Foreign Relations (2014).				
Mary C. Choksi (1950) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2014	121	Omnicom Group Inc. (advertising and marketing communications services) (2011-present) and White Mountains Insurance Group, Ltd. (holding company) (2017-present); and **formerly**, Avis Budget Group Inc. (car rental) (2007-2020).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and **formerly**, Founder and Senior Advisor, Strategic Investment Group (investment management group) (2015-2017); Founding Partner and Senior Managing Director, Strategic Investment Group (1987-2015); Founding Partner and Managing Director, Emerging Markets Management LLC (investment management firm) (1987-2011); and Loan Officer/Senior Loan Officer/Senior Pension Investment Officer, World Bank Group (international financial institution) (1977-1987).				

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Edith E. Holiday (1952) One Franklin Parkway San Mateo, CA 94403-1906	Lead Independent Trustee	Trustee since 2005 and Lead Independent Trustee since 2019	121	Hess Corporation (exploration of oil and gas) (1993-present), Santander Consumer USA Holdings, Inc. (consumer finance) (2016-present); Santander Holdings USA (holding company) (2019-present); and **formerly**, Canadian National Railway (railroad) (2001-2021), White Mountains Insurance Group, Ltd. (holding company) (2004-2021), RTI International Metals, Inc. (manufacture and distribution of titanium) (1999-2015) and H.J. Heinz Company (processed foods and allied products) (1994-2013).

Principal Occupation During at Least the Past 5 Years:
Director or Trustee of various companies and trusts; and **formerly**, Assistant to the President of the United States and Secretary of the Cabinet (1990-1993); General Counsel to the United States Treasury Department (1989-1990); and Counselor to the Secretary and Assistant Secretary for Public Affairs and Public Liaison-United States Treasury Department (1988-1989).

J. Michael Luttig (1954) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2009	121	Boeing Capital Corporation (aircraft financing) (2006-2010).

Principal Occupation During at Least the Past 5 Years:
Counselor and Special Advisor to the CEO and Board of Directors of the Coca-Cola Company (beverage company) (2021-present); and **formerly**, Counselor and Senior Advisor to the Chairman, CEO, and Board of Directors, of The Boeing Company (aerospace company), and member of the Executive Council (May 2019-January 1, 2020); Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (2006-2019); and Federal Appeals Court Judge, United States Court of Appeals for the Fourth Circuit (1991-2006).

Larry D. Thompson (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2007	121	Graham Holdings Company (education and media organization) (2011-2021); The Southern Company (energy company) (2014-2020; previously 2010-2012) and Cbeyond, Inc. (business communications provider) (2010-2012).

Principal Occupation During at Least the Past 5 Years:
Director of various companies; Counsel, Finch McCranie, LLP (law firm) (2015-present); John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2015-present; previously 2011-2012); and **formerly**, Independent Compliance Monitor and Auditor, Volkswagen AG (manufacturer of automobiles and commercial vehicles) (2017-2020); Executive Vice President - Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-2014); Senior Vice President - Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Valerie M. Williams (1956) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since May 2021	101	Omnicom Group, Inc. (advertising and marketing communications services) (2016-present), DTE Energy Co. (gas and electric utility) (2018-present), Devon Energy Corporation (exploration and production of oil and gas) (January 2021-present); and **formerly**, WPX Energy, Inc. (exploration and production of oil and gas) (2018-January 2021).

Principal Occupation During at Least the Past 5 Years:
Director of various companies; and **formerly**, Regional Assurance Managing Partner, Ernst & Young LLP (public accounting) (2005-2016), various roles of increasing responsibility at Ernst & Young (1981-2005).

Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
****Gregory E. Johnson (1961)** One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2013	132	None

Principal Occupation During at Least the Past 5 Years:
Executive Chairman, Chairman of the Board and Director, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex; Vice Chairman, Investment Company Institute; and **formerly**, Chief Executive Officer (2013-2020) and President (1994-2015) Franklin Resources, Inc.

****Rupert H. Johnson, Jr. (1940)** One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board and Trustee	Chairman of the Board since 2013 and Trustee since 1988	121	None

Principal Occupation During at Least the Past 5 Years:
Director (Vice Chairman), Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

Alison E. Baur (1964) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2012	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Deputy General Counsel, Franklin Templeton; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

Breda M. Beckerle (1958) 280 Park Avenue New York, NY 10017	Chief Compliance Officer	Since October 2020	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Chief Compliance Officer, Fiduciary Investment Management International, Inc., Franklin Advisers, Inc., Franklin Mutual Advisers, LLC, Franklin Templeton Institutional, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Steven J. Gray (1955) One Franklin Parkway San Mateo, CA 94403-1906	Vice President and Co-Secretary	Vice President since 2009 and Co-Secretary since 2019	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; Vice President, FASA, LLC; Assistant Secretary, Franklin Distributors, LLC; and certain funds in the Franklin Templeton/Legg Mason fund complex.				
Matthew T. Hinkle (1971) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer - Finance and Administration	Since 2017	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; officer of certain funds in the Franklin Templeton/Legg Mason fund complex; and **formerly**, Vice President, Global Tax (2012-April 2017) and Treasurer/Assistant Treasurer, Franklin Templeton (2009-2017).				
Susan Kerr (1949) 620 Eighth Avenue New York, NY 10018	Vice President - AML Compliance	Since July 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Compliance Analyst, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co., or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, LMIS; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Christopher Kings (1974) One Franklin Parkway San Mateo, CA 94403-1906	Chief Financial Officer, Chief Accounting Officer and Treasurer	Since January 2022	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Treasurer, U.S. Fund Administration & Reporting; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Edward D. Perks (1970) One Franklin Parkway San Mateo, CA 94403-1906	President and Chief Executive Officer - Investment Management	Since 2018	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: President and Director, Franklin Advisers, Inc.; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Navid J. Tofigh (1972) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2015	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Craig S. Tyle (1960) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2005	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: General Counsel and Executive Vice President, Franklin Resources, Inc.; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.				

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Lori A. Weber (1964) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Vice President and Co-Secretary	Vice President since 2011 and Co-Secretary since 2019	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Senior Associate General Counsel, Franklin Templeton; Assistant Secretary, Franklin Resources, Inc.; Vice President and Secretary, Templeton Investment Counsel, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

*We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton/Legg Mason fund complex. These portfolios have a common investment manager or affiliated investment managers.
**Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager and distributor. Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director and major shareholder of Resources.
Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.
Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated Mary C. Choksi as its audit committee financial expert. The Board believes that Ms. Choksi qualifies as such an expert in view of her extensive business background and experience. She served as a director of Avis Budget Group, Inc. (2007-2020) and formerly, Founder and Senior Advisor, Strategic Investment Group (1987 to 2017). Ms. Choksi has been a Member of the Fund's Audit Committee since 2014. As a result of such background and experience, the Board believes that Ms. Choksi has acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Choksi is an independent Board member as that term is defined under the relevant Securities and Exchange Commission Rules and Releases.

The Statement of Additional Information (SAI) includes additional information about the board members and is available, without charge, upon request. Shareholders may call (800) DIAL BEN/342-5236 to request the SAI.

Shareholder Information

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
Franklin Allocation VIP Fund
(Fund)

At a meeting held on September 8, 2021 (Meeting), the Board of Trustees (Board) of Franklin Templeton Variable Insurance Products Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved a new investment sub-advisory agreement between Franklin Advisers, Inc. (Manager), the Fund's investment manager, and each of Brandywine Global Investment Management, LLC, ClearBridge Investments, LLC, Western Asset Management Company, LLC, and Western Asset Management Company Limited (each a Sub-Adviser and collectively, the Sub-Advisers), on behalf of the Fund (each a Sub-Advisory Agreement) for an initial two-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve each Sub-Advisory Agreement.

The Board reviewed and considered information provided by the Manager and the Sub-Advisers at the Meeting with respect to each Sub-Advisory Agreement. The Board also reviewed and considered the factors it deemed relevant in approving each Sub-Advisory Agreement, including, but not limited to: (i) the nature, extent, and quality of the services to be provided by each Sub-Adviser; and (ii) the costs of the services to be provided by each Sub-Adviser. The Board further reviewed and considered information provided by management showing the expected impact of hiring each Sub-Adviser on the Manager's profitability consistent with the Order (as defined below). The Board also considered that management proposed that the Board approve each Sub-Advisory Agreement in order to provide the Fund's portfolio management team with access to additional investment strategies that could be accessed to attain desired exposures across asset allocation portfolios and to diversify holdings in the Fund. The Board reviewed and further considered the form of Sub-Advisory Agreement and the terms of each Sub-Advisory Agreement which were discussed at the Meeting, noting that the terms and conditions of each Sub-Advisory Agreement were substantially similar to the terms and conditions of the Fund's other sub-advisory agreements and substantially similar to the terms and conditions of sub-advisory agreements for other Franklin Templeton (FT) mutual funds.

In approving each Sub-Advisory Agreement, the Board, including a majority of the Independent Trustees, determined that the hiring of each Sub-Adviser is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which the Manager or Sub-Adviser derives an inappropriate advantage. The Board also determined that the terms of each Sub-Advisory Agreement are fair and reasonable and that the approval of such Sub-Advisory Agreement is in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services
The Board reviewed and considered information regarding the nature, extent and quality of investment management services to be provided by each Sub-Adviser and currently being provided by the Manager and its affiliates to the Fund and its shareholders. In doing so, the Board noted that the Fund employs a "manager of managers" structure pursuant to an exemptive order (Order) granted to the Manager by the U.S. Securities and Exchange Commission, whereby the Manager and the Fund may, without shareholder approval, enter into sub-advisory agreements with sub-advisers that are indirect or direct wholly owned subsidiaries of Franklin Resources, Inc. (FRI). In particular, with respect to each Sub-Adviser, the Board took into account that each Sub-Advisory Agreement would not affect how the Fund is managed or the Fund's investment goal, principal investment strategies or principal risks associated with an investment in the Fund. The Board reviewed and considered information regarding the nature, quality and extent of investment sub-advisory services to be provided by each Sub-Adviser to the Fund and its shareholders under each Sub-Advisory Agreement; each Sub-Adviser's experience as manager of other funds and accounts, including those within the FT organization; the personnel, operations, financial condition, and investment management capabilities, methodologies and resources of each Sub-Adviser and each Sub-Adviser's capabilities, as demonstrated by, among other things, its policies and procedures reasonably designed to prevent violations of the federal securities laws.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of FRI, the parent of the Manager and each Sub-Adviser, and its commitment to the mutual fund business as evidenced by its reassessment of the fund offerings in response to the market environment and project initiatives and capital investments relating to the services provided to the Funds by the FT organization. The Board specifically noted FT's commitment to enhancing services and controlling costs, as reflected in its outsourcing of certain administrative functions, and growth opportunities, as evidenced by its acquisition of the Legg Mason companies. The Board also noted FT's attention focused on expanding the distribution opportunities for all funds in the FT family of funds.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services to be provided by each Sub-Adviser and its affiliates to the Fund and its shareholders.

Fund Performance
The Board noted its review and consideration of the performance results of the Fund in connection with the April 2021 annual contract renewal (Annual Contract Renewal) of the Fund's investment management agreement. The Board recalled its conclusion at that time that the Fund's performance was satisfactory.

Comparative Fees and Expenses
The Board reviewed and considered information regarding the investment sub-advisory fee to be charged by each Sub-Adviser. The Board noted that the addition of each Sub-Adviser will have no impact on the amount of management fees that are currently paid by the Fund as each Sub-Adviser will be paid by the Manager out of the management fee that the Manager receives from the Fund. The Board further noted that the allocation of the fee between the Manager and each Sub-Adviser reflected the services to be provided by each. The Board concluded that each proposed investment sub-advisory fee is reasonable.

Management Profitability and Economies of Scale
The Board noted that it reviewed and considered information showing the expected impact of retaining each Sub-Adviser on the profitability of the Manager consistent with the conditions of the Order. The Board determined that its conclusions regarding profitability and economies of scale reached in connection with the Annual Contract Renewal of the investment management agreement with the Manager had not changed as a result of the proposal to approve each Sub-Advisory Agreement.

Conclusion
Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved each Sub-Advisory Agreement for an initial two-year period.

Proxy Voting Policies and Procedures

The Trust's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Trust uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Trust's complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Trust's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Statement of Investments

The Trust files a complete statement of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

Franklin Templeton Variable Insurance Products Trust (FTVIP) shares are not offered to the public; they are offered and sold only to: (1) insurance company separate accounts (Separate Account) to serve as the underlying investment vehicle for variable contracts; (2) certain qualified plans; and (3) other mutual funds (funds of funds).

Authorized for distribution to investors in Separate Accounts only when accompanied or preceded by the current prospectus for the applicable contract, which includes the Separate Account and the FTVIP prospectuses. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. The prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



Annual Report
Franklin Templeton Variable Insurance Products Trust

Investment Managers
Franklin Advisers, Inc.
Franklin Mutual Advisers, LLC
Franklin Templeton Institutional, LLC
Templeton Asset Management Ltd.
Templeton Global Advisors Limited
Templeton Investment Counsel, LLC

Fund Administrator
Franklin Templeton Services, LLC

Distributor
Franklin Distributors, LLC

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ANNUAL REPORT

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

December 31, 2021



FRANKLIN TEMPLETON

Franklin Templeton Variable Insurance Products Trust Annual Report

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*Not part of the annual report. Retain for your records.

Not FDIC Insured | May Lose Value | No Bank Guarantee

Important Notes to Performance Information

Performance data is historical and cannot predict or guarantee future results. Principal value and investment return will fluctuate with market conditions, and you may have a gain or loss when you withdraw your money. Inception dates of the funds may have preceded the effective dates of the subaccounts, contracts or their availability in all states.

When reviewing the index comparisons, please keep in mind that indexes have a number of inherent performance differentials over the funds. First, unlike the funds, which must hold a minimum amount of cash to maintain liquidity, indexes do not have a cash component. Second, the funds are actively managed and, thus, are subject to management fees to cover salaries of securities analysts or portfolio managers in addition to other expenses. Indexes are unmanaged and do not include any commissions or other expenses typically associated with investing in securities. Third, indexes often contain a different mix of securities than the fund to which they are compared. Additionally, please remember that indexes are simply a measure of performance and cannot be invested in directly.

VIP1 SA1 SA2 SA4 SA5 02/22

SUPPLEMENT DATED FEBRUARY 4, 2022
TO THE STATEMENT OF ADDITIONAL INFORMATION
DATED MAY 1, 2021 FOR
FRANKLIN ALLOCATION VIP FUND
FRANKLIN DYNATECH VIP FUND
FRANKLIN GLOBAL REAL ESTATE VIP FUND
FRANKLIN GROWTH AND INCOME VIP FUND
FRANKLIN INCOME VIP FUND
FRANKLIN LARGE CAP GROWTH VIP FUND
FRANKLIN MUTUAL GLOBAL DISCOVERY VIP FUND
FRANKLIN MUTUAL SHARES VIP FUND
FRANKLIN RISING DIVIDENDS VIP FUND
FRANKLIN SMALL CAP VALUE VIP FUND
FRANKLIN SMALL-MID CAP GROWTH VIP FUND
FRANKLIN STRATEGIC INCOME VIP FUND
FRANKLIN U.S. GOVERNMENT SECURITIES VIP FUND
FRANKLIN VOLSMART ALLOCATION VIP FUND
TEMPLETON DEVELOPING MARKETS VIP FUND
TEMPLETON FOREIGN VIP FUND
TEMPLETON GLOBAL BOND VIP FUND
TEMPLETON GROWTH VIP FUND
(each, a series of Franklin Templeton Variable Insurance Products Trust)

The statement of additional information (SAI) of each Fund is amended as follows:

I. For all Funds, the name “Franklin Templeton Distributors, Inc.” is replaced throughout the SAI with “Franklin Distributors, LLC.”

II. For Franklin Allocation VIP Fund, Templeton Developing Markets VIP Fund and Templeton Foreign VIP Fund, the following bullet is added to the list of securities in which each Fund may invest under “The Funds – Goals, Additional Strategies and Risks:”

- Chinese securities including Chinese variable interest entities

III. The following is added to the “Goals, Strategies and Risks – Glossary of Investments, Techniques, Strategies and Their Risks – Foreign securities:”

China companies. Investing in China, Hong Kong and Taiwan involves a high degree of risk and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include: (a) the risk of nationalization or expropriation of assets or confiscatory taxation; (b) greater social, economic and political uncertainty (including the risk of war); (c) dependency on exports and the corresponding importance of international trade; (d) the increasing competition from Asia’s other low-cost emerging economies; (e) greater price volatility and significantly smaller market capitalization of securities markets, particularly in China; (f) substantially less liquidity, particularly of certain share classes of Chinese securities; (g) currency exchange rate fluctuations and the lack of available currency hedging instruments; (h) higher rates of inflation; (i) controls on foreign investment and limitations on repatriation of invested capital and on the Fund’s ability to exchange local currencies for U.S. dollars; (j) greater governmental involvement in and control over the economy; (k) the risk that the Chinese government may decide not to continue to support the economic reform programs implemented since 1978 and could return to the prior, completely centrally planned, economy; (l) the fact that China companies, particularly those located in China, may be smaller, less seasoned and newly-organized companies; (m) the difference in, or lack of, auditing and financial reporting standards which may result in unavailability of material information about issuers, particularly in China; (n) the fact that statistical information regarding the economy of China may be inaccurate or not comparable to statistical information regarding

the U.S. or other economies; (o) the less extensive, and still developing, regulation of the securities markets, business entities and commercial transactions; (p) the fact that the settlement period of securities transactions in foreign markets may be longer; (q) the willingness and ability of the Chinese government to support the Chinese and Hong Kong economies and markets is uncertain; (r) the risk that it may be more difficult, or impossible, to obtain and/or enforce a judgment than in other countries and that there may be significant obstacles to obtaining information necessary for investigations into or litigation against Chinese companies; and (s) the rapidity and erratic nature of growth, particularly in China, resulting in inefficiencies and dislocations; and (t) the risk that because of the degree of interconnectivity between the economies and financial markets of China, Hong Kong and Taiwan, any sizable reduction in the demand for goods from China, or an economic downturn in China, could negatively affect the economies and financial markets of Hong Kong and Taiwan, as well.

The Public Company Accounting Oversight Board (PCAOB) has warned that positions taken by Chinese authorities impair the PCAOB's ability to conduct inspections and investigations of the audits of public companies with China-based operations. The PCAOB's impaired ability to oversee PCAOB-registered audit firms in China may result in inaccurate or incomplete financial records of an issuer's operations within China, which may negatively impact the Fund's investments in such companies.

Investment in China, Hong Kong and Taiwan is subject to certain political risks. Following the establishment of the People’s Republic of China by the Communist Party in 1949, the Chinese government renounced various debt obligations incurred by China’s predecessor governments, which obligations remain in default, and expropriated assets without compensation. There can be no assurance that the Chinese government will not take similar action in the future. An investment in the Fund involves risk of a total loss.The political reunification of China and Taiwan is a highly problematic issue and is unlikely to be settled in the near future. This situation poses a threat to Taiwan’s economy and could negatively affect its stock market.

The equity securities of China companies the Fund may invest in include securities issued by Hong Kong and Taiwan domiciled companies, as well as China H shares (shares of China-incorporated, Hong Kong-listed companies), Shanghai and Shenzhen-listed B shares (shares of China-incorporated companies that are traded in foreign currencies - U.S. Dollar for the Shanghai Stock Exchange and Hong Kong dollar for the Shenzhen Stock Exchange), and China “red chip” shares (shares of companies based in Mainland China that are incorporated outside China and listed in Hong Kong). The Fund may also invest in eligible China A shares (shares of publicly traded companies based in Mainland China) listed and traded on the Shanghai Stock Exchange ("SSE") through the Shanghai – Hong Kong Stock Connect program, as well as eligible China A shares listed and traded on the Shenzhen Stock Exchange (“SZSE”) through the Shenzhen – Hong Kong Stock Connect program (both programs collectively referred to as “Stock Connect”). The Fund may also invest in China A shares through any other means permitted by applicable law or regulation.

Chinese variable interest entities. In China, equity ownership of companies by foreign individuals and entities is restricted or prohibited in certain sectors, such as internet, media, education and telecommunications. To circumvent these limits, starting in the early 2000s many Chinese companies, including most of the well-known Chinese Internet companies, have used a special structure known as a variable interest entity (VIE) to raise capital from foreign investors. In a typical VIE structure, a shell company is set up in an offshore jurisdiction, such as the Cayman Islands. The shell company, through a wholly foreign-owned enterprise (WFOE) based in China, enters into service and other contracts with another Chinese company known as the VIE. The VIE must be owned by Chinese nationals (and/or other Chinese companies), which often are the VIE’s founders, in order to obtain the licenses and/or assets required to operate in the restricted or prohibited industry in China. The contractual arrangements entered into between the WFOE and VIE (which often include powers of attorney, loan and equity pledge agreements, call option agreements and exclusive services or business cooperation agreements) are designed to allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership.

The contractual arrangements are structured to require the shell company to consolidate the VIE into its financial statements, pursuant to U.S. generally accepted accounting principles, despite the absence of equity ownership. Such consolidation provides the shell company with the ability to issue shares on a foreign exchange, such as the New York

Stock Exchange or NASDAQ, often with the same name as the VIE. Accordingly, foreign investors, such as the Fund, will only own stock in the shell company rather than directly in the VIE. Further, the ability of the WFOE to easily extract profits from the VIE structure through service agreements will partially depend on the proportion of the business that can legally be conducted by the WFOE versus the VIE, which varies based on the industry.

While VIEs are a longstanding industry practice that is well known to Chinese officials and regulators, historically they have not been formally recognized under Chinese law. In late December 2021, the China Securities Regulatory Commission (CSRC) released draft rules that would permit the use of VIE structures, provided they abide by Chinese laws and register with the CSRC. The new draft rules, however, may cause Chinese companies to undergo greater scrutiny and may make the process to create VIEs more difficult and costly. Guidance or further rulemaking prohibiting or restricting these structures by the Chinese government, generally or with respect to specific industries, would likely cause impacted VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Fund's returns and net asset value. The future of the VIE structure generally and with respect to certain industries remains uncertain.

Further, if a Chinese court or arbitration body chose not to enforce the contracts, the value of the shell company would significantly decline, since it derives its value from the ability to consolidate the VIE into its financials pursuant to such contracts, and in turn, adversely affect the Fund's returns and net asset value. The contractual arrangements with the VIE may not be as effective in providing operational control as direct equity ownership. The Chinese equity owner(s) of the VIE could decide to breach the contractual arrangement and may have conflicting interests and fiduciary duties as compared to investors in the shell company. Accordingly, VIEs depend heavily on executives who are Chinese nationals and own the underlying business licenses and/or assets required to operate in China. In addition to creating "key person" succession risk, the structure can restrict the ability of outside shareholders to challenge executives for poor decision-making, weak management, or equity-eroding actions. Any breach or dispute under these contracts will likely fall under Chinese jurisdiction and law.

IV. For all Funds, the following replaces Robert G. Kubilis in the section "Officers and Trustees – Interested Board Members and Officers:"

Christopher Kings (1974) Chief Financial Officer, Chief Accounting Officer and Treasurer Since January 2022 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906
Principal Occupation During at Least the Past 5 Years:
Treasurer, U.S. Fund Administration & Reporting; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Please keep this supplement with your SAI for future reference.

Franklin Small-Mid Cap Growth VIP Fund

This annual report for Franklin Small-Mid Cap Growth VIP Fund covers the fiscal year ended December 31, 2021.

Class 2 Performance Summary as of December 31, 2021

Average annual total return of Class 2 shares* represents the average annual change in value, assuming reinvestment of dividends and capital gains. Average returns smooth out variations in returns, which can be significant; they are not the same as year-by-year results.

Share Class	Average Annual Total Return
2	
1-Year	+10.01%
5-Year	+20.84%
10-Year	+15.70%

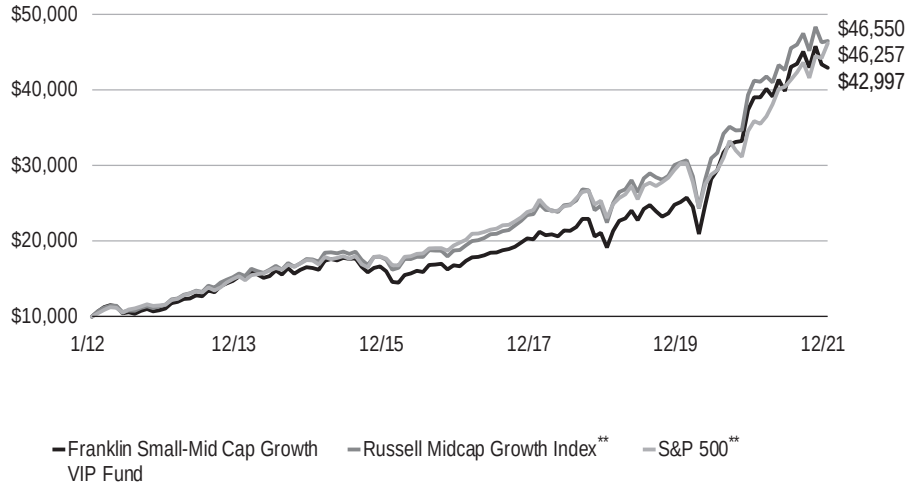
*The Fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through 4/30/22. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

*Performance reflects the Fund's Class 2 operating expenses, but does **not** include any contract fees, expenses or sales charges. If they had been included, performance would be lower. These charges and deductions, particularly for variable life policies, can have a significant effect on contract values and insurance benefits. See the contract prospectus for a complete description of these expenses, including sales charges.*

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown.

Total Return Index Comparison for a Hypothetical $10,000 Investment (1/1/12–12/31/21)

The graph below shows the change in value of a hypothetical $10,000 investment in the Fund over the indicated period and includes reinvestment of any income or distributions. The Fund's performance* is compared to the performance of the Russell Midcap® Growth Index and the Standard & Poor's® 500 Index (S&P 500®). One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. **Please see Important Notes to Performance Information preceding the Fund Summaries.**



**Source: Morningstar. Please see Index Descriptions following the Fund Summaries.

Franklin Small-Mid Cap Growth VIP Fund

Fund Goal and Main Investments

The Fund seeks long-term capital growth. Under normal market conditions, the Fund invests at least 80% of its net assets in investments of small-capitalization and mid-capitalization companies. For this Fund, small-cap companies are those within the market capitalization range of companies in the Russell 2500™ Index at the time of purchase, and midcap companies are those within the market capitalization range of companies in the Russell Midcap® Index at the time of purchase.[1]

Fund Risks

All investments involve risks, including possible loss of principal. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. Growth stock prices reflect projections of future earnings or revenues, and can, therefore, fall dramatically if the company fails to meet those projections. Smaller or midsized companies can be particularly sensitive to changing economic conditions, and their prospects for growth are less certain than those of larger companies. Historically, these securities have experienced more price volatility than larger-company stocks, especially over the short term. To the extent the Fund focuses on particular countries, regions, industries, sectors or types of investment from time to time, it may be subject to greater risk of adverse developments in such areas of focus than a fund that invests in a wider variety of countries, regions, industries, sectors or investments. From time to time, the trading market for a particular security or type of security in which the Fund invests may become less liquid or even illiquid. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results. The Fund's prospectus also includes a description of the main investment risks.

Performance Overview

You can find the Fund's one-year total return in the Performance Summary. In comparison, the Fund's narrow benchmark, the Russell Midcap Growth® Index, posted a +12.73% total return, and its broad benchmark, the Standard & Poor's® 500 Index (S&P 500®), posted a +28.71% total return for the same period.[2]

Portfolio Composition
12/31/21

	% of Total Net Assets
Software	18.0%
IT Services	7.2%
Semiconductors & Semiconductor Equipment	6.0%
Health Care Equipment & Supplies	6.0%
Life Sciences Tools & Services	5.8%
Specialty Retail	5.5%
Hotels, Restaurants & Leisure	5.0%
Professional Services	4.5%
Capital Markets	4.3%
Textiles, Apparel & Luxury Goods	3.2%
Biotechnology	2.5%
Equity Real Estate Investment Trusts (REITs)	2.5%
Electronic Equipment, Instruments & Components	2.5%
Health Care Technology	2.0%
Other*	23.7%
Short-Term Investments & Other Net Assets	1.3%

*Categories within the Other category are listed in full in the Fund's Statement of Investments (SOI), which can be found later in this report.

Economic and Market Overview

U.S. equities, as measured by the S&P 500, posted a +28.71% total return for the 12 months ended December 31, 2021.[2] Stocks benefited from the continued economic recovery, monetary and fiscal stimulus measures, rollout of highly effective COVID-19 vaccines, implementation of vaccination programs and easing pandemic restrictions. As many businesses reopened, stimulus payments and generally high household savings contributed to increased consumer spending. A rebound in corporate earnings and the passage of a bipartisan infrastructure bill further bolstered investor sentiment, helping equities to reach new all-time price highs late in the 12-month period.

Gross domestic product growth was robust during most of the period, as the lifting of many COVID-19 restrictions and strong consumer spending continued to support the economy. Both exports and imports increased significantly in an environment of high business confidence and recovering industrial production. The continued growth of the economy led the U.S. to surpass its pre-pandemic output in 2021's second quarter.

1. Please see Index Descriptions following the Fund Summaries.

2. Source: Morningstar. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Please see Index Descriptions following the Fund Summaries.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI).

The inflation rate was notably elevated during the 12-month period amid increased demand and supply-chain bottlenecks. U.S. consumer spending on goods remained strong, adding to pressure on the prices of many products. Consequently, the personal consumption expenditures index, a measure of inflation, surged during the period, representing the highest 12-month increase in decades. The unemployment rate declined from 6.7% in December 2020 to 3.9% in December 2021 as job openings increased, but a relative lack of available workers fueled wage growth, adding to some investors' inflation concerns.

In an effort to support the economy, the U.S. Federal Reserve (Fed) kept the federal funds target rate at a record-low range of 0.00%-0.25%. While the Fed also maintained quantitative easing measures with U.S. Treasury and mortgage bond purchasing, it began to reduce the rate of purchases beginning in November 2021 and accelerated the pace of tapering in December. The Fed also noted that it expected easing supply constraints to help reduce inflationary pressures and that further employment progress was needed before the Fed would consider raising the range for the federal funds target rate.

Investment Strategy

We use fundamental, bottom-up research to seek companies meeting our criteria of growth potential, quality and valuation. In seeking sustainable growth characteristics, we look for companies we believe can produce sustainable earnings and cash flow growth, evaluating the long-term market opportunity and competitive structure of an industry to target leaders and emerging leaders. We define quality companies as those with strong and improving competitive positions in attractive markets. We also believe important attributes of quality are experienced and talented management teams as well as financial strength reflected in the capital structure, gross and operating margins, free cash flow generation and returns on capital employed. In assessing value, we consider whether security prices fully reflect the balance of the sustainable growth opportunities relative to business and financial risks.

Manager's Discussion

During the period under review, the Fund's absolute returns were positive but lagged those of the Russell Midcap® Growth Index. Much of the Fund's underperformance was due to stock selection in the health care, information technology (IT) and industrials sectors.

Top 10 Holdings
12/31/21

Company *Industry*	% of Total Net Assets
Synopsys, Inc. *Software*	2.8%
IDEXX Laboratories, Inc. *Health Care Equipment & Supplies*	2.3%
ANSYS, Inc. *Software*	1.8%
MSCI, Inc. *Capital Markets*	1.8%
MongoDB, Inc. *IT Services*	1.8%
CoStar Group, Inc. *Professional Services*	1.7%
Chipotle Mexican Grill, Inc. *Hotels, Restaurants & Leisure*	1.7%
Bio-Techne Corp. *Life Sciences Tools & Services*	1.7%
SiTime Corp. *Semiconductors & Semiconductor Equipment*	1.6%
Okta, Inc. *IT Services*	1.5%

In the health care sector, shares of cancer immunotherapy company Iovance Biotherapeutics (not held at period-end) and cardiac device maker iRhythm Technologies (not part of the index; not held at period-end) declined and hurt Fund performance. Iovance faced regulatory filing delays for a melanoma treatment it developed. while Medicare headwinds were a drag on iRhythm's stock. Conversely, an acquisition offer from a specialty pharmaceutical company boosted the shares of cannabinoid-focused drugmaker GW Pharmaceuticals (not part of the index; not held at period-end), which helped annual returns.

In the IT sector, relative detractors were concentrated in the software industry where Zendesk (not held at period-end) and Q2 Holdings (not part of the index; not held at period-end) underperformed. Zendesk is a supplier of online customer support software, and the company's pandemic recovery has been slower than that of its peers. Zendesk also announced a planned all-stock buyout of a survey software company, which further dampened its stock. The unfavorable impact from distributor inventory levels due to supply chain disruptions was a drag on Q2 Holdings, which creates software-as-a-service solutions to help banks. In contrast, chipmaker Synopsys contributed to IT sector performance. The company has seen broad based strength in chip design activity across automobiles, high-performance computing, 5G, mobile and more.

In the industrials sector, defense electronics company Mercury Systems (not held at period-end) was a leading detractor. Concerns about budget cuts under the new Biden administration pressured defense stocks overall.

Elsewhere, electric vehicle manufacturer Lucid Group (not part of the index; not held at period-end) was an individual contributor in the consumer discretionary sector. Its stock rallied as the company began production of its luxury sedan that will directly compete with Tesla (not a Fund holding). Lucid announced it expects to produce 20,000 Lucid Air sedans in 2022.

Thank you for your participation in Franklin Small-Mid Cap Growth VIP Fund. We look forward to serving your future investment needs.

The foregoing information reflects our analysis, opinions and portfolio holdings as of December 31, 2021, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Class 2 Fund Expenses

As an investor in a variable insurance contract (Contract) that indirectly provides for investment in an underlying mutual fund, you can incur transaction and/or ongoing expenses at both the Fund level and the Contract Level: (1) transaction expenses can include sales charges (loads) on purchases, surrender fees, transfer fees and premium taxes; and (2) ongoing expenses can include management fees, distribution and service (12b-1) fees, contract fees, annual maintenance fees, mortality and expense risk fees and other fees and expenses. All mutual funds and Contracts have some types of ongoing expenses. The table below shows Fund-level ongoing expenses and can help you understand these costs and compare them with those of other mutual funds offered through the Contract. The table assumes a $1,000 investment held for the six months indicated. Please refer to the Fund prospectus for additional information on operating expenses.

Actual Fund Expenses

The table below provides information about the actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of ongoing Fund expenses but does not include the effect of ongoing Contract expenses, is used to calculate the "Ending Account Value." You can estimate the Fund-level expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by $1,000 (*if your account had an $8,600 value, then $8,600 ÷ $1,000 = 8.6*). Then multiply the result by the number under the headings "Actual" and "Fund-Level Expenses Paid During Period" (*if Fund-Level Expenses Paid During Period were $7.50, then 8.6 x $7.50 = $64.50*). In this illustration, the estimated expenses paid this period at the Fund level are $64.50.

Hypothetical Example for Comparison with Other Mutual Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other mutual funds offered through the Contract. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds offered through the Contract.

Please note that expenses shown in the table are meant to highlight ongoing costs at the Fund level only and do not reflect any ongoing expenses at the Contract level, or transaction expenses at either the Fund or Contract levels. In addition, while the Fund does not have transaction expenses, if the transaction and ongoing expenses at the Contract level were included, the expenses shown below would be higher. You should consult your Contract prospectus or disclosure document for more information.

		Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		
Share Class	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Fund-Level Expenses Paid During Period 7/1/21–12/31/21[1,2]	Ending Account Value 12/31/21	Fund-Level Expenses Paid During Period 7/1/21–12/31/21[1,2]	Net Annualized Expense Ratio[2]
2	$1,000	$997.30	$5.43	$1,019.77	$5.49	1.08%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 184/365 to reflect the one-half year period.
2. Reflects expenses after fee waivers and expense reimbursements. Does not include any ongoing expenses of the Contract for which the Fund is an investment option or acquired fund fees and expenses.

Financial Highlights

Franklin Small-Mid Cap Growth VIP Fund

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$26.99	$19.74	$17.04	$19.71	$17.77
Income from investment operations[a]:					
Net investment (loss)[b]	(0.15)	(0.07)	(0.04)	(0.05)	(0.04)
Net realized and unrealized gains (losses)	2.79	9.96	5.31	(0.70)	3.74
Total from investment operations	2.64	9.89	5.27	(0.75)	3.70
Less distributions from:					
Net realized gains	(2.91)	(2.64)	(2.57)	(1.92)	(1.76)
Net asset value, end of year	$26.72	$26.99	$19.74	$17.04	$19.71
Total return[c]	10.25%	55.52%	31.80%	(5.15)%	21.75%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.83%	0.85%	0.84%	0.86%	0.85%
Expenses net of waiver and payments by affiliates[d]	0.82%	0.84%	0.83%	0.85%	0.84%
Net investment (loss)	(0.55)%	(0.33)%	(0.19)%	(0.24)%	(0.24)%
Supplemental data					
Net assets, end of year (000's)	$79,526	$72,039	$43,169	$33,518	$36,864
Portfolio turnover rate	43.35%	48.93%	59.07%	44.78%	40.49%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[d]Benefit of expense reduction rounds to less than 0.01%.

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 2					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$23.11	$17.29	$15.22	$17.83	$16.27
Income from investment operations[a]:					
Net investment (loss)[b]	(0.19)	(0.11)	(0.08)	(0.09)	(0.08)
Net realized and unrealized gains (losses)	2.38	8.57	4.72	(0.60)	3.40
Total from investment operations	2.19	8.46	4.64	(0.69)	3.32
Less distributions from:					
Net realized gains	(2.91)	(2.64)	(2.57)	(1.92)	(1.76)
Net asset value, end of year	$22.39	$23.11	$17.29	$15.22	$17.83
Total return[c]	10.01%	55.09%	31.44%	(5.37)%	21.40%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.08%	1.10%	1.09%	1.11%	1.10%
Expenses net of waiver and payments by affiliates[d]	1.07%	1.09%	1.08%	1.10%	1.09%
Net investment (loss)	(0.80)%	(0.61)%	(0.44)%	(0.49)%	(0.49)%
Supplemental data					
Net assets, end of year (000's)	$472,565	$503,032	$372,442	$310,300	$390,094
Portfolio turnover rate	43.35%	48.93%	59.07%	44.78%	40.49%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[d]Benefit of expense reduction rounds to less than 0.01%.

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 4					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$24.26	$18.04	$15.81	$18.47	$16.81
Income from investment operations[a]:					
Net investment (loss)[b]	(0.22)	(0.14)	(0.10)	(0.11)	(0.10)
Net realized and unrealized gains (losses)	2.49	9.00	4.90	(0.63)	3.52
Total from investment operations	2.27	8.86	4.80	(0.74)	3.42
Less distributions from:					
Net realized gains	(2.91)	(2.64)	(2.57)	(1.92)	(1.76)
Net asset value, end of year	$23.62	$24.26	$18.04	$15.81	$18.47
Total return[c]	9.86%	55.01%	31.26%	(5.46)%	21.30%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.18%	1.20%	1.19%	1.21%	1.20%
Expenses net of waiver and payments by affiliates[d]	1.17%	1.19%	1.18%	1.20%	1.19%
Net investment (loss)	(0.90)%	(0.71)%	(0.54)%	(0.59)%	(0.59)%
Supplemental data					
Net assets, end of year (000's)	$26,518	$25,580	$17,662	$13,759	$15,829
Portfolio turnover rate	43.35%	48.93%	59.07%	44.78%	40.49%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[d]Benefit of expense reduction rounds to less than 0.01%.

Statement of Investments, December 31, 2021

Franklin Small-Mid Cap Growth VIP Fund

	Country	Shares	Value
Common Stocks 97.3%			
Aerospace & Defense 1.1%			
[a]TransDigm Group, Inc.	United States	10,300	$6,553,684
Airlines 0.5%			
[a]Southwest Airlines Co.	United States	66,000	2,827,440
Banks 0.7%			
[a]SVB Financial Group.	United States	6,300	4,272,912
Biotechnology 2.5%			
[a]Alnylam Pharmaceuticals, Inc.	United States	16,700	2,831,986
[a]Horizon Therapeutics plc	United States	44,400	4,784,544
[a]Mirati Therapeutics, Inc.	United States	8,000	1,173,520
[a]PTC Therapeutics, Inc.	United States	45,000	1,792,350
[a]Seagen, Inc.	United States	26,600	4,112,360
			14,694,760
Building Products 1.2%			
Trane Technologies plc	United States	34,000	6,869,020
Capital Markets 4.3%			
Ares Management Corp.	United States	79,500	6,460,965
MarketAxess Holdings, Inc.	United States	11,900	4,894,113
MSCI, Inc.	United States	17,000	10,415,730
Tradeweb Markets, Inc., A	United States	33,100	3,314,634
			25,085,442
Commercial Services & Supplies 1.6%			
[a]Copart, Inc.	United States	29,400	4,457,628
Republic Services, Inc.	United States	34,700	4,838,915
			9,296,543
Communications Equipment 0.9%			
[a]Arista Networks, Inc.	United States	36,100	5,189,375
Containers & Packaging 2.0%			
Avery Dennison Corp.	United States	20,500	4,439,685
Ball Corp.	United States	74,300	7,152,861
			11,592,546
Electrical Equipment 1.9%			
[a]Generac Holdings, Inc.	United States	10,200	3,589,584
Rockwell Automation, Inc.	United States	20,900	7,290,965
			10,880,549
Electronic Equipment, Instruments & Components 2.5%			
Cognex Corp.	United States	49,400	3,841,344
[a]Keysight Technologies, Inc.	United States	35,150	7,258,826
[a]Zebra Technologies Corp., A	United States	5,500	3,273,600
			14,373,770
Entertainment 1.6%			
[a]Roku, Inc.	United States	31,856	7,269,539
[a]Zynga, Inc., A	United States	273,300	1,749,120
			9,018,659
Equity Real Estate Investment Trusts (REITs) 2.5%			
Equity LifeStyle Properties, Inc.	United States	27,400	2,401,884
SBA Communications Corp.	United States	21,657	8,425,006

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Equity Real Estate Investment Trusts (REITs) (continued)			
Terreno Realty Corp.	United States	45,050	$3,842,315
			14,669,205
Food Products 0.5%			
[a]Freshpet, Inc.	United States	32,300	3,077,221
Health Care Equipment & Supplies 6.0%			
[a]Dexcom, Inc.	United States	10,088	5,416,752
[a,b]Figs, Inc., A	United States	54,500	1,502,020
[a]IDEXX Laboratories, Inc.	United States	20,350	13,399,661
[a]Inari Medical, Inc.	United States	31,200	2,847,624
[a]Insulet Corp.	United States	20,500	5,454,435
Teleflex, Inc.	United States	18,450	6,060,456
			34,680,948
Health Care Providers & Services 1.0%			
[a]Guardant Health, Inc.	United States	39,400	3,940,788
[a]HealthEquity, Inc.	United States	36,300	1,605,912
			5,546,700
Health Care Technology 2.0%			
[a]Certara, Inc.	United States	50,100	1,423,842
[a]Teladoc Health, Inc.	United States	20,466	1,879,188
[a]Veeva Systems, Inc., A	United States	32,800	8,379,744
			11,682,774
Hotels, Restaurants & Leisure 5.0%			
[a]Chipotle Mexican Grill, Inc.	United States	5,630	9,842,647
Darden Restaurants, Inc.	United States	24,700	3,720,808
[a,b]DraftKings, Inc., A	United States	116,233	3,192,921
[a]Expedia Group, Inc.	United States	9,600	1,734,912
[a,b]Sweetgreen, Inc., A	United States	6,000	192,000
Vail Resorts, Inc.	United States	15,500	5,082,450
[a]Wynn Resorts Ltd.	United States	61,100	5,195,944
			28,961,682
Household Durables 0.9%			
[a]NVR, Inc.	United States	882	5,211,623
Interactive Media & Services 1.8%			
[a]Match Group, Inc.	United States	51,624	6,827,274
[a]Pinterest, Inc., A	United States	100,700	3,660,445
			10,487,719
Internet & Direct Marketing Retail 0.9%			
[a]Etsy, Inc.	United States	22,500	4,926,150
IT Services 7.2%			
[a]BigCommerce Holdings, Inc., 1	United States	67,400	2,383,938
[a]Cloudflare, Inc., A	United States	49,200	6,469,800
[a]EPAM Systems, Inc.	United States	6,400	4,278,080
[a]Marqeta, Inc., A	United States	151,378	2,599,160
[a]MongoDB, Inc.	United States	19,200	10,163,520
[a]Okta, Inc.	United States	39,600	8,877,132
[a]Twilio, Inc., A	United States	13,400	3,528,756
[a]Wix.com Ltd.	Israel	19,900	3,140,021
			41,440,407

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Leisure Products 1.1%			
[a,c,d]Fanatics Holdings, Inc.	United States	94,539	$4,026,670
[a]YETI Holdings, Inc.	United States	27,600	2,286,108
			6,312,778
Life Sciences Tools & Services 5.8%			
[a]10X Genomics, Inc., A.	United States	26,500	3,947,440
[a]Avantor, Inc.	United States	121,300	5,111,582
Bio-Techne Corp.	United States	18,625	9,635,457
[a]Mettler-Toledo International, Inc.	United States	5,080	8,621,827
West Pharmaceutical Services, Inc.	United States	13,400	6,284,734
			33,601,040
Machinery 1.2%			
IDEX Corp.	United States	14,350	3,391,192
[a]Proterra, Inc.	United States	54,000	476,820
Stanley Black & Decker, Inc.	United States	16,846	3,177,493
			7,045,505
Oil, Gas & Consumable Fuels 0.3%			
Coterra Energy, Inc.	United States	101,700	1,932,300
Personal Products 0.7%			
[a,b]BellRing Brands, Inc., A.	United States	129,700	3,700,341
[a]Olaplex Holdings, Inc.	United States	17,100	498,123
			4,198,464
Pharmaceuticals 0.6%			
[a]Catalent, Inc.	United States	11,200	1,433,936
[a]Jazz Pharmaceuticals plc	United States	15,800	2,012,920
			3,446,856
Professional Services 4.5%			
[a]CoStar Group, Inc.	United States	125,250	9,898,507
TransUnion	United States	65,300	7,743,274
Verisk Analytics, Inc.	United States	37,661	8,614,201
			26,255,982
Road & Rail 1.5%			
Old Dominion Freight Line, Inc.	United States	23,550	8,439,849
Semiconductors & Semiconductor Equipment 6.0%			
[a]Allegro MicroSystems, Inc.	Japan	58,900	2,131,002
Entegris, Inc.	United States	39,900	5,529,342
[a,b]GLOBALFOUNDRIES, Inc.	United States	18,600	1,208,442
[a]Lattice Semiconductor Corp.	United States	72,655	5,598,794
Monolithic Power Systems, Inc.	United States	12,750	6,289,958
[a]Semtech Corp.	United States	53,600	4,766,648
[a]SiTime Corp.	United States	31,700	9,273,518
			34,797,704
Software 16.8%			
[a]Alkami Technology, Inc.	United States	52,525	1,053,651
[a]ANSYS, Inc.	United States	26,100	10,469,232
[a]Arteris, Inc.	United States	91,900	1,940,009
[a]Avalara, Inc.	United States	50,100	6,468,411
[a]Bill.com Holdings, Inc.	United States	25,048	6,240,709
[a]Black Knight, Inc.	United States	81,300	6,738,957
[a]Coupa Software, Inc.	United States	29,500	4,662,475

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software (continued)			
[a]Crowdstrike Holdings, Inc., A	United States	27,900	$5,712,525
[a]Datadog, Inc., A	United States	14,200	2,529,162
[a]DocuSign, Inc.	United States	48,200	7,341,342
[a]Duck Creek Technologies, Inc.	United States	73,570	2,215,193
[a]Five9, Inc.	United States	25,900	3,556,588
[a,b]Freshworks, Inc., A	United States	29,200	766,792
[a]HashiCorp, Inc., A	United States	5,100	464,304
[a]HubSpot, Inc.	United States	11,800	7,777,970
[a]Lightspeed Commerce, Inc.	Canada	46,200	1,867,866
[a]Paylocity Holding Corp.	United States	36,050	8,513,568
[a]Synopsys, Inc.	United States	43,550	16,048,174
[a]Zscaler, Inc.	United States	9,000	2,891,970
			97,258,898
Specialty Retail 5.5%			
[a]Burlington Stores, Inc.	United States	22,500	6,558,975
[a]Five Below, Inc.	United States	32,150	6,651,514
[a]O'Reilly Automotive, Inc.	United States	10,500	7,415,415
[a]Petco Health & Wellness Co., Inc.	United States	126,500	2,503,435
Tractor Supply Co.	United States	36,137	8,622,288
			31,751,627
Textiles, Apparel & Luxury Goods 3.2%			
[a,b]Allbirds, Inc., A	United States	91,800	1,384,344
[a,c,d]Allbirds, Inc., A	United States	92,392	1,330,614
Levi Strauss & Co., A	United States	84,200	2,107,526
[a]Lululemon Athletica, Inc.	United States	21,600	8,455,320
VF Corp.	United States	69,100	5,059,502
			18,337,306
Trading Companies & Distributors 1.5%			
Fastenal Co.	United States	130,800	8,379,048
Total Common Stocks (Cost $355,731,845)			**563,096,486**
Convertible Preferred Stocks 1.4%			
Diversified Consumer Services 0.2%			
[a,c,d]Newsela, Inc., D	United States	48,915	987,771
Software 1.2%			
[a,c,d]Benchling, Inc., F	United States	35,200	1,150,910
[a,c,d,e]Blaize, Inc., D	United States	206,272	2,050,037
[a,c,d]Databricks, Inc., G	United States	8,626	1,943,750
[a,c,d]OneTrust LLC, C	United States	82,367	1,547,478
			6,692,175
Total Convertible Preferred Stocks (Cost $7,484,934)			**7,679,946**
		Warrants	
Warrants 0.0%†			
Software 0.0%†			
[a,c,d,e]Blaize, Inc., 2/28/24	United States	26,474	31,313
Total Warrants (Cost $—)			**31,313**
Total Long Term Investments (Cost $363,216,779)			**570,807,745**

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Short Term Investments 2.9%			
Money Market Funds 1.4%			
[f,g]Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	8,439,570	$8,439,570
Total Money Market Funds (Cost $8,439,570)			**8,439,570**
[h]**Investments from Cash Collateral Received for Loaned Securities 1.5%**			
Money Market Funds 1.5%			
[f,g]Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	8,496,850	8,496,850
Total Investments from Cash Collateral Received for Loaned Securities (Cost $8,496,850)			**8,496,850**
Total Short Term Investments (Cost $16,936,420)			**16,936,420**
Total Investments (Cost $380,153,199) 101.6%			**$587,744,165**
Other Assets, less Liabilities (1.6)%			**(9,136,044)**
Net Assets 100.0%			**$578,608,121**

[†] Rounds to less than 0.1% of net assets.
[a] Non-income producing.
[b] A portion or all of the security is on loan at December 31, 2021. See Note 1(c).
[c] Fair valued using significant unobservable inputs. See Note 11 regarding fair value measurements.
[d] See Note 7 regarding restricted securities.
[e] See Note 8 regarding holdings of 5% voting securities.
[f] See Note 3(e) regarding investments in affiliated management investment companies.
[g] The rate shown is the annualized seven-day effective yield at period end.
[h] See Note 1(c) regarding securities on loan.

Statement of Assets and Liabilities

December 31, 2021

	Franklin Small-Mid Cap Growth VIP Fund
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	$361,062,779
Cost - Non-controlled affiliates (Note 3e and 8)	19,090,420
Value - Unaffiliated issuers (Includes securities loaned of $8,128,798)	$568,726,395
Value - Non-controlled affiliates (Note 3e and 8)	19,017,770
Cash	19,954
Receivables:	
Capital shares sold	66,022
Dividends and interest	73,399
Total assets	587,903,540
Liabilities:	
Payables:	
Capital shares redeemed	96,842
Management fees	384,610
Distribution fees	108,117
Payable upon return of securities loaned (Note 1c)	8,496,850
Accrued expenses and other liabilities	209,000
Total liabilities	9,295,419
Net assets, at value	$578,608,121
Net assets consist of:	
Paid-in capital	$265,294,250
Total distributable earnings (losses)	313,313,871
Net assets, at value	$578,608,121

	Franklin Small-Mid Cap Growth VIP Fund
Class 1:	
Net assets, at value	$79,525,998
Shares outstanding	2,976,293
Net asset value and maximum offering price per share	$26.72
Class 2:	
Net assets, at value	$472,564,618
Shares outstanding	21,109,916
Net asset value and maximum offering price per share	$22.39
Class 4:	
Net assets, at value	$26,517,505
Shares outstanding	1,122,612
Net asset value and maximum offering price per share	$23.62

Statement of Operations

for the year ended December 31, 2021

	Franklin Small-Mid Cap Growth VIP Fund
Investment income:	
Dividends:	
Unaffiliated issuers	$1,580,582
Non-controlled affiliates (Note 3e and 8)	1,511
Income from securities loaned:	
Unaffiliated entities (net of fees and rebates)	95,735
Non-controlled affiliates (Note 3e)	741
Total investment income	1,678,569
Expenses:	
Management fees (Note 3a)	4,727,524
Distribution fees: (Note 3c)	
Class 2	1,249,751
Class 4	95,672
Custodian fees (Note 4)	4,280
Reports to shareholders fees	130,232
Professional fees	95,387
Trustees' fees and expenses	6,257
Other	38,421
Total expenses	6,347,524
Expense reductions (Note 4)	(5)
Expenses waived/paid by affiliates (Note 3e)	(17,063)
Net expenses	6,330,456
Net investment income (loss)	(4,651,887)
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments:	
Unaffiliated issuers	110,269,401
Foreign currency transactions	(1,499)
Net realized gain (loss)	110,267,902
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	(47,948,092)
Non-controlled affiliates (Note 3e and 8)	(72,650)
Net change in unrealized appreciation (depreciation)	(48,020,742)
Net realized and unrealized gain (loss)	62,247,160
Net increase (decrease) in net assets resulting from operations	$57,595,273

Statements of Changes in Net Assets

	Franklin Small-Mid Cap Growth VIP Fund	
	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (decrease) in net assets:		
Operations:		
Net investment income (loss)	$(4,651,887)	$(2,771,523)
Net realized gain (loss)	110,267,902	72,207,047
Net change in unrealized appreciation (depreciation)	(48,020,742)	144,395,647
Net increase (decrease) in net assets resulting from operations	57,595,273	213,831,171
Distributions to shareholders:		
Class 1	(7,430,783)	(5,568,768)
Class 2	(58,482,161)	(53,710,860)
Class 4	(3,098,704)	(2,461,041)
Total distributions to shareholders	(69,011,648)	(61,740,669)
Capital share transactions: (Note 2)		
Class 1	7,817,577	11,218,927
Class 2	(19,844,931)	2,617,481
Class 4	1,399,650	1,452,781
Total capital share transactions	(10,627,704)	15,289,189
Net increase (decrease) in net assets	(22,044,079)	167,379,691
Net assets:		
Beginning of year	600,652,200	433,272,509
End of year	$578,608,121	$600,652,200

Notes to Financial Statements

Franklin Small-Mid Cap Growth VIP Fund

1. Organization and Significant Accounting Policies

Franklin Templeton Variable Insurance Products Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of eighteen separate funds and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). Franklin Small-Mid Cap Growth VIP Fund (Fund) is included in this report. Shares of the Fund are generally sold only to insurance company separate accounts to fund the benefits of variable life insurance policies or variable annuity contracts. At December 31, 2021, 40.1% of the Fund's shares were held through one insurance company. Investment activities of these insurance company separate accounts could have a material impact on the Fund. The Fund offers three classes of shares: Class 1, Class 2 and Class 4. Each class of shares may differ by its distribution fees, voting rights on matters affecting a single class and its exchange privilege.

The following summarizes the Fund's significant accounting policies.

a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Fund's administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). The Fund may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or as of 4 p.m. Eastern time. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Investments in open-end mutual funds are valued at the closing NAV.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Fund primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before 4 p.m. Eastern time. In addition, trading in certain foreign markets may not take place on every Fund's business day. Events can occur between the time at which trading in a foreign security is completed and 4 p.m. Eastern time that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Fund's portfolio securities as determined at the foreign market close and the latest indications of value at 4 p.m. Eastern time. In order to minimize the potential for these differences, an independent pricing service may be used to adjust the value of the Fund's securities to the latest indications of fair value at 4 p.m. Eastern time. At December 31, 2021, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 inputs within the fair value hierarchy (referred to as “market level fair value”). See the Fair Value Measurements note for more information.

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Fund's NAV is not calculated, which could result

Franklin Small-Mid Cap Growth VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

a. Financial Instrument Valuation (continued)

in differences between the value of the Fund's portfolio securities on the last business day and the last calendar day of the reporting period. Any security valuation changes due to an open foreign market are adjusted and reflected by the Fund for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statement of Operations.

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 and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Securities Lending

The Fund participates in an agency based securities lending program to earn additional income. The Fund receives collateral in the form of cash and/or U.S. Government and Agency securities against the loaned securities in an amount equal to at least 102% of the fair value of the loaned securities. Collateral is maintained over the life of the loan in an amount not less than 100% of the fair value of loaned securities, as determined at the close of Fund business each day; any additional collateral required due to changes in security values is delivered to the Fund on the next business day. Any cash collateral received is deposited into a joint cash account with other funds and is used to invest in a money market fund managed by Franklin Advisers, Inc., an affiliate of the Fund. The Fund may receive income from the investment of cash collateral, in addition to lending fees and rebates paid by the borrower. Income from securities loaned, net of fees paid to the securities lending agent and/or third-party vendor, is reported separately in the Statement of Operations. The Fund bears the market risk with respect to any cash collateral investment, securities loaned, and the risk that the agent may default on its obligations to the Fund. If the borrower defaults on its obligation to return the securities loaned, the Fund has the right to repurchase the securities in the open market using the collateral received. The securities lending agent has agreed to indemnify the Fund in the event of default by a third party borrower.

d. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and if applicable, excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply, the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

Franklin Small-Mid Cap Growth VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Income and Deferred Taxes (continued)

The Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of December 31, 2021, the Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Fund invests.

e. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Estimated expenses are accrued daily. Dividend income is recorded on the ex-dividend date except for certain dividends from securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Common expenses incurred by the Trust are allocated among the Funds based on the ratio of net assets of each Fund to the combined net assets of the Trust or based on the ratio of number of shareholders of each Fund to the combined number of shareholders of the Trust. Fund specific expenses are charged directly to the Fund that incurred the expense.

Realized and unrealized gains and losses and net investment income, excluding class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class. Differences in per share distributions by class are generally due to differences in class specific expenses.

f. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

g. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

Franklin Small-Mid Cap Growth VIP Fund (continued)

2. Shares of Beneficial Interest

At December 31, 2021, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	576,234	$15,810,750	706,229	$16,500,714
Shares issued in reinvestment of distributions	290,492	7,430,783	289,889	5,568,768
Shares redeemed	(559,560)	(15,423,956)	(514,114)	(10,850,555)
Net increase (decrease)	307,166	$7,817,577	482,004	$11,218,927
Class 2 Shares:				
Shares sold	815,205	$18,971,660	2,526,425	$47,366,200
Shares issued in reinvestment of distributions	2,725,170	58,482,161	3,261,133	53,710,860
Shares redeemed	(4,194,907)	(97,298,752)	(5,564,626)	(98,459,579)
Net increase (decrease)	(654,532)	$(19,844,931)	222,932	$2,617,481
Class 4 Shares:				
Shares sold	227,811	$5,628,165	319,307	$6,396,773
Shares issued in reinvestment of distributions	136,748	3,098,704	142,257	2,461,041
Shares redeemed	(296,435)	(7,327,219)	(385,938)	(7,405,033)
Net increase (decrease)	68,124	$1,399,650	75,626	$1,452,781

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Fund are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

Franklin Small-Mid Cap Growth VIP Fund (continued)

3. Transactions with Affiliates (continued)

a. Management Fees

The Fund pays an investment management fee to Advisers based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.800%	Up to and including $500 million
0.700%	Over $500 million, up to and including $1 billion
0.650%	Over $1 billion, up to and including $1.5 billion
0.600%	Over $1.5 billion, up to and including $6.5 billion
0.575%	Over $6.5 billion, up to and including $11.5 billion
0.550%	Over $11.5 billion, up to and including $16.5 billion
0.540%	Over $16.5 billion, up to and including $19 billion
0.530%	Over $19 billion, up to and including $21.5 billion
0.520%	In excess of $21.5 billion

For the year ended December 31, 2021, the gross effective investment management fee rate was 0.782% of the Fund's average daily net assets.

b. Administrative Fees

Under an agreement with Advisers, FT Services provides administrative services to the Fund. The fee is paid by Advisers based on the Fund's average daily net assets, and is not an additional expense of the Fund.

c. Distribution Fees

The Board has adopted distribution plans for Class 2 and Class 4 shares pursuant to Rule 12b-1 under the 1940 Act. Under the Fund's compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to 0.35% per year of its average daily net assets of each class. The Board has agreed to limit the current rate to 0.25% per year for Class 2. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31.

d. Transfer Agent Fees

Investor Services, under terms of an agreement, performs shareholder servicing for the Fund and is not paid by the Fund for the services.

e. Investments in Affiliated Management Investment Companies

The Fund invests in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a "Controlled Affiliate" of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund's outstanding shares or has the power to exercise control over management or policies of such fund. The Fund does not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Fund are waived on assets invested in the affiliated management investment companies, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the year ended December 31, 2021, the Fund held investments in affiliated management investment companies as follows:

Franklin Small-Mid Cap Growth VIP Fund (continued)

3. Transactions with Affiliates (continued)

e. Investments in Affiliated Management Investment Companies (continued)

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Franklin Small-Mid Cap Growth VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	$12,671,175	$160,529,330	$(164,760,935)	$—	$—	$8,439,570	8,439,570	$1,511
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	8,418,420	137,741,526	(137,663,096)	—	—	8,496,850	8,496,850	741
Total Affiliated Securities . . .	$21,089,595	$298,270,856	$(302,424,031)	$—	$—	$16,936,420		$2,252

f. Interfund Transactions

The Fund engaged in purchases and sales of investments with funds or other accounts that have common investment managers (or affiliated investment managers), directors, trustees or officers. During the year ended December 31, 2021, these purchase and sale transactions aggregated $0 and $238,900, respectively.

4. Expense Offset Arrangement

The Fund has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund's custodian expenses. During the year ended December 31, 2021, the custodian fees were reduced as noted in the Statement of Operations.

5. Income Taxes

The tax character of distributions paid during the years ended December 31, 2021 and 2020, was as follows:

	2021	2020
Distributions paid from:		
Ordinary income	$5,306,215	$4,542,643
Long term capital gain	63,705,433	57,198,026
	$69,011,648	$61,740,669

Franklin Small-Mid Cap Growth VIP Fund (continued)

5. Income Taxes (continued)

At December 31, 2021, the cost of investments, net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long term capital gains for income tax purposes were as follows:

Cost of investments	$380,116,741
Unrealized appreciation	$225,065,490
Unrealized depreciation	(17,438,066)
Net unrealized appreciation (depreciation)	$207,627,424
Distributable earnings:	
Undistributed ordinary income	$17,727,490
Undistributed long term capital gains	87,958,956
Total distributable earnings	$105,686,446

6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended December 31, 2021, aggregated $253,820,703 and $333,655,985, respectively.

At December 31, 2021, in connection with securities lending transactions, the Fund loaned equity investments and received $8,496,850 of cash collateral. The gross amount of recognized liability for such transactions is included in payable upon return of securities loaned in the Statement of Assets and Liabilities. The agreements can be terminated at any time.

7. Restricted Securities

The Fund invests in securities that are restricted under the Securities Act of 1933 (1933 Act). Restricted securities are often purchased in private placement transactions, and cannot be sold without prior registration unless the sale is pursuant to an exemption under the 1933 Act. Disposal of these securities may require greater effort and expense, and prompt sale at an acceptable price may be difficult. The Fund may have registration rights for restricted securities. The issuer generally incurs all registration costs.

At December 31, 2021, investments in restricted securities, excluding securities exempt from registration under the 1933 Act, were as follows:

Shares/ Warrants	Issuer	Acquisition Date	Cost	Value
Franklin Small-Mid Cap Growth VIP Fund				
92,392	[a]Allbirds, Inc., A	9/22/20	$1,068,276	$1,330,614
35,200	Benchling, Inc., F	10/20/21	1,150,910	1,150,910
26,474	Blaize, Inc., 2/28/24	3/01/21 - 11/09/21	—	31,313
206,272	Blaize, Inc., D	3/02/21 - 11/09/21	2,154,000	2,050,037
8,626	Databricks, Inc., G	2/01/21	1,529,975	1,943,750
94,539	Fanatics Holdings, Inc.	8/13/20 - 3/22/21	1,669,739	4,026,670
48,915	Newsela, Inc., D	1/21/21	1,034,807	987,771
82,367	OneTrust LLC, C	4/01/21	1,615,242	1,547,478
	Total Restricted Securities (Value is 2.3% of Net Assets)		$10,222,949	$13,068,543

[a] The Fund also invests in unrestricted securities of the issuer, valued at $1,384,344 as of December 31, 2021.

Franklin Small-Mid Cap Growth VIP Fund (continued)

8. Holdings of 5% Voting Securities of Portfolio Companies

The 1940 Act defines "affiliated companies" to include investments in portfolio companies in which a fund owns 5% or more of the outstanding voting securities. Additionally, as defined in the 1940 Act, an investment is deemed to be a “Controlled Affiliate” of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated companies’ outstanding shares or has the power to exercise control over management or policies of such company. During the year ended December 31, 2021, investments in “affiliated companies” were as follows:

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Franklin Small-Mid Cap Growth VIP Fund								
Non-Controlled Affiliates								
								Dividends
Blaize, Inc., 2/28/24 . . .	$—	$—	$—	$—	$31,313	$31,313	26,474	$—
Blaize, Inc., D	—	2,154,000	—	—	(103,963)	2,050,037	206,272	—
Total Affiliated Securities (Value is 0.4% of Net Assets).	$—	$2,154,000	$—	$—	$(72,650)	$2,081,350		$—

9. Novel Coronavirus Pandemic

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Fund, its ability to buy and sell fund investments at appropriate valuations and its ability to achieve its investment objectives.

10. Credit Facility

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling $2.675 billion (Global Credit Facility) which matured on February 4, 2022. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests. Effective February 4, 2022, the Borrowers renewed the Global Credit Facility for a one-year term, maturing February 3, 2023, for a total of $2.675 billion.

Under the terms of the Global Credit Facility, the Fund shall, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statement of Operations. During the year ended December 31, 2021, the Fund did not use the Global Credit Facility.

11. Fair Value Measurements

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments

Franklin Small-Mid Cap Growth VIP Fund (continued)

11. Fair Value Measurements (continued)

- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of December 31, 2021, in valuing the Fund's assets carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Franklin Small-Mid Cap Growth VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	$6,553,684	$—	$—	$6,553,684
Airlines	2,827,440	—	—	2,827,440
Banks	4,272,912	—	—	4,272,912
Biotechnology	14,694,760	—	—	14,694,760
Building Products	6,869,020	—	—	6,869,020
Capital Markets	25,085,442	—	—	25,085,442
Commercial Services & Supplies	9,296,543	—	—	9,296,543
Communications Equipment	5,189,375	—	—	5,189,375
Containers & Packaging	11,592,546	—	—	11,592,546
Electrical Equipment	10,880,549	—	—	10,880,549
Electronic Equipment, Instruments & Components	14,373,770	—	—	14,373,770
Entertainment	9,018,659	—	—	9,018,659
Equity Real Estate Investment Trusts (REITs)	14,669,205	—	—	14,669,205
Food Products	3,077,221	—	—	3,077,221
Health Care Equipment & Supplies	34,680,948	—	—	34,680,948
Health Care Providers & Services	5,546,700	—	—	5,546,700
Health Care Technology	11,682,774	—	—	11,682,774
Hotels, Restaurants & Leisure	28,961,682	—	—	28,961,682
Household Durables	5,211,623	—	—	5,211,623
Interactive Media & Services	10,487,719	—	—	10,487,719
Internet & Direct Marketing Retail	4,926,150	—	—	4,926,150
IT Services	41,440,407	—	—	41,440,407
Leisure Products	2,286,108	—	4,026,670	6,312,778
Life Sciences Tools & Services	33,601,040	—	—	33,601,040
Machinery	7,045,505	—	—	7,045,505
Oil, Gas & Consumable Fuels	1,932,300	—	—	1,932,300
Personal Products	4,198,464	—	—	4,198,464
Pharmaceuticals	3,446,856	—	—	3,446,856
Professional Services	26,255,982	—	—	26,255,982
Road & Rail	8,439,849	—	—	8,439,849
Semiconductors & Semiconductor Equipment	34,797,704	—	—	34,797,704
Software	97,258,898	—	—	97,258,898
Specialty Retail	31,751,627	—	—	31,751,627
Textiles, Apparel & Luxury Goods	17,006,692	—	1,330,614	18,337,306
Trading Companies & Distributors	8,379,048	—	—	8,379,048
Convertible Preferred Stocks	—	—	7,679,946	7,679,946
Warrants	—	—	31,313	31,313
Short Term Investments	16,936,420	—	—	16,936,420
Total Investments in Securities	$574,675,622	$—	$13,068,543	$587,744,165

Franklin Small-Mid Cap Growth VIP Fund (continued)

11. Fair Value Measurements (continued)

A reconciliation in which Level 3 inputs are used in determining fair value is presented when there are significant Level 3 assets and/or liabilities at the beginning and/or end of the year. At December 31, 2021, the reconciliation is as follows:

	Balance at Beginning of Year	Purchases[a]	Sales[b]	Transfer Into Level 3	Transfer Out of Level 3	Net Accretion (Amortization)	Net Realized Gain (Loss)	Net Unrealized Appreciation (Depreciation)	Balance at End of Year	Net Change in Unrealized Appreciation (Depreciation) on Assets Held at Year End
Franklin Small-Mid Cap Growth VIP Fund										
Assets:										
Investments in Securities:										
Common Stocks:										
IT Services	$1,208,923	$—	$(1,077,009)	$—	$—	$—	$—	$(131,914)	$—	$—
Leisure Products	—	1,669,739	—	—	—	—	—	2,356,931	4,026,670	2,356,931
Textiles, Apparel & Luxury Goods	—	1,068,276	—	—	—	—	—	262,338	1,330,614	262,338
Convertible Preferred Stocks:										
Diversified Consumer Services	—	1,034,805	—	—	—	—	—	(47,034)	987,771	(47,034)
Software	—	6,450,127	—	—	—	—	—	242,048	6,692,175	242,048
Textiles, Apparel & Luxury Goods	1,068,276	—	(1,068,276)	—	—	—	—	—	—	—
Preferred Stocks:										
Internet & Direct Marketing Retail	1,657,023	—	(1,600,000)	—	—	—	—	(57,023)	—	—
Software	768,400	—	(768,400)	—	—	—	—	—	—	—
Warrants:										
Software	—	—[c]	—	—	—	—	—	31,313	31,313	31,313
Total Investments in Securities	$4,702,622	$10,222,947	$(4,513,685)	$—	$—	$—	$—	$2,656,659	$13,068,543	$2,845,596

[a] Purchases include all purchases of securities and securities received in corporate actions.

[b] Sales include all sales of securities, maturities, paydowns and securities tendered in corporate actions.

[c] Includes securities determined to have no value.

Significant unobservable valuation inputs for material Level 3 assets and/or liabilities and impact to fair value as a result of changes in unobservable valuation inputs as of December 31, 2021, are as follows:

Franklin Small-Mid Cap Growth VIP Fund (continued)

11. Fair Value Measurements (continued)

Description	Fair Value at End of Year	Valuation Technique	Unobservable Inputs	Amount / Range (Weighted Average)[a]	Impact to Fair Value if Input Increases[b]
Franklin Small-Mid Cap Growth VIP Fund					
Assets:					
Investments in Securities:					
Common Stocks					
Leisure Products	$4,026,670	Market comparables	EV / revenue multiple	5.3x	Increase[c]
			Discount for lack of marketability	14.8%	Decrease[d]
Textiles, Apparel & Luxury Goods	1,330,614	Market comparables	Discount for lack of marketability	4.5%	Decrease
Convertible Preferred Stocks					
Diversified Consumer Services	987,771	Discounted cash flow	Discount for lack of marketability	17.9%	Decrease[d]
			Weighted average cost of capital	14.8%	Decrease[c]
			Long-term growth rate	5.0%	Increase
Software	5,541,265	Discounted cash flow	Discount for lack of marketability	15.6%	Decrease[d]
			Weighted average cost of capital	15.8%	Decrease[c]
			Long-term growth rate	2.5%	Increase
		Market comparables	EV / revenue multiple	12.5x - 40.6x (25.0x)	Increase[d]
			Discount for lack of marketability	12.0% - 12.9% (12.5)%	Decrease[d]
All Other Investments	1,182,223[e]				
Total	$13,068,543				

[a]Weighted based on the relative fair value of the financial instruments.
[b]Represents the directional change in the fair value that would result from a significant and reasonable increase in the corresponding input. A significant and reasonable decrease in the input would have the opposite effect. Significant impacts, if any, to fair value and/or net assets have been indicated.
[c]Represents a significant impact to fair value and net assets.
[d]Represents a significant impact to fair value but not net assets.
[e]Includes fair value of immaterial assets and/or liabilities developed using various valuation techniques and unobservable inputs. May also include values derived using private transaction prices or non-public third party pricing information which is unobservable.

Abbreviations List
EV - Enterprise value

12. New Accounting Pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting. In January 2021, the FASB issued ASU No. 2021-01, with further amendments to Topic 848. The amendments in the ASUs provide optional temporary accounting recognition and financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021 for certain LIBOR settings and 2023 for the remainder. The ASUs are effective for certain reference

Franklin Small-Mid Cap Growth VIP Fund (continued)

12. New Accounting Pronouncements (continued)

rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management has reviewed the requirements and believes the adoption of these ASUs will not have a material impact on the financial statements.

13. Subsequent Events

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure, other than those already disclosed in the financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Templeton Variable Insurance Products Trust and Shareholders of Franklin Small-Mid Cap Growth VIP Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the statement of investments, of Franklin Small-Mid Cap Growth VIP Fund (one of the funds constituting Franklin Templeton Variable Insurance Products Trust, referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

San Francisco, California
February 17, 2022

We have served as the auditor of one or more investment companies in the Franklin Templeton Group of Funds since 1948.

Tax Information (unaudited)

Franklin Small-Mid Cap Growth VIP Fund

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to www.franklintempleton.com for per share tax information related to any distributions paid during the preceding calendar year. Shareholders are advised to consult with their tax advisors for further information on the treatment of these amounts on their tax returns.

The following tax information for the Fund is required to be furnished to shareholders with respect to income earned and distributions paid during its fiscal year.

The Fund hereby reports the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended December 31, 2021:

	Pursuant to:	Amount Reported
Long-Term Capital Gain Dividends Distributed	§852(b)(3)(C)	$63,705,433
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	$1,383,811

Index Descriptions

The indexes are unmanaged and include reinvestment of any income or distributions. They do not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Net Returns (NR) include income net of tax withholding when dividends are paid.

For Russell Indexes: Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company.

See www.franklintempletondatasources.com for additional data provider information.

Bloomberg 1-3 Month U.S. Treasury Bill Index measures the performance of U.S. Treasury bills that have a remaining maturity of greater than or equal to one month and less than three months. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

Bloomberg U.S. Aggregate Bond Index measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities and commercial mortgage-backed securities (agency and nonagency).

Bloomberg U.S. Corporate Bond Index measures the performance of the investment-grade, fixed-rate, taxable corporate bond market. It includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Bloomberg U.S. Corporate High Yield Bond Index measures the performance of the U.S. dollar-denominated, high-yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and Standard & Poor's is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets (EM) country of risk, based on Bloomberg EM country definition, are excluded.

Bloomberg U.S. Government - Intermediate Index is the intermediate component of the Bloomberg U.S. Government Index, which includes U.S. dollar-denominated, fixed-rate, nominal U.S. Treasuries and U.S. agency debentures (securities issued by U.S. government-owned or government-sponsored entities, and debt explicitly guaranteed by the U.S. government).

Bloomberg U.S. High Yield Very Liquid Index is a component of the U.S. Corporate High Yield Index that is designed to track a more liquid component of the U.S. dollar-denominated, high-yield, fixed-rate corporate bond market.

Bloomberg U.S. Mortgage-Backed Securities (MBS) Index tracks the performance of fixed-rate agency mortgage-backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA) and Freddie Mac (FHLMC). Effective June 1, 2017, hybrid adjustable-rate mortgages were removed from the index.

Bloomberg U.S. Treasury Index measures the performance of U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury with at least one year until final maturity. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

FTSE® EPRA®/NAREIT® Developed Index is a free float-adjusted index designed to measure the performance of publicly traded real estate securities in the North American, European and Asian real estate markets.

FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds and is stated in U.S. dollar terms.

J.P. Morgan (JPM) Global Government Bond Index (GGBI) tracks total returns for liquid, fixed-rate, domestic government bonds with maturities greater than one year issued by developed countries globally.

Lipper Multi-Sector Income Funds Classification Average is calculated by averaging the total returns of all funds within the Lipper Multi-Sector Income Funds classification in the Lipper Open-End underlying funds universe. Lipper Multi-Sector Income Funds are defined as funds that seek current income by allocating assets among different fixed income securities sectors (not primarily in one sector except for defensive purposes), including U.S. and foreign governments, with a significant portion rated below investment grade. For the 12-month period ended 12/31/21,

there were 365 funds in this category. Lipper calculations do not include sales charges, but include reinvestment of any income or distributions. Fund performance relative to the average may have differed if these and other factors had been considered.

Lipper VIP General U.S. Government Funds Classification Average is an equally weighted average calculation of performance figures for all funds within the Lipper General U.S. Government Funds classification in the Lipper VIP underlying funds universe. Lipper General U.S. Government Funds invest primarily in U.S. government and agency issues. For the 12-month period ended 12/31/21, there were 24 funds in this category. Lipper calculations do not include contract fees, expenses or sales charges, and may have been different if such charges had been considered.

MSCI All Country Asia Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of developed and emerging markets in Asia.

MSCI All Country World Index (ACWI) is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets.

MSCI All Country World Index (ACWI)-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets.

MSCI All Country World Index (ACWI) ex USA Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI All Country World Index (ACWI) ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI Emerging Markets (EM) Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global emerging markets.

MSCI Europe Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of developed markets in Europe.

MSCI USA High Dividend Yield Index is based on the MSCI USA Index, its parent index, and includes large- and mid-capitalization stocks. The index is designed to reflect the performance of equities in the parent index (excluding real estate investment trusts) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent.

MSCI World ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets, excluding the U.S.

MSCI World Growth Index-NR measures large and midcap securities exhibiting overall growth style characteristics across 23 developed markets countries.

MSCI World Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets.

MSCI World Value Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the performance of stocks exhibiting overall value style characteristics in global developed markets.

Russell 1000® Growth Index is market capitalization weighted and measures the performance of those Russell 1000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell 1000® Index is market capitalization weighted and measures the performance of the approximately 1,000 largest companies in the Russell 3000® Index, which represents the majority of the U.S. market's total capitalization.

Russell 1000® Value Index is market capitalization weighted and measures the performance of those Russell 1000® Index companies with relatively lower price-to-book ratios and lower forecasted growth rates.

Russell 2000® Index is market capitalization weighted and measures the performance of the approximately 2,000 smallest companies in the Russell 3000® Index that represent a small amount of the total market capitalization of the Russell 3000® Index.

Russell 2000® Value Index is market capitalization weighted and measures the performance of those Russell 2000® Index companies with relatively lower price-to-book ratios and lower forecasted growth rates.

Russell 2500™ Index is market capitalization weighted and measures the performance of the approximately 2,500 smallest companies in the Russell 3000 Index® that represent a modest amount of the Russell 3000® Index's total market capitalization.

Russell 3000® Growth Index is market capitalization weighted and measures the performance of those Russell 3000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell 3000® Index is market capitalization weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.

Russell Midcap® Growth Index is market capitalization weighted and measures the performance of those Russell Midcap® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell Midcap® Index is market capitalization weighted and measures the performance of the approximately 800 smallest companies in the Russell 1000® Index that represent a modest amount of the Russell 1000® Index's total market capitalization.

Standard & Poor's® 500 Index (S&P 500®) is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton/Legg Mason fund complex, are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1988	120	Bar-S Foods (meat packing company) (1981-2010).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and **formerly**, Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998).				
Terrence J. Checki (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2017	101	Hess Corporation (exploration of oil and gas) (2014-present).
Principal Occupation During at Least the Past 5 Years: Member of the Council on Foreign Relations (1996-present); Member of the National Committee on U.S.-China Relations (1999-present); member of the board of trustees of the Economic Club of New York (2013-present); member of the board of trustees of the Foreign Policy Association (2005-present); member of the board of directors of Council of the Americas (2007-present) and the Tallberg Foundation (2018-present); and **formerly**, Executive Vice President of the Federal Reserve Bank of New York and Head of its Emerging Markets and Internal Affairs Group and Member of Management Committee (1995-2014); and Visiting Fellow at the Council on Foreign Relations (2014).				
Mary C. Choksi (1950) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2014	121	Omnicom Group Inc. (advertising and marketing communications services) (2011-present) and White Mountains Insurance Group, Ltd. (holding company) (2017-present); and **formerly**, Avis Budget Group Inc. (car rental) (2007-2020).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and **formerly**, Founder and Senior Advisor, Strategic Investment Group (investment management group) (2015-2017); Founding Partner and Senior Managing Director, Strategic Investment Group (1987-2015); Founding Partner and Managing Director, Emerging Markets Management LLC (investment management firm) (1987-2011); and Loan Officer/Senior Loan Officer/Senior Pension Investment Officer, World Bank Group (international financial institution) (1977-1987).				

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Edith E. Holiday (1952) One Franklin Parkway San Mateo, CA 94403-1906	Lead Independent Trustee	Trustee since 2005 and Lead Independent Trustee since 2019	121	Hess Corporation (exploration of oil and gas) (1993-present), Santander Consumer USA Holdings, Inc. (consumer finance) (2016-present); Santander Holdings USA (holding company) (2019-present); and **formerly**, Canadian National Railway (railroad) (2001-2021), White Mountains Insurance Group, Ltd. (holding company) (2004-2021), RTI International Metals, Inc. (manufacture and distribution of titanium) (1999-2015) and H.J. Heinz Company (processed foods and allied products) (1994-2013).

Principal Occupation During at Least the Past 5 Years:
Director or Trustee of various companies and trusts; and **formerly**, Assistant to the President of the United States and Secretary of the Cabinet (1990-1993); General Counsel to the United States Treasury Department (1989-1990); and Counselor to the Secretary and Assistant Secretary for Public Affairs and Public Liaison-United States Treasury Department (1988-1989).

J. Michael Luttig (1954) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2009	121	Boeing Capital Corporation (aircraft financing) (2006-2010).

Principal Occupation During at Least the Past 5 Years:
Counselor and Special Advisor to the CEO and Board of Directors of the Coca-Cola Company (beverage company) (2021-present); and **formerly**, Counselor and Senior Advisor to the Chairman, CEO, and Board of Directors, of The Boeing Company (aerospace company), and member of the Executive Council (May 2019-January 1, 2020); Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (2006-2019); and Federal Appeals Court Judge, United States Court of Appeals for the Fourth Circuit (1991-2006).

Larry D. Thompson (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2007	121	Graham Holdings Company (education and media organization) (2011-2021); The Southern Company (energy company) (2014-2020; previously 2010-2012) and Cbeyond, Inc. (business communications provider) (2010-2012).

Principal Occupation During at Least the Past 5 Years:
Director of various companies; Counsel, Finch McCranie, LLP (law firm) (2015-present); John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2015-present; previously 2011-2012); and **formerly**, Independent Compliance Monitor and Auditor, Volkswagen AG (manufacturer of automobiles and commercial vehicles) (2017-2020); Executive Vice President - Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-2014); Senior Vice President - Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Valerie M. Williams (1956) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since May 2021	101	Omnicom Group, Inc. (advertising and marketing communications services) (2016-present), DTE Energy Co. (gas and electric utility) (2018-present), Devon Energy Corporation (exploration and production of oil and gas) (January 2021-present); and **formerly**, WPX Energy, Inc. (exploration and production of oil and gas) (2018-January 2021).

Principal Occupation During at Least the Past 5 Years:
Director of various companies; and **formerly**, Regional Assurance Managing Partner, Ernst & Young LLP (public accounting) (2005-2016), various roles of increasing responsibility at Ernst & Young (1981-2005).

Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
****Gregory E. Johnson (1961)** One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2013	132	None

Principal Occupation During at Least the Past 5 Years:
Executive Chairman, Chairman of the Board and Director, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex; Vice Chairman, Investment Company Institute; and **formerly**, Chief Executive Officer (2013-2020) and President (1994-2015) Franklin Resources, Inc.

****Rupert H. Johnson, Jr. (1940)** One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board and Trustee	Chairman of the Board since 2013 and Trustee since 1988	121	None

Principal Occupation During at Least the Past 5 Years:
Director (Vice Chairman), Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

Alison E. Baur (1964) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2012	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Deputy General Counsel, Franklin Templeton; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

Breda M. Beckerle (1958) 280 Park Avenue New York, NY 10017	Chief Compliance Officer	Since October 2020	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Chief Compliance Officer, Fiduciary Investment Management International, Inc., Franklin Advisers, Inc., Franklin Mutual Advisers, LLC, Franklin Templeton Institutional, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Steven J. Gray (1955) One Franklin Parkway San Mateo, CA 94403-1906	Vice President and Co-Secretary	Vice President since 2009 and Co-Secretary since 2019	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; Vice President, FASA, LLC; Assistant Secretary, Franklin Distributors, LLC; and certain funds in the Franklin Templeton/Legg Mason fund complex.				
Matthew T. Hinkle (1971) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer - Finance and Administration	Since 2017	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; officer of certain funds in the Franklin Templeton/Legg Mason fund complex; and **formerly**, Vice President, Global Tax (2012-April 2017) and Treasurer/Assistant Treasurer, Franklin Templeton (2009-2017).				
Susan Kerr (1949) 620 Eighth Avenue New York, NY 10018	Vice President - AML Compliance	Since July 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Compliance Analyst, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co., or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, LMIS; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Christopher Kings (1974) One Franklin Parkway San Mateo, CA 94403-1906	Chief Financial Officer, Chief Accounting Officer and Treasurer	Since January 2022	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Treasurer, U.S. Fund Administration & Reporting; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Edward D. Perks (1970) One Franklin Parkway San Mateo, CA 94403-1906	President and Chief Executive Officer - Investment Management	Since 2018	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: President and Director, Franklin Advisers, Inc.; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Navid J. Tofigh (1972) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2015	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Craig S. Tyle (1960) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2005	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: General Counsel and Executive Vice President, Franklin Resources, Inc.; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.				

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Lori A. Weber (1964) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Vice President and Co-Secretary	Vice President since 2011 and Co-Secretary since 2019	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Senior Associate General Counsel, Franklin Templeton; Assistant Secretary, Franklin Resources, Inc.; Vice President and Secretary, Templeton Investment Counsel, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

*We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton/Legg Mason fund complex. These portfolios have a common investment manager or affiliated investment managers.
**Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager and distributor. Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director and major shareholder of Resources.
Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.
Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated Mary C. Choksi as its audit committee financial expert. The Board believes that Ms. Choksi qualifies as such an expert in view of her extensive business background and experience. She served as a director of Avis Budget Group, Inc. (2007-2020) and formerly, Founder and Senior Advisor, Strategic Investment Group (1987 to 2017). Ms. Choksi has been a Member of the Fund's Audit Committee since 2014. As a result of such background and experience, the Board believes that Ms. Choksi has acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Choksi is an independent Board member as that term is defined under the relevant Securities and Exchange Commission Rules and Releases.

The Statement of Additional Information (SAI) includes additional information about the board members and is available, without charge, upon request. Shareholders may call (800) DIAL BEN/342-5236 to request the SAI.

Shareholder Information

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
Franklin Allocation VIP Fund
(Fund)

At a meeting held on September 8, 2021 (Meeting), the Board of Trustees (Board) of Franklin Templeton Variable Insurance Products Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved a new investment sub-advisory agreement between Franklin Advisers, Inc. (Manager), the Fund's investment manager, and each of Brandywine Global Investment Management, LLC, ClearBridge Investments, LLC, Western Asset Management Company, LLC, and Western Asset Management Company Limited (each a Sub-Adviser and collectively, the Sub-Advisers), on behalf of the Fund (each a Sub-Advisory Agreement) for an initial two-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve each Sub-Advisory Agreement.

The Board reviewed and considered information provided by the Manager and the Sub-Advisers at the Meeting with respect to each Sub-Advisory Agreement. The Board also reviewed and considered the factors it deemed relevant in approving each Sub-Advisory Agreement, including, but not limited to: (i) the nature, extent, and quality of the services to be provided by each Sub-Adviser; and (ii) the costs of the services to be provided by each Sub-Adviser. The Board further reviewed and considered information provided by management showing the expected impact of hiring each Sub-Adviser on the Manager's profitability consistent with the Order (as defined below). The Board also considered that management proposed that the Board approve each Sub-Advisory Agreement in order to provide the Fund's portfolio management team with access to additional investment strategies that could be accessed to attain desired exposures across asset allocation portfolios and to diversify holdings in the Fund. The Board reviewed and further considered the form of Sub-Advisory Agreement and the terms of each Sub-Advisory Agreement which were discussed at the Meeting, noting that the terms and conditions of each Sub-Advisory Agreement were substantially similar to the terms and conditions of the Fund's other sub-advisory agreements and substantially similar to the terms and conditions of sub-advisory agreements for other Franklin Templeton (FT) mutual funds.

In approving each Sub-Advisory Agreement, the Board, including a majority of the Independent Trustees, determined that the hiring of each Sub-Adviser is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which the Manager or Sub-Adviser derives an inappropriate advantage. The Board also determined that the terms of each Sub-Advisory Agreement are fair and reasonable and that the approval of such Sub-Advisory Agreement is in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services
The Board reviewed and considered information regarding the nature, extent and quality of investment management services to be provided by each Sub-Adviser and currently being provided by the Manager and its affiliates to the Fund and its shareholders. In doing so, the Board noted that the Fund employs a "manager of managers" structure pursuant to an exemptive order (Order) granted to the Manager by the U.S. Securities and Exchange Commission, whereby the Manager and the Fund may, without shareholder approval, enter into sub-advisory agreements with sub-advisers that are indirect or direct wholly owned subsidiaries of Franklin Resources, Inc. (FRI). In particular, with respect to each Sub-Adviser, the Board took into account that each Sub-Advisory Agreement would not affect how the Fund is managed or the Fund's investment goal, principal investment strategies or principal risks associated with an investment in the Fund. The Board reviewed and considered information regarding the nature, quality and extent of investment sub-advisory services to be provided by each Sub-Adviser to the Fund and its shareholders under each Sub-Advisory Agreement; each Sub-Adviser's experience as manager of other funds and accounts, including those within the FT organization; the personnel, operations, financial condition, and investment management capabilities, methodologies and resources of each Sub-Adviser and each Sub-Adviser's capabilities, as demonstrated by, among other things, its policies and procedures reasonably designed to prevent violations of the federal securities laws.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of FRI, the parent of the Manager and each Sub-Adviser, and its commitment to the mutual fund business as evidenced by its reassessment of the fund offerings in response to the market environment and project initiatives and capital investments relating to the services provided to the Funds by the FT organization. The Board specifically noted FT's commitment to enhancing services and controlling costs, as reflected in its outsourcing of certain administrative functions, and growth opportunities, as evidenced by its acquisition of the Legg Mason companies. The Board also noted FT's attention focused on expanding the distribution opportunities for all funds in the FT family of funds.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services to be provided by each Sub-Adviser and its affiliates to the Fund and its shareholders.

Fund Performance
The Board noted its review and consideration of the performance results of the Fund in connection with the April 2021 annual contract renewal (Annual Contract Renewal) of the Fund's investment management agreement. The Board recalled its conclusion at that time that the Fund's performance was satisfactory.

Comparative Fees and Expenses
The Board reviewed and considered information regarding the investment sub-advisory fee to be charged by each Sub-Adviser. The Board noted that the addition of each Sub-Adviser will have no impact on the amount of management fees that are currently paid by the Fund as each Sub-Adviser will be paid by the Manager out of the management fee that the Manager receives from the Fund. The Board further noted that the allocation of the fee between the Manager and each Sub-Adviser reflected the services to be provided by each. The Board concluded that each proposed investment sub-advisory fee is reasonable.

Management Profitability and Economies of Scale
The Board noted that it reviewed and considered information showing the expected impact of retaining each Sub-Adviser on the profitability of the Manager consistent with the conditions of the Order. The Board determined that its conclusions regarding profitability and economies of scale reached in connection with the Annual Contract Renewal of the investment management agreement with the Manager had not changed as a result of the proposal to approve each Sub-Advisory Agreement.

Conclusion
Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved each Sub-Advisory Agreement for an initial two-year period.

Proxy Voting Policies and Procedures

The Trust's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Trust uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Trust's complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Trust's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Statement of Investments

The Trust files a complete statement of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

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Franklin Templeton Variable Insurance Products Trust (FTVIP) shares are not offered to the public; they are offered and sold only to: (1) insurance company separate accounts (Separate Account) to serve as the underlying investment vehicle for variable contracts; (2) certain qualified plans; and (3) other mutual funds (funds of funds).

Authorized for distribution to investors in Separate Accounts only when accompanied or preceded by the current prospectus for the applicable contract, which includes the Separate Account and the FTVIP prospectuses. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. The prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



Annual Report
Franklin Templeton Variable Insurance Products Trust

Investment Managers
Franklin Advisers, Inc.
Franklin Mutual Advisers, LLC
Franklin Templeton Institutional, LLC
Templeton Asset Management Ltd.
Templeton Global Advisors Limited
Templeton Investment Counsel, LLC

Fund Administrator
Franklin Templeton Services, LLC

Distributor
Franklin Distributors, LLC

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ANNUAL REPORT

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

December 31, 2021



FRANKLIN TEMPLETON

Franklin Templeton Variable Insurance Products Trust Annual Report

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*Not part of the annual report. Retain for your records.

Not FDIC Insured | May Lose Value | No Bank Guarantee

Important Notes to Performance Information

Performance data is historical and cannot predict or guarantee future results. Principal value and investment return will fluctuate with market conditions, and you may have a gain or loss when you withdraw your money. Inception dates of the funds may have preceded the effective dates of the subaccounts, contracts or their availability in all states.

When reviewing the index comparisons, please keep in mind that indexes have a number of inherent performance differentials over the funds. First, unlike the funds, which must hold a minimum amount of cash to maintain liquidity, indexes do not have a cash component. Second, the funds are actively managed and, thus, are subject to management fees to cover salaries of securities analysts or portfolio managers in addition to other expenses. Indexes are unmanaged and do not include any commissions or other expenses typically associated with investing in securities. Third, indexes often contain a different mix of securities than the fund to which they are compared. Additionally, please remember that indexes are simply a measure of performance and cannot be invested in directly.

VIP1 SA1 SA2 SA4 SA5 02/22

SUPPLEMENT DATED FEBRUARY 4, 2022
TO THE STATEMENT OF ADDITIONAL INFORMATION
DATED MAY 1, 2021 FOR
FRANKLIN ALLOCATION VIP FUND
FRANKLIN DYNATECH VIP FUND
FRANKLIN GLOBAL REAL ESTATE VIP FUND
FRANKLIN GROWTH AND INCOME VIP FUND
FRANKLIN INCOME VIP FUND
FRANKLIN LARGE CAP GROWTH VIP FUND
FRANKLIN MUTUAL GLOBAL DISCOVERY VIP FUND
FRANKLIN MUTUAL SHARES VIP FUND
FRANKLIN RISING DIVIDENDS VIP FUND
FRANKLIN SMALL CAP VALUE VIP FUND
FRANKLIN SMALL-MID CAP GROWTH VIP FUND
FRANKLIN STRATEGIC INCOME VIP FUND
FRANKLIN U.S. GOVERNMENT SECURITIES VIP FUND
FRANKLIN VOLSMART ALLOCATION VIP FUND
TEMPLETON DEVELOPING MARKETS VIP FUND
TEMPLETON FOREIGN VIP FUND
TEMPLETON GLOBAL BOND VIP FUND
TEMPLETON GROWTH VIP FUND
(each, a series of Franklin Templeton Variable Insurance Products Trust)

The statement of additional information (SAI) of each Fund is amended as follows:

I. For all Funds, the name “Franklin Templeton Distributors, Inc.” is replaced throughout the SAI with “Franklin Distributors, LLC.”

II. For Franklin Allocation VIP Fund, Templeton Developing Markets VIP Fund and Templeton Foreign VIP Fund, the following bullet is added to the list of securities in which each Fund may invest under “The Funds – Goals, Additional Strategies and Risks:”

- Chinese securities including Chinese variable interest entities

III. The following is added to the “Goals, Strategies and Risks – Glossary of Investments, Techniques, Strategies and Their Risks – Foreign securities:”

China companies. Investing in China, Hong Kong and Taiwan involves a high degree of risk and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include: (a) the risk of nationalization or expropriation of assets or confiscatory taxation; (b) greater social, economic and political uncertainty (including the risk of war); (c) dependency on exports and the corresponding importance of international trade; (d) the increasing competition from Asia’s other low-cost emerging economies; (e) greater price volatility and significantly smaller market capitalization of securities markets, particularly in China; (f) substantially less liquidity, particularly of certain share classes of Chinese securities; (g) currency exchange rate fluctuations and the lack of available currency hedging instruments; (h) higher rates of inflation; (i) controls on foreign investment and limitations on repatriation of invested capital and on the Fund’s ability to exchange local currencies for U.S. dollars; (j) greater governmental involvement in and control over the economy; (k) the risk that the Chinese government may decide not to continue to support the economic reform programs implemented since 1978 and could return to the prior, completely centrally planned, economy; (l) the fact that China companies, particularly those located in China, may be smaller, less seasoned and newly-organized companies; (m) the difference in, or lack of, auditing and financial reporting standards which may result in unavailability of material information about issuers, particularly in China; (n) the fact that statistical information regarding the economy of China may be inaccurate or not comparable to statistical information regarding

the U.S. or other economies; (o) the less extensive, and still developing, regulation of the securities markets, business entities and commercial transactions; (p) the fact that the settlement period of securities transactions in foreign markets may be longer; (q) the willingness and ability of the Chinese government to support the Chinese and Hong Kong economies and markets is uncertain; (r) the risk that it may be more difficult, or impossible, to obtain and/or enforce a judgment than in other countries and that there may be significant obstacles to obtaining information necessary for investigations into or litigation against Chinese companies; and (s) the rapidity and erratic nature of growth, particularly in China, resulting in inefficiencies and dislocations; and (t) the risk that because of the degree of interconnectivity between the economies and financial markets of China, Hong Kong and Taiwan, any sizable reduction in the demand for goods from China, or an economic downturn in China, could negatively affect the economies and financial markets of Hong Kong and Taiwan, as well.

The Public Company Accounting Oversight Board (PCAOB) has warned that positions taken by Chinese authorities impair the PCAOB's ability to conduct inspections and investigations of the audits of public companies with China-based operations. The PCAOB's impaired ability to oversee PCAOB-registered audit firms in China may result in inaccurate or incomplete financial records of an issuer's operations within China, which may negatively impact the Fund's investments in such companies.

Investment in China, Hong Kong and Taiwan is subject to certain political risks. Following the establishment of the People’s Republic of China by the Communist Party in 1949, the Chinese government renounced various debt obligations incurred by China’s predecessor governments, which obligations remain in default, and expropriated assets without compensation. There can be no assurance that the Chinese government will not take similar action in the future. An investment in the Fund involves risk of a total loss.The political reunification of China and Taiwan is a highly problematic issue and is unlikely to be settled in the near future. This situation poses a threat to Taiwan’s economy and could negatively affect its stock market.

The equity securities of China companies the Fund may invest in include securities issued by Hong Kong and Taiwan domiciled companies, as well as China H shares (shares of China-incorporated, Hong Kong-listed companies), Shanghai and Shenzhen-listed B shares (shares of China-incorporated companies that are traded in foreign currencies - U.S. Dollar for the Shanghai Stock Exchange and Hong Kong dollar for the Shenzhen Stock Exchange), and China “red chip” shares (shares of companies based in Mainland China that are incorporated outside China and listed in Hong Kong). The Fund may also invest in eligible China A shares (shares of publicly traded companies based in Mainland China) listed and traded on the Shanghai Stock Exchange ("SSE") through the Shanghai – Hong Kong Stock Connect program, as well as eligible China A shares listed and traded on the Shenzhen Stock Exchange (“SZSE”) through the Shenzhen – Hong Kong Stock Connect program (both programs collectively referred to as “Stock Connect”). The Fund may also invest in China A shares through any other means permitted by applicable law or regulation.

Chinese variable interest entities. In China, equity ownership of companies by foreign individuals and entities is restricted or prohibited in certain sectors, such as internet, media, education and telecommunications. To circumvent these limits, starting in the early 2000s many Chinese companies, including most of the well-known Chinese Internet companies, have used a special structure known as a variable interest entity (VIE) to raise capital from foreign investors. In a typical VIE structure, a shell company is set up in an offshore jurisdiction, such as the Cayman Islands. The shell company, through a wholly foreign-owned enterprise (WFOE) based in China, enters into service and other contracts with another Chinese company known as the VIE. The VIE must be owned by Chinese nationals (and/or other Chinese companies), which often are the VIE’s founders, in order to obtain the licenses and/or assets required to operate in the restricted or prohibited industry in China. The contractual arrangements entered into between the WFOE and VIE (which often include powers of attorney, loan and equity pledge agreements, call option agreements and exclusive services or business cooperation agreements) are designed to allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership.

The contractual arrangements are structured to require the shell company to consolidate the VIE into its financial statements, pursuant to U.S. generally accepted accounting principles, despite the absence of equity ownership. Such consolidation provides the shell company with the ability to issue shares on a foreign exchange, such as the New York

Stock Exchange or NASDAQ, often with the same name as the VIE. Accordingly, foreign investors, such as the Fund, will only own stock in the shell company rather than directly in the VIE. Further, the ability of the WFOE to easily extract profits from the VIE structure through service agreements will partially depend on the proportion of the business that can legally be conducted by the WFOE versus the VIE, which varies based on the industry.

While VIEs are a longstanding industry practice that is well known to Chinese officials and regulators, historically they have not been formally recognized under Chinese law. In late December 2021, the China Securities Regulatory Commission (CSRC) released draft rules that would permit the use of VIE structures, provided they abide by Chinese laws and register with the CSRC. The new draft rules, however, may cause Chinese companies to undergo greater scrutiny and may make the process to create VIEs more difficult and costly. Guidance or further rulemaking prohibiting or restricting these structures by the Chinese government, generally or with respect to specific industries, would likely cause impacted VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Fund's returns and net asset value. The future of the VIE structure generally and with respect to certain industries remains uncertain.

Further, if a Chinese court or arbitration body chose not to enforce the contracts, the value of the shell company would significantly decline, since it derives its value from the ability to consolidate the VIE into its financials pursuant to such contracts, and in turn, adversely affect the Fund's returns and net asset value. The contractual arrangements with the VIE may not be as effective in providing operational control as direct equity ownership. The Chinese equity owner(s) of the VIE could decide to breach the contractual arrangement and may have conflicting interests and fiduciary duties as compared to investors in the shell company. Accordingly, VIEs depend heavily on executives who are Chinese nationals and own the underlying business licenses and/or assets required to operate in China. In addition to creating "key person" succession risk, the structure can restrict the ability of outside shareholders to challenge executives for poor decision-making, weak management, or equity-eroding actions. Any breach or dispute under these contracts will likely fall under Chinese jurisdiction and law.

IV. For all Funds, the following replaces Robert G. Kubilis in the section "Officers and Trustees – Interested Board Members and Officers:"

Christopher Kings (1974) Chief Financial Officer, Chief Accounting Officer and Treasurer Since January 2022 Not Applicable Not Applicable
One Franklin Parkway
San Mateo, CA 94403-1906
Principal Occupation During at Least the Past 5 Years:
Treasurer, U.S. Fund Administration & Reporting; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Please keep this supplement with your SAI for future reference.

Templeton Developing Markets VIP Fund

This annual report for Templeton Developing Markets VIP Fund covers the fiscal year ended December 31, 2021.

Class 2 Performance Summary as of December 31, 2021

Average annual total return of Class 2 shares represents the average annual change in value, assuming reinvestment of dividends and capital gains. Average returns smooth out variations in returns, which can be significant; they are not the same as year-by-year results.

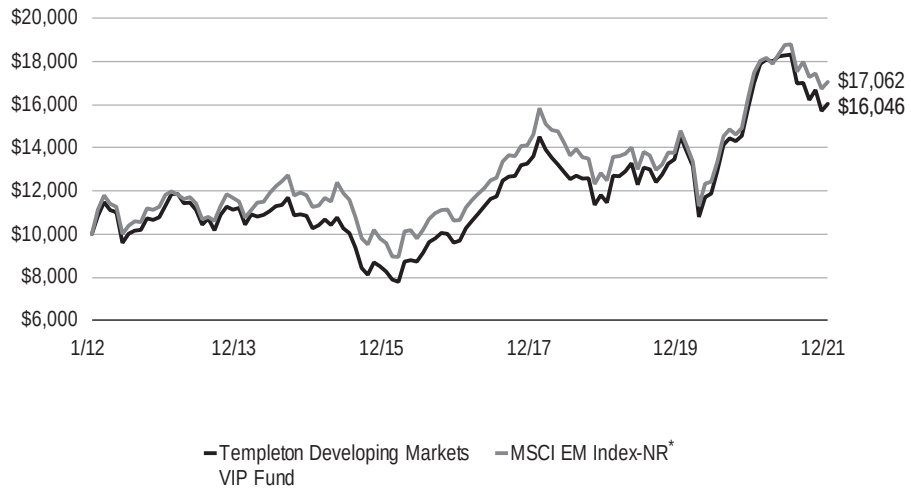
Share Class	Average Annual Total Return
2	
1-Year	-5.74%
5-Year	+10.60%
10-Year	+4.84%

*Performance reflects the Fund's Class 2 operating expenses, but does **not** include any contract fees, expenses or sales charges. If they had been included, performance would be lower. These charges and deductions, particularly for variable life policies, can have a significant effect on contract values and insurance benefits. See the contract prospectus for a complete description of these expenses, including sales charges.*

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown.

Total Return Index Comparison for a Hypothetical $10,000 Investment (1/1/12–12/31/21)

The graph below shows the change in value of a hypothetical $10,000 investment in the Fund over the indicated period and includes reinvestment of any income or distributions. The Fund's performance is compared to the performance of the MSCI Emerging Markets (EM) Index-NR. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. **Please see Important Notes to Performance Information preceding the Fund Summaries.**



*Source: Morningstar. Please see Index Descriptions following the Fund Summaries.

Templeton Developing Markets VIP Fund

Fund Goal and Main Investments

The Fund seeks long-term capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in emerging market investments.

Fund Risks

All investments involve risks, including possible loss of principal. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments. Investments in developing markets, of which frontier markets are a subset, involve heightened risks related to the same factors, in addition to those associated with these markets' smaller size, lesser liquidity and lack of established legal, political, business and social frameworks to support securities markets. Because these frameworks are typically even less developed in frontier markets, as well as various factors including the increased potential for extreme price volatility, illiquidity, trade barriers and exchange controls, the risks associated with developing markets are magnified in frontier markets. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results. The Fund's prospectus also includes a description of the main investment risks.

Geographic Composition
12/31/21

	% of Total Net Assets
Asia	77.7%
Europe	9.3%
Latin America & Caribbean	7.8%
North America	2.1%
Middle East & Africa	1.5%
Short-Term Investments & Other Net Assets	1.6%

Performance Overview

You can find the Fund's one-year total return in the Performance Summary. In comparison, the Fund's benchmark, the MSCI Emerging Markets (EM) Index-NR, posted a -2.54% total return for the same period.[1] Please note, index performance numbers are for reference and we do not attempt to track an index but rather undertake investments on the basis of fundamental research.

Economic and Market Overview

Emerging market countries continued their economic recovery during the 12 months ended December 31, 2021, though resurgent COVID-19 outbreaks hampered growth in many countries. Several emerging market central banks raised benchmark interest rates to stem inflation, a reversal of the accommodative monetary policies adopted at the beginning of the pandemic in 2020. During the period, investor concerns about the global spread of the COVID-19 Delta and Omicron variants, rising inflation and new Chinese government regulations on certain businesses tempered optimism about increased vaccinations and economies reopening.

Regarding individual countries, China's year-on-year growth rate accelerated in 2021's first quarter, driven by increased domestic and global demand and government fiscal support. Growth moderated in 2021's second, third and fourth quarters due to supply chain issues, domestic COVID-19 outbreaks, power shortages and a speculative bubble in the property market. Taiwan's year-on-year growth rate accelerated in 2021's first quarter, as a surge in global demand for electronic products boosted its export-dependent economy. Growth moderated in the second and third quarters as private consumption was impacted by a spike in infections. South Korea's year-on-year growth rate accelerated in 2021's first and second quarters, following three straight quarters of contraction. Accelerating private consumption, government spending and exports contributed to the recovery. Growth moderated in the third quarter in part due to new restrictions to contain the Delta variant. India's year-on-year growth rate accelerated in 2021's first and second quarters due to surges in construction, manufacturing and private spending. Growth continued in 2021's third quarter, albeit at a less robust pace, as progress in vaccine distribution eased COVID-19-related economic disruptions. Russia's year-on-year growth rate contracted for the fourth consecutive time in 2021's first quarter before returning to growth in the second and third quarters, aided by an increase in oil prices. Following four straight quarters of contractions, Brazil's year-on-year growth rate turned positive in 2021's first quarter and accelerated in the second quarter based on strength in manufacturing, particularly automotive production, and transportation and storage. Growth moderated in the third quarter as imports outpaced exports.

1. Source: Morningstar. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Please see Index Descriptions following the Fund Summaries.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI).

Turning to specific countries' monetary policies, the People's Bank of China lowered its benchmark loan prime rate in December 2021—its first cut since April 2020—in an effort to spur growth. The central banks of Taiwan and India left their benchmark interest rates unchanged. In contrast, the central banks of South Korea, Russia and Brazil all raised their respective benchmark interest rates multiple times to combat rising inflation.

In this environment, emerging market stocks, as measured by the MSCI EM Index-NR, posted a -2.54% total return for the 12 months ended December 31, 2021.[1] Chinese equities fell during the period due to new government regulations of internet companies, political and economic tensions with the U.S., and strict lockdowns to suppress new COVID-19 outbreaks. Taiwanese equities rose significantly during the period, supported by the country's strong technology export sector. Russian equities also rose, aided by increased oil prices, though political tensions with the U.S. and Ukraine caused a dip near period-end. Brazilian equities fell during the period due to investor concerns about rising inflation, mounting debt levels, increased interest rates and political uncertainties ahead of the country's general election in October 2022.

Top 10 Countries
12/31/21

	% of Total Net Assets
China	25.5%
South Korea	21.8%
Taiwan	18.0%
India	9.1%
Russia	7.0%
Brazil	5.7%
United States	2.1%
Mexico	1.7%
Thailand	1.6%
United Kingdom	1.5%

Investment Strategy

We employ a fundamental research, value-oriented, long-term investment approach. We focus on the market price of a company's securities relative to our evaluation of its long-term earnings, asset value, cash flow potential and sustainable earnings power at a discount to intrinsic worth. This includes an assessment of the potential impacts of material environmental, social and governance factors on the long-term risk and return profile of a company. We also consider a company's profit and loss outlook, balance sheet strength, cash flow trends and asset value in relation to the current price of the company's securities. Our analysis considers the company's position in its sector, the economic framework and political environment.

Top 10 Holdings
12/31/21

Company *Industry, Country*	% of Total Net Assets
Taiwan Semiconductor Manufacturing Co. Ltd. *Semiconductors & Semiconductor Equipment, Taiwan*	12.4%
Samsung Electronics Co. Ltd. *Technology Hardware, Storage & Peripherals, South Korea*	11.1%
Alibaba Group Holding Ltd. *Internet & Direct Marketing Retail, China*	5.3%
ICICI Bank Ltd. *Banks, India*	5.2%
Tencent Holdings Ltd. *Interactive Media & Services, China*	4.4%
MediaTek, Inc. *Semiconductors & Semiconductor Equipment, Taiwan*	4.1%
NAVER Corp. *Interactive Media & Services, South Korea*	3.8%
LUKOIL PJSC *Oil, Gas & Consumable Fuels, Russia*	2.5%
Sberbank of Russia PJSC *Banks, Russia*	2.3%
China Merchants Bank Co. Ltd. *Banks, China*	2.2%

Manager's Discussion

Key contributors to absolute performance during the period included Taiwan Semiconductor Manufacturing Co. (TSMC), MediaTek and ICICI Bank.

Despite some short-term demand weakness for smartphones, positive sentiment for the growth prospects of TSMC and MediaTek was driven by higher memory chip prices coupled with rising silicon content, amid continued fifth-generation wireless technology (5G) development, growing higher performance computing (HPC) applications and accelerating digital transformation.

TSMC is one of the world's leading semiconductor manufacturers, with major technology companies among its clients. Following solid first- and second-quarter 2021 corporate results, the company posted better-than-expected third-quarter earnings, a quarter-on-quarter improvement in profit margins and lifted its full-year sales growth forecast. Benefiting from its strong technology leadership, the company also raised its long-term gross margin estimates.

MediaTek is a major chip designer in the semiconductor industry and develops chips for smartphones and other technology devices. The company consistently reported solid quarterly corporate results in 2021. In addition to positive

fourth-quarter 2021 guidance, management voiced solid growth and stronger profitability expectations for 2022. Signaling commitment to enhancing shareholder returns, a special dividend payment from 2021-2024 was also announced. Investors were also optimistic about demand for the company's newly launched chip for 5G smartphones.

Shares in ICICI Bank, one of the largest private-sector banks in India, generally remained on an upward trend in 2021 on the back of solid quarterly earnings growth. Improving margins and asset quality along with a strong balance sheet and improving digital footprint further supported returns. Although concerns about non-performing assets rose in the second quarter amid the second COVID-19 wave, the bank's prudent asset provision policies, healthy capital buffer, strong deposit franchise and risk-conscious lending practices enabled the bank to continue to excel operationally. Economic normalization and expectations that rising credit penetration in India could create longer-term growth opportunities for the bank also supported investor confidence.

In contrast, key detractors from absolute performance included Alibaba Group Holding, Tencent Holdings and Samsung Electronics.

Alibaba is the leading e-commerce company in China. It also provides cloud computing services and is involved in logistics services. Tencent is one of the largest online gaming companies in the world and operates the most popular messaging application with social network features in China. As a major internet company in China, it also provides non-gaming value added services, digital advertising, financial technology and other services. China's increased scrutiny of monopolistic practices, personal data protection, content release, online platform's social responsibilities, financial technology and other areas in the internet industry weighed on both companies.

Despite Alibaba reporting solid second- and third-quarter 2021 revenue growth, a downward revision in fiscal year 2022 revenue guidance amid a weak consumption environment and intensifying competition in China's e-commerce market disappointed investors. However, a substantial increase in the company's share repurchase program, the largest buyback program in the company's history, signaled continued management confidence. The organizational restructure in late 2021 also suggested management actively took actions to meet these challenges. Although further regulatory news could drive share-price volatility in the near term, Alibaba is generally viewed as well-diversified and resilient, with longer-term growth drivers across multiple areas such as domestic retail, international e-commerce, cloud computing and other enterprise services.

Although Tencent reported continued growth in quarterly revenue, third-quarter 2021 corporate results missed market expectations. Regulatory and macroeconomic headwinds especially impacted growth in online advertising revenues. Tencent declared a special dividend in the form of shares of Chinese e-commerce company JD.com (not a Fund holding), which would reduce Tencent's holding in JD.com, in December 2021, unlocking value for shareholders and providing capital to fund other investment and social initiatives. Reducing its investment in other internet companies could also reduce potential concerns on Tencent from an anti-trust regulatory perspective. Although further regulatory changes could result in some volatility in the short-term, we believe strength in Tencent's core gaming and social businesses, and longer-term monetization opportunities in its enterprise services and other services bode well for the company's longer-term future.

A leading global semiconductor manufacturer, Samsung Electronics is also one of the world's largest smartphone producers as well as a key supplier of organic light-emitting diode (LED) displays. Third-quarter 2021 revenues reached a record-high supported by favorable conditions in the memory market and strong performance in the display segment. The company's foundry, consumer electronics and display businesses benefited from a robust environment for technology exports driven by increased consumer demand for computers, game consoles, smartphones and tablets during the pandemic. Although the company reported strong quarterly earnings growth during 2021, concerns about a decline in future smartphone demand, component shortages and worries of a slowdown in memory chip prices and demand checked investor sentiment. Market concerns that the family of Samsung Electronics' late chairman may sell shares in the company to raise funds for a substantial inheritance tax bill also impacted share-price performance.

In the last 12 months, the Fund increased its holdings in Brazil, China and Peru as we continued to identify companies with sustainable earnings power trading at a discount to their intrinsic worth. In terms of sectors, additions were undertaken in materials, consumer discretionary and real estate. Some additions were also made to the industrials and health care sectors. New additions to the portfolio included Daqo New Energy, a Chinese manufacturer of polysilicon for solar power equipment, Tata Consultancy Services, one of India's biggest IT consulting and services firms, and Soulbrain, a major South Korean supplier of key chemicals for semiconductor and display manufacturing. We

also added to our existing high-conviction portfolio holdings with purchases in B3, one of the largest financial exchanges in South America, China Resources Cement Holdings, a leading cement and concrete producer in Southern China, and the aforementioned Alibaba.

The Fund reduced its investments in Taiwan, South Africa, India and U.K.-listed companies with exposure to emerging markets in favor of opportunities we found more compelling. Sectors which experienced the largest sales were communication services, information technology, energy and consumer staples. In terms of key sales, we closed positions in CNOOC, a Chinese energy company, China Mobile, a Chinese wireless telecommunications provider, and Flat Glass Group, a Chinese glass products manufacturer. We also trimmed positions in several key holdings, including NAVER, a dominant search engine company in South Korea, and the previously mentioned TSMC and Tencent.

It is important to recognize the effect of currency movements on the Fund's performance. In general, if the value of the U.S. dollar goes up compared with a foreign currency, an investment traded in that foreign currency will go down in value because it will be worth fewer U.S. dollars. This can have a negative effect on Fund performance. Conversely, when the U.S. dollar weakens in relation to a foreign currency, an investment traded in that foreign currency will increase in value, which can contribute to Fund performance. For the 12 months ended December 31, 2021, the U.S. dollar rose in value relative to most currencies. As a result, the Fund's performance was negatively affected by the portfolio's investment predominantly in securities with non-U.S. currency exposure.

Thank you for your participation in Templeton Developing Markets VIP Fund. We look forward to serving your future investment needs.

The foregoing information reflects our analysis, opinions and portfolio holdings as of December 31, 2021, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Class 2 Fund Expenses

As an investor in a variable insurance contract (Contract) that indirectly provides for investment in an underlying mutual fund, you can incur transaction and/or ongoing expenses at both the Fund level and the Contract Level: (1) transaction expenses can include sales charges (loads) on purchases, surrender fees, transfer fees and premium taxes; and (2) ongoing expenses can include management fees, distribution and service (12b-1) fees, contract fees, annual maintenance fees, mortality and expense risk fees and other fees and expenses. All mutual funds and Contracts have some types of ongoing expenses. The table below shows Fund-level ongoing expenses and can help you understand these costs and compare them with those of other mutual funds offered through the Contract. The table assumes a $1,000 investment held for the six months indicated. Please refer to the Fund prospectus for additional information on operating expenses.

Actual Fund Expenses

The table below provides information about the actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of ongoing Fund expenses but does not include the effect of ongoing Contract expenses, is used to calculate the "Ending Account Value." You can estimate the Fund-level expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by $1,000 (*if your account had an $8,600 value, then $8,600 ÷ $1,000 = 8.6*). Then multiply the result by the number under the headings "Actual" and "Fund-Level Expenses Paid During Period" (*if Fund-Level Expenses Paid During Period were $7.50, then 8.6 x $7.50 = $64.50*). In this illustration, the estimated expenses paid this period at the Fund level are $64.50.

Hypothetical Example for Comparison with Other Mutual Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other mutual funds offered through the Contract. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds offered through the Contract.

Please note that expenses shown in the table are meant to highlight ongoing costs at the Fund level only and do not reflect any ongoing expenses at the Contract level, or transaction expenses at either the Fund or Contract levels. In addition, while the Fund does not have transaction expenses, if the transaction and ongoing expenses at the Contract level were included, the expenses shown below would be higher. You should consult your Contract prospectus or disclosure document for more information.

		Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		
Share Class	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Fund-Level Expenses Paid During Period 7/1/21–12/31/21[1,2]	Ending Account Value 12/31/21	Fund-Level Expenses Paid During Period 7/1/21–12/31/21[1,2]	Net Annualized Expense Ratio[2]
2	$1,000	$875.30	$7.06	$1,017.67	$7.60	1.49%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 184/365 to reflect the one-half year period.
2. Reflects expenses after fee waivers and expense reimbursements. Does not include any ongoing expenses of the Contract for which the Fund is an investment option or acquired fund fees and expenses.

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SUPPLEMENT DATED JANUARY 28, 2022
TO THE PROSPECTUSES DATED MAY 1, 2021
OF
TEMPLETON DEVELOPING MARKETS VIP FUND
(a series of Franklin Templeton Variable Insurance Products Trust)

The prospectuses of the Fund are amended as follows:

I. The following is added after the third sentence in the second paragraph in the "Fund Summaries – Templeton Developing Markets VIP Fund – Principal Investment Strategies" section of the prospectus:

Investments in Chinese companies also may be made through a special structure known as a variable interest entity (VIE) that is designed to provide foreign investors with exposure to Chinese companies that operate in certain sectors in which China restricts or prohibits foreign investments.

II. The following is added after the third paragraph in the "Fund Summaries – Templeton Developing Markets VIP Fund – Principal Risks – Foreign Securities (non-U.S.)" section of the prospectus:

Certain investments in Chinese companies may be made through a special structure known as a VIE. In a VIE structure, foreign investors, such as the Fund, will only own stock in a shell company rather than directly in the VIE, which must be owned by Chinese nationals (and/or Chinese companies) to obtain the licenses and/or assets required to operate in a restricted or prohibited sector in China. The value of the shell company is derived from its ability to consolidate the VIE into its financials pursuant to contractual arrangements that allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership. While VIEs are a longstanding industry practice and are well known by Chinese officials and regulators, the structure historically has not been formally recognized under Chinese law and it is uncertain whether Chinese officials or regulators will withdraw their acceptance of the structure. It is also uncertain whether the contractual arrangements, which may be subject to conflicts of interest between the legal owners of the VIE and foreign investors, would be enforced by Chinese courts or arbitration bodies. Prohibitions of these structures by the Chinese government, or the inability to enforce such contracts, from which the shell company derives its value, would likely cause the VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Fund's returns and net asset value.

III. The following is added to the end of the sixth paragraph in the "Fund Details – Templeton Developing Markets VIP Fund – Principal Investment Policies and Practices" section of the prospectus:

Investments in Chinese companies also may be made through a special structure known as a variable interest entity (VIE) that is designed to provide foreign investors with exposure to Chinese companies that operate in certain sectors in which China restricts or prohibits foreign investments.

IV. The following replaces the first paragraph in the "Fund Details – Templeton Developing Markets VIP Fund – Principal Investment Policies and Practices – Portfolio Selection" section of the prospectus:

When choosing equity investments for the Fund, the investment manager applies a fundamental, research-driven, long-term approach, focusing on companies with sustainable earnings power that are trading at a discount to intrinsic worth. Alongside traditional financial and economic analyses, the investment manager assesses the potential impacts of material environmental, social and governance (ESG) factors on a company, which the investment manager believes provide a measure of the company's sustainability. In analyzing ESG factors, the investment manager assesses how a company's practices are aimed at improving or maintaining the ESG footprint of its operating model and conducts a materiality-based ESG assessment. The following provides examples of ESG elements that can be taken into consideration when assessing a company:

- Environmental considerations, which can include issues such as resource efficiency, carbon emissions management, waste prevention and recycling and pollution prevention and control.
- Social considerations, which can include issues such as labor standards, fair wages, diversity and gender balance, health and safety practices and product safety.
- Governance considerations, which can include issues such as appropriate accounting practices, alignment of interests, board effectiveness, capital allocation, shareholder rights and quality of disclosures.

Consideration of ESG factors and risks is only one component of the investment manager's assessment of issuers eligible for investment. The weight given to ESG factors may vary across types of investments, industries, regions and issuers and may change over time, and not every ESG factor may be identified or evaluated in the investment manager's analysis.

V. The following is added to the "Fund Details – Templeton Developing Markets VIP Fund – Principal Risks – Foreign Securities (non-U.S.) – China companies" section of the prospectus:

Certain investments in Chinese companies may be made through a special structure known as a VIE. In a VIE structure, foreign investors, such as the Fund, will only own stock in a shell company rather than directly in the VIE, which must be owned by Chinese nationals (and/or Chinese companies) to obtain the licenses and/or assets required to operate in a restricted or prohibited sector in China. The value of the shell company is derived from its ability to consolidate the VIE into its financials pursuant to contractual arrangements that allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership. While VIEs are a longstanding industry practice and are well known by Chinese officials and regulators, the structure historically has not been formally recognized under Chinese law and it is uncertain whether Chinese officials or regulators will withdraw their implicit acceptance of the structure. It is also uncertain whether the contractual arrangements, which may be subject to conflicts of interest between the legal owners of the VIE and foreign investors, would be enforced by Chinese courts or arbitration bodies. Prohibitions of these structures by the Chinese government, or the inability to enforce such contracts, from which the shell company derives its value, would likely cause the VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Fund's returns and net asset value.

VI. The following is added after the "Fund Details – Templeton Developing Markets VIP Fund – Principal Risks – Management" section of the prospectus:

Environmental, Social and Governance (ESG) Considerations Risk

The investment manager's portfolio selection strategy is not solely based on ESG considerations, and therefore the issuers in which the Fund invests may not be considered ESG-focused companies or may not have a high ESG risk profile. Consideration of ESG factors may affect the Fund's exposure to certain issuers or industries and may not work as intended. In addition, ESG considerations assessed as part of the Fund's investment process may vary across types of eligible investments and issuers, and not every ESG factor may be identified or evaluated for every investment. The investment manager's assessment of an issuer may differ from that of other funds or an investor's assessment of such issuer. As a result, securities selected by the investment manager may not reflect the beliefs and values of any particular investor. The investment manager also may be dependent on the availability of timely, complete and accurate ESG data being reported by issuers and/or third-party research providers to evaluate ESG factors. ESG factors are often not uniformly measured or defined, which could impact the investment manager's ability to assess an issuer. The Fund may underperform other funds that do not consider an issuer's ESG factors or that use a different methodology to identify and/or incorporate ESG factors.

Please keep this supplement with your prospectus for future reference.

Financial Highlights

Templeton Developing Markets VIP Fund

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$11.73	$10.80	$8.62	$10.31	$7.42
Income from investment operations[a]:					
Net investment income[b]	0.10	0.07	0.18	0.09	0.08
Net realized and unrealized gains (losses)	(0.70)	1.57	2.12	(1.67)	2.92
Total from investment operations	(0.60)	1.64	2.30	(1.58)	3.00
Less distributions from:					
Net investment income	(0.13)	(0.45)	(0.12)	(0.11)	(0.11)
Net realized gains	(0.24)	(0.26)	—	—	—
Total distributions	(0.37)	(0.71)	(0.12)	(0.11)	(0.11)
Net asset value, end of year	$10.76	$11.73	$10.80	$8.62	$10.31
Total return[c]	(5.51)%	17.39%	26.92%	(15.44)%	40.65%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.19%	1.19%	1.15%	1.24%	1.36%
Expenses net of waiver and payments by affiliates	1.19%[d]	1.19%[d]	1.15%[d]	1.24%[d]	1.35%[e]
Net investment income	0.82%	0.73%	1.83%	0.99%	0.86%
Supplemental data					
Net assets, end of year (000's)	$83,269	$89,165	$97,271	$85,397	$105,493
Portfolio turnover rate	19.35%	11.60%	18.04%	9.22%	10.76%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[d]Benefit of waiver and payments by affiliates rounds to less than 0.01%.
[e]Benefit of expense reduction rounds to less than 0.01%.

Templeton Developing Markets VIP Fund (continued)

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 2					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$11.64	$10.71	$8.54	$10.23	$7.36
Income from investment operations[a]:					
Net investment income[b]	0.07	0.05	0.15	0.07	0.05
Net realized and unrealized gains (losses)	(0.69)	1.56	2.11	(1.68)	2.91
Total from investment operations	(0.62)	1.61	2.26	(1.61)	2.96
Less distributions from:					
Net investment income	(0.11)	(0.42)	(0.09)	(0.08)	(0.09)
Net realized gains	(0.24)	(0.26)	—	—	—
Total distributions	(0.35)	(0.68)	(0.09)	(0.08)	(0.09)
Net asset value, end of year	$10.67	$11.64	$10.71	$8.54	$10.23
Total return[c]	(5.74)%	17.18%	26.70%	(15.79)%	40.41%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.44%	1.45%	1.40%	1.49%	1.61%
Expenses net of waiver and payments by affiliates	1.44%[d]	1.44%	1.40%[d]	1.49%[d]	1.60%[e]
Net investment income	0.57%	0.49%	1.58%	0.74%	0.61%
Supplemental data					
Net assets, end of year (000's)	$215,977	$241,104	$231,645	$195,305	$270,433
Portfolio turnover rate	19.35%	11.60%	18.04%	9.22%	10.76%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[d]Benefit of waiver and payments by affiliates rounds to less than 0.01%.
[e]Benefit of expense reduction rounds to less than 0.01%.

Templeton Developing Markets VIP Fund (continued)

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Class 4					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$11.71	$10.77	$8.59	$10.28	$7.39
Income from investment operations[a]:					
Net investment income[b]	0.05	0.04	0.15	0.06	0.05
Net realized and unrealized gains (losses)	(0.70)	1.57	2.11	(1.68)	2.92
Total from investment operations	(0.65)	1.61	2.26	(1.62)	2.97
Less distributions from:					
Net investment income	(0.09)	(0.41)	(0.08)	(0.07)	(0.08)
Net realized gains	(0.24)	(0.26)	—	—	—
Total distributions	(0.33)	(0.67)	(0.08)	(0.07)	(0.08)
Net asset value, end of year	$10.73	$11.71	$10.77	$8.59	$10.28
Total return[c]	(5.90)%	17.05%	26.49%	(15.81)%	40.30%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.54%	1.54%	1.50%	1.59%	1.71%
Expenses net of waiver and payments by affiliates	1.54%[d]	1.54%[d]	1.50%[d]	1.59%[d]	1.70%[e]
Net investment income	0.46%	0.44%	1.48%	0.64%	0.51%
Supplemental data					
Net assets, end of year (000's)	$4,846	$5,518	$5,590	$5,203	$7,199
Portfolio turnover rate	19.35%	11.60%	18.04%	9.22%	10.76%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle.
[d]Benefit of waiver and payments by affiliates rounds to less than 0.01%.
[e]Benefit of expense reduction rounds to less than 0.01%.

Statement of Investments, December 31, 2021

Templeton Developing Markets VIP Fund

	Industry	Shares	Value
Common Stocks 95.7%			
Brazil 3.0%			
[a]Americanas SA	Internet & Direct Marketing Retail	301,924	$1,700,943
B3 SA - Brasil Bolsa Balcao	Capital Markets	1,201,744	2,392,555
[a]M Dias Branco SA	Food Products	106,200	486,303
TOTVS SA	Software	56,245	285,773
Vale SA	Metals & Mining	266,919	3,718,164
[a]XP, Inc., A	Capital Markets	21,386	614,634
			9,198,372
Cambodia 0.4%			
NagaCorp Ltd.	Hotels, Restaurants & Leisure	1,371,750	1,196,934
China 25.5%			
[a]Alibaba Group Holding Ltd.	Internet & Direct Marketing Retail	1,100,205	16,170,435
[b]BAIC Motor Corp. Ltd., H, 144A, Reg S	Automobiles	1,500,600	644,685
[a]Baidu, Inc., ADR	Interactive Media & Services	12,214	1,817,321
[a,c]Brilliance China Automotive Holdings Ltd.	Automobiles	7,756,600	2,772,041
[a]Chervon Holdings Ltd.	Machinery	72,000	534,705
China Merchants Bank Co. Ltd., A	Banks	464,411	3,559,868
China Merchants Bank Co. Ltd., H	Banks	421,159	3,276,902
China Resources Cement Holdings Ltd.	Construction Materials	3,360,915	2,542,326
China Resources Land Ltd.	Real Estate Management & Development	481,046	2,027,221
COSCO SHIPPING Ports Ltd.	Transportation Infrastructure	306,259	266,216
[a]Daqo New Energy Corp., ADR	Semiconductors & Semiconductor Equipment	69,995	2,822,198
[b]Greentown Service Group Co. Ltd., Reg S	Real Estate Management & Development	721,400	666,219
Guangzhou Tinci Materials Technology Co. Ltd., A	Chemicals	286,541	5,168,493
Health & Happiness H&H International Holdings Ltd.	Food Products	512,800	794,544
Keshun Waterproof Technologies Co. Ltd., A	Construction Materials	1,290,508	3,305,053
Longshine Technology Group Co. Ltd., A	Software	394,139	2,298,547
NetEase, Inc., ADR	Entertainment	19,026	1,936,466
[a]New Oriental Education & Technology Group, Inc., ADR	Diversified Consumer Services	97,455	204,656
Ping An Bank Co. Ltd., A	Banks	802,600	2,080,688
Ping An Insurance Group Co. of China Ltd., H	Insurance	343,406	2,474,974
[a]Prosus NV	Internet & Direct Marketing Retail	55,257	4,573,047
Tencent Holdings Ltd.	Interactive Media & Services	231,584	13,515,092
[a]Tencent Music Entertainment Group, ADR	Entertainment	295,283	2,022,689
Uni-President China Holdings Ltd.	Food Products	1,568,351	1,520,495
Weifu High-Technology Group Co. Ltd., B	Auto Components	306,139	593,770
			77,588,651
Egypt 0.1%			
[a]E-Finance for Digital & Financial Investments	IT Services	324,869	419,579
Hungary 0.8%			
Richter Gedeon Nyrt.	Pharmaceuticals	92,414	2,482,832
India 9.1%			
ACC Ltd.	Construction Materials	9,600	284,923
Bajaj Holdings & Investment Ltd.	Diversified Financial Services	63,532	4,622,921
ICICI Bank Ltd.	Banks	1,579,654	15,671,582

Templeton Developing Markets VIP Fund (continued)

	Industry	Shares	Value
Common Stocks (continued)			
India (continued)			
Infosys Ltd.	IT Services	95,284	$2,408,267
Tata Consultancy Services Ltd.	IT Services	93,626	4,686,385
			27,674,078
Indonesia 0.8%			
Astra International Tbk. PT	Automobiles	5,939,400	2,377,258
Mexico 1.7%			
Banco Santander Mexico SA Institucion de Banca Multiple Grupo Financiero Santand, ADR	Banks	840,830	4,742,281
[a,b]Nemak SAB de CV, 144A, Reg S	Auto Components	1,928,900	571,483
			5,313,764
Pakistan 0.2%			
Habib Bank Ltd.	Banks	1,013,500	670,797
Peru 0.4%			
Intercorp Financial Services, Inc.	Banks	49,450	1,304,491
Philippines 0.3%			
BDO Unibank, Inc.	Banks	327,469	774,867
Russia 7.0%			
Gazprom PJSC, ADR	Oil, Gas & Consumable Fuels	115,071	1,062,583
LUKOIL PJSC, ADR	Oil, Gas & Consumable Fuels	85,254	7,638,836
Sberbank of Russia PJSC, ADR	Banks	432,289	6,936,079
[a,b,d]VK Co. Ltd., GDR, Reg S	Interactive Media & Services	27,833	322,184
[a]Yandex NV, A	Interactive Media & Services	88,921	5,379,721
			21,339,403
South Africa 1.4%			
[a]Massmart Holdings Ltd.	Food & Staples Retailing	580,084	2,206,595
Naspers Ltd., N	Internet & Direct Marketing Retail	12,961	2,009,555
			4,216,150
South Korea 21.8%			
[a]Fila Holdings Corp.	Textiles, Apparel & Luxury Goods	75,091	2,262,760
[a]KT Skylife Co. Ltd.	Media	92,351	709,424
[a]LegoChem Biosciences, Inc.	Life Sciences Tools & Services	24,169	1,131,256
[a]LG Corp.	Industrial Conglomerates	90,582	6,165,162
[a]NAVER Corp.	Interactive Media & Services	35,949	11,410,023
POSCO	Metals & Mining	14,692	3,406,595
Samsung Electronics Co. Ltd.	Technology Hardware, Storage & Peripherals	514,470	33,784,960
[a]Samsung Life Insurance Co. Ltd.	Insurance	81,487	4,387,479
[a]Soulbrain Co. Ltd.	Chemicals	13,314	3,114,234
			66,371,893
Taiwan 18.0%			
Hon Hai Precision Industry Co. Ltd.	Electronic Equipment, Instruments & Components	1,108,545	4,150,001
Largan Precision Co. Ltd.	Electronic Equipment, Instruments & Components	2,850	253,113
MediaTek, Inc.	Semiconductors & Semiconductor Equipment	290,072	12,425,296
Taiwan Semiconductor Manufacturing Co. Ltd.	Semiconductors & Semiconductor Equipment	1,709,749	37,755,853
			54,584,263

Templeton Developing Markets VIP Fund (continued)

	Industry	Shares	Value
Common Stocks (continued)			
Thailand 1.6%			
Kasikornbank PCL	Banks	718,893	$3,061,616
Kiatnakin Phatra Bank PCL	Banks	549,194	985,989
Thai Beverage PCL	Beverages	1,450,900	710,592
			4,758,197
United Kingdom 1.5%			
Unilever plc	Personal Products	82,875	4,442,338
United States 2.1%			
Cognizant Technology Solutions Corp., A	IT Services	62,978	5,587,408
Genpact Ltd	IT Services	16,034	851,085
			6,438,493
Total Common Stocks (Cost $192,912,488)			**291,152,360**
Preferred Stocks 2.7%			
Brazil 2.7%			
[e]Banco Bradesco SA, ADR, 5.53%	Banks	1,337,146	4,573,039
[e]Itau Unibanco Holding SA, ADR, 4.43%	Banks	926,309	3,473,659
			8,046,698
Total Preferred Stocks (Cost $7,896,392)			**8,046,698**
Escrows and Litigation Trusts 0.0%			
[a,c]Hemisphere Properties India Ltd., Escrow Account		82,304	—
Total Escrows and Litigation Trusts (Cost $–)			**—**
Total Long Term Investments (Cost $200,808,880)			**299,199,058**
Short Term Investments 2.0%			
		Shares	**Value**
Money Market Funds 1.9%			
United States 1.9%			
[f,g]Institutional Fiduciary Trust - Money Market Portfolio, 0.01%		5,805,544	5,805,544
Total Money Market Funds (Cost $5,805,544)			**5,805,544**
[h]**Investments from Cash Collateral Received for Loaned Securities 0.1%**			
Money Market Funds 0.1%			
[f,g]Institutional Fiduciary Trust - Money Market Portfolio, 0.01%		170,471	170,471
Total Investments from Cash Collateral Received for Loaned Securities (Cost $170,471)			**170,471**
Total Short Term Investments (Cost $5,976,015)			**5,976,015**

Templeton Developing Markets VIP Fund (continued)

Short Term Investments (continued)

	Shares	Value
Total Investments (Cost $206,784,895) 100.4%		**$305,175,073**
Other Assets, less Liabilities (0.4)%		**(1,084,026)**
Net Assets 100.0%		**$304,091,047**

See Abbreviations on page TD-28.

[a] Non-income producing.
[b] Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At December 31, 2021, the aggregate value of these securities was $2,204,571, representing 0.7% of net assets.
[c] Fair valued using significant unobservable inputs. See Note 9 regarding fair value measurements.
[d] A portion or all of the security is on loan at December 31, 2021. See Note 1(c).
[e] Variable rate security. The rate shown represents the yield at period end.
[f] See Note 3(e) regarding investments in affiliated management investment companies.
[g] The rate shown is the annualized seven-day effective yield at period end.
[h] See Note 1(c) regarding securities on loan.

Statement of Assets and Liabilities

December 31, 2021

	Templeton Developing Markets VIP Fund
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	$200,808,880
Cost - Non-controlled affiliates (Note 3e)	5,976,015
Value - Unaffiliated issuers (Includes securities loaned of $161,086)	$299,199,058
Value - Non-controlled affiliates (Note 3e)	5,976,015
Cash	14
Receivables:	
Investment securities sold	5,218
Capital shares sold	74,162
Dividends	1,124,458
Total assets	306,378,925
Liabilities:	
Payables:	
Capital shares redeemed	35,389
Management fees	268,636
Distribution fees	46,922
Reports to shareholders fees	180,827
Payable upon return of securities loaned (Note 1c)	170,471
Deferred tax	1,470,403
Accrued expenses and other liabilities	115,230
Total liabilities	2,287,878
Net assets, at value	$304,091,047
Net assets consist of:	
Paid-in capital	$191,551,822
Total distributable earnings (losses)	112,539,225
Net assets, at value	$304,091,047

	Templeton Developing Markets VIP Fund
Class 1:	
Net assets, at value	$83,268,713
Shares outstanding	7,737,149
Net asset value and maximum offering price per share	$10.76
Class 2:	
Net assets, at value	$215,976,739
Shares outstanding	20,249,070
Net asset value and maximum offering price per share	$10.67
Class 4:	
Net assets, at value	$4,845,595
Shares outstanding	451,384
Net asset value and maximum offering price per share	$10.73

Statement of Operations

for the year ended December 31, 2021

	Templeton Developing Markets VIP Fund
Investment income:	
Dividends: (net of foreign taxes of $1,014,924)	
Unaffiliated issuers	$6,773,709
Non-controlled affiliates (Note 3e)	152
Income from securities loaned:	
Unaffiliated entities (net of fees and rebates)	10,627
Non-controlled affiliates (Note 3e)	9
Total investment income	6,784,497
Expenses:	
Management fees (Note 3a)	3,540,911
Distribution fees: (Note 3c)	
Class 2	604,470
Class 4	18,547
Custodian fees	83,209
Reports to shareholders fees	134,148
Professional fees	170,596
Trustees' fees and expenses	4,054
Other	86,352
Total expenses	4,642,287
Expenses waived/paid by affiliates (Note 3e)	(1,282)
Net expenses	4,641,005
Net investment income	2,143,492
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments: (net of foreign taxes of $170,470)	
Unaffiliated issuers	22,075,878
Foreign currency transactions	(106,930)
Net realized gain (loss)	21,968,948
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	(41,076,678)
Translation of other assets and liabilities denominated in foreign currencies	(1,742)
Change in deferred taxes on unrealized appreciation	(919,061)
Net change in unrealized appreciation (depreciation)	(41,997,481)
Net realized and unrealized gain (loss)	(20,028,533)
Net increase (decrease) in net assets resulting from operations	$(17,885,041)

Statements of Changes in Net Assets

	Templeton Developing Markets VIP Fund	
	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (decrease) in net assets:		
Operations:		
Net investment income	$2,143,492	$1,602,657
Net realized gain (loss)	21,968,948	7,417,851
Net change in unrealized appreciation (depreciation)	(41,997,481)	35,703,143
Net increase (decrease) in net assets resulting from operations	(17,885,041)	44,723,651
Distributions to shareholders:		
Class 1	(2,736,269)	(5,313,566)
Class 2	(7,098,412)	(13,445,802)
Class 4	(145,812)	(329,902)
Total distributions to shareholders	(9,980,493)	(19,089,270)
Capital share transactions: (Note 2)		
Class 1	1,481,894	(15,688,037)
Class 2	(5,048,337)	(8,150,495)
Class 4	(263,658)	(515,345)
Total capital share transactions	(3,830,101)	(24,353,877)
Net increase (decrease) in net assets	(31,695,635)	1,280,504
Net assets:		
Beginning of year	335,786,682	334,506,178
End of year	$304,091,047	$335,786,682

Notes to Financial Statements

Templeton Developing Markets VIP Fund

1. Organization and Significant Accounting Policies

Franklin Templeton Variable Insurance Products Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of eighteen separate funds and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). Templeton Developing Markets VIP Fund (Fund) is included in this report. Shares of the Fund are generally sold only to insurance company separate accounts to fund the benefits of variable life insurance policies or variable annuity contracts. The Fund offers three classes of shares: Class 1, Class 2 and Class 4. Each class of shares may differ by its distribution fees, voting rights on matters affecting a single class and its exchange privilege.

The following summarizes the Fund's significant accounting policies.

a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Fund's administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). The Fund may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or as of 4 p.m. Eastern time. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Investments in open-end mutual funds are valued at the closing NAV.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Fund primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before 4 p.m. Eastern time. In addition, trading in certain foreign markets may not take place on every Fund's business day. Events can occur between the time at which trading in a foreign security is completed and 4 p.m. Eastern time that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Fund's portfolio securities as determined at the foreign market close and the latest indications of value at 4 p.m. Eastern time. In order to minimize the potential for these differences, an independent pricing service may be used to adjust the value of the Fund’s portfolio securities to the latest indications of fair value at 4 p.m. Eastern time. At December 31, 2021, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 inputs within the fair value hierarchy (referred to as “market level fair value”). See the Fair Value Measurements note for more information.

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Fund's NAV is not calculated, which could result in differences between the value of the Fund's portfolio securities on the last business day and the last calendar day

Templeton Developing Markets VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

a. Financial Instrument Valuation (continued)

of the reporting period. Any security valuation changes due to an open foreign market are adjusted and reflected by the Fund for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statement of Operations.

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 and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Securities Lending

The Fund participates in an agency based securities lending program to earn additional income. The Fund receives collateral in the form of cash and/or U.S. Government and Agency securities against the loaned securities in an amount equal to at least 102% of the fair value of the loaned securities. Collateral is maintained over the life of the loan in an amount not less than 100% of the fair value of loaned securities, as determined at the close of Fund business each day; any additional collateral required due to changes in security values is delivered to the Fund on the next business day. Any cash collateral received is deposited into a joint cash account with other funds and is used to invest in a money market fund managed by Franklin Advisers, Inc., an affiliate of the Fund. The Fund may receive income from the investment of cash collateral, in addition to lending fees and rebates paid by the borrower. Income from securities loaned, net of fees paid to the securities lending agent and/or third-party vendor, is reported separately in the Statement of Operations. The Fund bears the market risk with respect to any cash collateral investment, securities loaned, and the risk that the agent may default on its obligations to the Fund. If the borrower defaults on its obligation to return the securities loaned, the Fund has the right to repurchase the securities in the open market using the collateral received. The securities lending agent has agreed to indemnify the Fund in the event of default by a third party borrower.

d. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and, if applicable, excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply, the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

Templeton Developing Markets VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Income and Deferred Taxes (continued)

The Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of December 31, 2021, the Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Fund invests.

e. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Estimated expenses are accrued daily. Dividend income is recorded on the ex-dividend date except for certain dividends from securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Common expenses incurred by the Trust are allocated among the Funds based on the ratio of net assets of each Fund to the combined net assets of the Trust or based on the ratio of number of shareholders of each Fund to the combined number of shareholders of the Trust. Fund specific expenses are charged directly to the Fund that incurred the expense.

Realized and unrealized gains and losses and net investment income, excluding class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class. Differences in per share distributions by class are generally due to differences in class specific expenses.

f. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

g. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

Templeton Developing Markets VIP Fund (continued)

2. Shares of Beneficial Interest

At December 31, 2021, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Year Ended December 31, 2021		Year Ended December 31, 2020	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	941,262	$11,146,256	551,169	$5,176,244
Shares issued in reinvestment of distributions	221,740	2,736,269	605,880	5,313,565
Shares redeemed	(1,025,538)	(12,400,631)	(2,564,863)	(26,177,846)
Net increase (decrease)	137,464	$1,481,894	(1,407,814)	$(15,688,037)
Class 2 Shares:				
Shares sold	3,029,783	$35,782,088	3,773,009	$36,677,695
Shares issued in reinvestment of distributions	579,935	7,098,412	1,543,720	13,445,802
Shares redeemed	(4,080,457)	(47,928,837)	(6,223,836)	(58,273,992)
Net increase (decrease)	(470,739)	$(5,048,337)	(907,107)	$(8,150,495)
Class 4 Shares:				
Shares sold	54,666	$636,847	25,280	$230,224
Shares issued in reinvestment of distributions	11,826	145,812	37,660	329,902
Shares redeemed	(86,374)	(1,046,317)	(110,712)	(1,075,471)
Net increase (decrease)	(19,882)	$(263,658)	(47,772)	$(515,345)

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Fund are also officers and/or trustees of the following subsidiaries:

Subsidiary	Affiliation
Templeton Asset Management Ltd. (Asset Management)	Investment manager
Franklin Templeton Investment Management Limited (FTIML)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

a. Management Fees

The Fund pays an investment management fee to Asset Management based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
1.050%	Up to and including $1 billion
1.000%	Over $1 billion, up to and including $5 billion
0.950%	Over $5 billion, up to and including $10 billion
0.900%	Over $10 billion, up to and including $15 billion
0.850%	Over $15 billion, up to and including $20 billion
0.800%	In excess of $20 billion

Templeton Developing Markets VIP Fund (continued)

3. Transactions with Affiliates (continued)

a. Management Fees (continued)

For the year ended December 31, 2021, the gross effective management fee rate was 1.050% of the Fund's average daily net assets.

Under a subadvisory agreement, FTIML, an affiliate of Asset Management, provides subadvisory services to the Fund. The subadvisory fee is paid by Asset Management based on the Fund's average daily net assets, and is not an additional expense of the Fund.

b. Administrative Fees

Under an agreement with Asset Management, FT Services provides administrative services to the Fund. The fee is paid by Asset Management based on the Fund's average daily net assets, and is not an additional expense of the Fund.

c. Distribution Fees

The Board has adopted distribution plans for Class 2 and Class 4 shares pursuant to Rule 12b-1 under the 1940 Act. Under the Fund's compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to 0.25% and 0.35% per year of its average daily net assets of Class 2 and Class 4 respectively. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31.

d. Transfer Agent Fees

Investor Services, under terms of an agreement, performs shareholder servicing for the Fund and is not paid by the Fund for the services.

e. Investments in Affiliated Management Investment Companies

The Fund invests in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a "Controlled Affiliate" of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund's outstanding shares or has the power to exercise control over management or policies of such fund. The Fund does not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Fund are waived on assets invested in the affiliated management investment companies, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the year ended December 31, 2021, the Fund held investments in affiliated management investment companies as follows:

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Templeton Developing Markets VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	$1,250,033	$51,629,717	$(47,074,206)	$—	$—	$5,805,544	5,805,544	$152

Templeton Developing Markets VIP Fund (continued)

3. Transactions with Affiliates (continued)

e. Investments in Affiliated Management Investment Companies (continued)

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Templeton Developing Markets VIP Fund (continued)								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	$518,425	$4,190,045	$(4,537,999)	$—	$—	$170,471	170,471	$9
Total Affiliated Securities . . .	$1,768,458	$55,819,762	$(51,612,205)	$—	$—	$5,976,015		$161

4. Income Taxes

The tax character of distributions paid during the years ended December 31, 2021 and 2020, was as follows:

	2021	2020
Distributions paid from:		
Ordinary income	$9,445,508	$11,805,794
Long term capital gain	534,985	7,283,476
	$9,980,493	$19,089,270

At December 31, 2021, the cost of investments, net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long term capital gains for income tax purposes were as follows:

Cost of investments	$215,883,210
Unrealized appreciation	$125,072,228
Unrealized depreciation	(35,780,365)
Net unrealized appreciation (depreciation)	$89,291,863
Distributable earnings:	
Undistributed ordinary income	$8,704,438
Undistributed long term capital gains	$16,163,833
Total distributable earnings	$24,868,271

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of passive foreign investment company shares, foreign capital gains tax, corporate actions and wash sales.

5. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended December 31, 2021, aggregated $64,156,215 and $77,625,850, respectively.

Templeton Developing Markets VIP Fund (continued)

5. Investment Transactions (continued)

At December 31, 2021, in connection with securities lending transactions, the Fund loaned equity investments and received $170,471 of cash collateral. The gross amount of recognized liability for such transactions is included in payable upon return of securities loaned in the Statement of Assets and Liabilities. The agreements can be terminated at any time.

6. Concentration of Risk

Investing in foreign securities may include certain risks and considerations not typically associated with investing in U.S. securities, such as fluctuating currency values and changing local, regional and global economic, political and social conditions, which may result in greater market volatility. Current political and financial uncertainty surrounding the European Union may increase market volatility and the economic risk of investing in securities in Europe. In addition, certain foreign securities may not be as liquid as U.S. securities.

Investing in China A shares may include certain risks and considerations not typically associated with investing in U.S. securities. In general, A shares are issued by companies incorporated in the People's Republic of China (PRC) and listed on the Shanghai and Shenzhen Stock Exchanges and available for investment by domestic (Chinese) investors and holders of a QFII license and, in the case of certain eligible A shares, through the Shanghai and Shenzhen Stock Connect programs. The Shanghai and Shenzhen Stock Exchanges are, however, substantially smaller, less liquid and more volatile than the major securities markets in the United States.

The United States and other nations have imposed and could impose additional sanctions on certain issuers in Russia due to regional conflicts. These sanctions could result in the devaluation of Russia's currency, a downgrade in Russian issuers' credit ratings, or a decline in the value and liquidity of Russian stocks or other securities. Such sanctions could also adversely affect Russia's economy. The Fund may be prohibited from investing in securities issued by companies subject to such sanctions. In addition, if the Fund holds the securities of an issuer that is subject to such sanctions, an immediate freeze of that issuer's securities could result, impairing the ability of the Fund to buy, sell, receive or deliver those securities. There is also the risk that countermeasures could be taken by Russia's government, which could involve the seizure of the Fund's assets. These risks could affect the value of the Fund's portfolio. While the Fund holds securities of certain issuers impacted by the sanctions, existing investments do not presently violate the applicable terms and conditions of the sanctions. The sanctions currently do not affect the Fund's ability to sell these securities. At December 31, 2021, the Fund had 7.0% of its net assets invested in Russia.

7. Novel Coronavirus Pandemic

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Fund, its ability to buy and sell fund investments at appropriate valuations and its ability to achieve its investment objectives.

8. Credit Facility

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling $2.675 billion (Global Credit Facility) which matured on February 4, 2022. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests. Effective February 4, 2022, the Borrowers renewed the Global Credit Facility for a one-year term, maturing February 3, 2023, for a total of $2.675 billion.

Templeton Developing Markets VIP Fund (continued)

8. Credit Facility (continued)

Under the terms of the Global Credit Facility, the Fund shall, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statement of Operations. During the year ended December 31, 2021, the Fund did not use the Global Credit Facility.

9. Fair Value Measurements

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of December 31, 2021, in valuing the Fund's assets carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Templeton Developing Markets VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Brazil	$614,634	$8,583,738	$—	$9,198,372
Cambodia	—	1,196,934	—	1,196,934
China	10,132,579	64,684,031	2,772,041	77,588,651
Egypt	419,579	—	—	419,579
Hungary	2,482,832	—	—	2,482,832
India	—	27,674,078	—	27,674,078
Indonesia	—	2,377,258	—	2,377,258
Mexico	5,313,764	—	—	5,313,764
Pakistan	670,797	—	—	670,797
Peru	1,304,491	—	—	1,304,491
Philippines	—	774,867	—	774,867
Russia	5,379,721	15,959,682	—	21,339,403
South Africa	2,206,595	2,009,555	—	4,216,150
South Korea	—	66,371,893	—	66,371,893
Taiwan	—	54,584,263	—	54,584,263
Thailand	—	4,758,197	—	4,758,197
United Kingdom	—	4,442,338	—	4,442,338
United States	6,438,493	—	—	6,438,493
Preferred Stocks	8,046,698	—	—	8,046,698
Escrows and Litigation Trusts	—	—	—[a]	—
Short Term Investments	5,976,015	—	—	5,976,015
Total Investments in Securities	$48,986,198	$253,416,834[b]	$2,772,041	$305,175,073

[a]Includes securities determined to have no value at December 31, 2021.

Templeton Developing Markets VIP Fund (continued)

9. Fair Value Measurements (continued)

[b]Includes foreign securities valued at $253,416,834, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

A reconciliation in which Level 3 inputs are used in determining fair value is presented when there are significant Level 3 assets and/or liabilities at the beginning and/or end of the year.

10. New Accounting Pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting. In January 2021, the FASB issued ASU No. 2021-01, with further amendments to Topic 848. The amendments in the ASUs provide optional temporary accounting recognition and financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021 for certain LIBOR settings and 2023 for the remainder. The ASUs are effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management has reviewed the requirements and believes the adoption of these ASUs will not have a material impact on the financial statements.

11. Subsequent Events

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure other than those already disclosed in the financial statements.

Abbreviations

Selected Portfolio	
ADR	American Depositary Receipt
GDR	Global Depositary Receipt

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Templeton Variable Insurance Products Trust and Shareholders of Templeton Developing Markets VIP Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the statement of investments, of Templeton Developing Markets VIP Fund (one of the funds constituting Franklin Templeton Variable Insurance Products Trust, referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian and transfer agent. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

San Francisco, California
February 17, 2022

We have served as the auditor of one or more investment companies in the Franklin Templeton Group of Funds since 1948.

Tax Information (unaudited)

Templeton Developing Markets VIP Fund

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to www.franklintempleton.com for per share tax information related to any distributions paid during the preceding calendar year. Shareholders are advised to consult with their tax advisors for further information on the treatment of these amounts on their tax returns.

The following tax information for the Fund is required to be furnished to shareholders with respect to income earned and distributions paid during its fiscal year.

The Fund hereby reports the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended December 31, 2021:

	Pursuant to:	Amount Reported
Long-Term Capital Gain Dividends Distributed	§852(b)(3)(C)	$534,985
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	$44,802

Under Section 853 of the Internal Revenue Code, the Fund intends to elect to pass through to its shareholders the following amounts, or amounts as finally determined, of foreign taxes paid and foreign source income earned by the fund during the fiscal year ended December 31, 2021:

	Amount Reported
Foreign Taxes Paid	$1,170,843
Foreign Source Income Earned	$6,715,881

Index Descriptions

The indexes are unmanaged and include reinvestment of any income or distributions. They do not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Net Returns (NR) include income net of tax withholding when dividends are paid.

For Russell Indexes: Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company.

See www.franklintempletondatasources.com for additional data provider information.

Bloomberg 1-3 Month U.S. Treasury Bill Index measures the performance of U.S. Treasury bills that have a remaining maturity of greater than or equal to one month and less than three months. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

Bloomberg U.S. Aggregate Bond Index measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities and commercial mortgage-backed securities (agency and nonagency).

Bloomberg U.S. Corporate Bond Index measures the performance of the investment-grade, fixed-rate, taxable corporate bond market. It includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Bloomberg U.S. Corporate High Yield Bond Index measures the performance of the U.S. dollar-denominated, high-yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and Standard & Poor's is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets (EM) country of risk, based on Bloomberg EM country definition, are excluded.

Bloomberg U.S. Government - Intermediate Index is the intermediate component of the Bloomberg U.S. Government Index, which includes U.S. dollar-denominated, fixed-rate, nominal U.S. Treasuries and U.S. agency debentures (securities issued by U.S. government-owned or government-sponsored entities, and debt explicitly guaranteed by the U.S. government).

Bloomberg U.S. High Yield Very Liquid Index is a component of the U.S. Corporate High Yield Index that is designed to track a more liquid component of the U.S. dollar-denominated, high-yield, fixed-rate corporate bond market.

Bloomberg U.S. Mortgage-Backed Securities (MBS) Index tracks the performance of fixed-rate agency mortgage-backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA) and Freddie Mac (FHLMC). Effective June 1, 2017, hybrid adjustable-rate mortgages were removed from the index.

Bloomberg U.S. Treasury Index measures the performance of U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury with at least one year until final maturity. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

FTSE® EPRA®/NAREIT® Developed Index is a free float-adjusted index designed to measure the performance of publicly traded real estate securities in the North American, European and Asian real estate markets.

FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds and is stated in U.S. dollar terms.

J.P. Morgan (JPM) Global Government Bond Index (GGBI) tracks total returns for liquid, fixed-rate, domestic government bonds with maturities greater than one year issued by developed countries globally.

Lipper Multi-Sector Income Funds Classification Average is calculated by averaging the total returns of all funds within the Lipper Multi-Sector Income Funds classification in the Lipper Open-End underlying funds universe. Lipper Multi-Sector Income Funds are defined as funds that seek current income by allocating assets among different fixed income securities sectors (not primarily in one sector except for defensive purposes), including U.S. and foreign governments, with a significant portion rated below investment grade. For the 12-month period ended 12/31/21,

there were 365 funds in this category. Lipper calculations do not include sales charges, but include reinvestment of any income or distributions. Fund performance relative to the average may have differed if these and other factors had been considered.

Lipper VIP General U.S. Government Funds Classification Average is an equally weighted average calculation of performance figures for all funds within the Lipper General U.S. Government Funds classification in the Lipper VIP underlying funds universe. Lipper General U.S. Government Funds invest primarily in U.S. government and agency issues. For the 12-month period ended 12/31/21, there were 24 funds in this category. Lipper calculations do not include contract fees, expenses or sales charges, and may have been different if such charges had been considered.

MSCI All Country Asia Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of developed and emerging markets in Asia.

MSCI All Country World Index (ACWI) is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets.

MSCI All Country World Index (ACWI)-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets.

MSCI All Country World Index (ACWI) ex USA Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI All Country World Index (ACWI) ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed and emerging markets, excluding the U.S.

MSCI Emerging Markets (EM) Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global emerging markets.

MSCI Europe Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of developed markets in Europe.

MSCI USA High Dividend Yield Index is based on the MSCI USA Index, its parent index, and includes large- and mid-capitalization stocks. The index is designed to reflect the performance of equities in the parent index (excluding real estate investment trusts) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent.

MSCI World ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets, excluding the U.S.

MSCI World Growth Index-NR measures large and midcap securities exhibiting overall growth style characteristics across 23 developed markets countries.

MSCI World Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets.

MSCI World Value Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the performance of stocks exhibiting overall value style characteristics in global developed markets.

Russell 1000® Growth Index is market capitalization weighted and measures the performance of those Russell 1000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell 1000® Index is market capitalization weighted and measures the performance of the approximately 1,000 largest companies in the Russell 3000® Index, which represents the majority of the U.S. market's total capitalization.

Russell 1000® Value Index is market capitalization weighted and measures the performance of those Russell 1000® Index companies with relatively lower price-to-book ratios and lower forecasted growth rates.

Russell 2000® Index is market capitalization weighted and measures the performance of the approximately 2,000 smallest companies in the Russell 3000® Index that represent a small amount of the total market capitalization of the Russell 3000® Index.

Russell 2000® Value Index is market capitalization weighted and measures the performance of those Russell 2000® Index companies with relatively lower price-to-book ratios and lower forecasted growth rates.

Russell 2500™ Index is market capitalization weighted and measures the performance of the approximately 2,500 smallest companies in the Russell 3000 Index® that represent a modest amount of the Russell 3000® Index's total market capitalization.

Russell 3000® Growth Index is market capitalization weighted and measures the performance of those Russell 3000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell 3000® Index is market capitalization weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.

Russell Midcap® Growth Index is market capitalization weighted and measures the performance of those Russell Midcap® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.

Russell Midcap® Index is market capitalization weighted and measures the performance of the approximately 800 smallest companies in the Russell 1000® Index that represent a modest amount of the Russell 1000® Index's total market capitalization.

Standard & Poor's® 500 Index (S&P 500®) is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton/Legg Mason fund complex, are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1988	120	Bar-S Foods (meat packing company) (1981-2010).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and **formerly**, Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998).				
Terrence J. Checki (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2017	101	Hess Corporation (exploration of oil and gas) (2014-present).
Principal Occupation During at Least the Past 5 Years: Member of the Council on Foreign Relations (1996-present); Member of the National Committee on U.S.-China Relations (1999-present); member of the board of trustees of the Economic Club of New York (2013-present); member of the board of trustees of the Foreign Policy Association (2005-present); member of the board of directors of Council of the Americas (2007-present) and the Tallberg Foundation (2018-present); and **formerly**, Executive Vice President of the Federal Reserve Bank of New York and Head of its Emerging Markets and Internal Affairs Group and Member of Management Committee (1995-2014); and Visiting Fellow at the Council on Foreign Relations (2014).				
Mary C. Choksi (1950) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2014	121	Omnicom Group Inc. (advertising and marketing communications services) (2011-present) and White Mountains Insurance Group, Ltd. (holding company) (2017-present); and **formerly**, Avis Budget Group Inc. (car rental) (2007-2020).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and **formerly**, Founder and Senior Advisor, Strategic Investment Group (investment management group) (2015-2017); Founding Partner and Senior Managing Director, Strategic Investment Group (1987-2015); Founding Partner and Managing Director, Emerging Markets Management LLC (investment management firm) (1987-2011); and Loan Officer/Senior Loan Officer/Senior Pension Investment Officer, World Bank Group (international financial institution) (1977-1987).				

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Edith E. Holiday (1952) One Franklin Parkway San Mateo, CA 94403-1906	Lead Independent Trustee	Trustee since 2005 and Lead Independent Trustee since 2019	121	Hess Corporation (exploration of oil and gas) (1993-present), Santander Consumer USA Holdings, Inc. (consumer finance) (2016-present); Santander Holdings USA (holding company) (2019-present); and **formerly**, Canadian National Railway (railroad) (2001-2021), White Mountains Insurance Group, Ltd. (holding company) (2004-2021), RTI International Metals, Inc. (manufacture and distribution of titanium) (1999-2015) and H.J. Heinz Company (processed foods and allied products) (1994-2013).

Principal Occupation During at Least the Past 5 Years:
Director or Trustee of various companies and trusts; and **formerly**, Assistant to the President of the United States and Secretary of the Cabinet (1990-1993); General Counsel to the United States Treasury Department (1989-1990); and Counselor to the Secretary and Assistant Secretary for Public Affairs and Public Liaison-United States Treasury Department (1988-1989).

J. Michael Luttig (1954) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2009	121	Boeing Capital Corporation (aircraft financing) (2006-2010).

Principal Occupation During at Least the Past 5 Years:
Counselor and Special Advisor to the CEO and Board of Directors of the Coca-Cola Company (beverage company) (2021-present); and **formerly**, Counselor and Senior Advisor to the Chairman, CEO, and Board of Directors, of The Boeing Company (aerospace company), and member of the Executive Council (May 2019-January 1, 2020); Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (2006-2019); and Federal Appeals Court Judge, United States Court of Appeals for the Fourth Circuit (1991-2006).

Larry D. Thompson (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2007	121	Graham Holdings Company (education and media organization) (2011-2021); The Southern Company (energy company) (2014-2020; previously 2010-2012) and Cbeyond, Inc. (business communications provider) (2010-2012).

Principal Occupation During at Least the Past 5 Years:
Director of various companies; Counsel, Finch McCranie, LLP (law firm) (2015-present); John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2015-present; previously 2011-2012); and **formerly**, Independent Compliance Monitor and Auditor, Volkswagen AG (manufacturer of automobiles and commercial vehicles) (2017-2020); Executive Vice President - Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-2014); Senior Vice President - Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Valerie M. Williams (1956) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since May 2021	101	Omnicom Group, Inc. (advertising and marketing communications services) (2016-present), DTE Energy Co. (gas and electric utility) (2018-present), Devon Energy Corporation (exploration and production of oil and gas) (January 2021-present); and **formerly**, WPX Energy, Inc. (exploration and production of oil and gas) (2018-January 2021).

Principal Occupation During at Least the Past 5 Years:
Director of various companies; and **formerly**, Regional Assurance Managing Partner, Ernst & Young LLP (public accounting) (2005-2016), various roles of increasing responsibility at Ernst & Young (1981-2005).

Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
****Gregory E. Johnson (1961)** One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2013	132	None

Principal Occupation During at Least the Past 5 Years:
Executive Chairman, Chairman of the Board and Director, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex; Vice Chairman, Investment Company Institute; and **formerly**, Chief Executive Officer (2013-2020) and President (1994-2015) Franklin Resources, Inc.

****Rupert H. Johnson, Jr. (1940)** One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board and Trustee	Chairman of the Board since 2013 and Trustee since 1988	121	None

Principal Occupation During at Least the Past 5 Years:
Director (Vice Chairman), Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

Alison E. Baur (1964) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2012	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Deputy General Counsel, Franklin Templeton; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

Breda M. Beckerle (1958) 280 Park Avenue New York, NY 10017	Chief Compliance Officer	Since October 2020	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Chief Compliance Officer, Fiduciary Investment Management International, Inc., Franklin Advisers, Inc., Franklin Mutual Advisers, LLC, Franklin Templeton Institutional, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Steven J. Gray (1955) One Franklin Parkway San Mateo, CA 94403-1906	Vice President and Co-Secretary	Vice President since 2009 and Co-Secretary since 2019	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; Vice President, FASA, LLC; Assistant Secretary, Franklin Distributors, LLC; and certain funds in the Franklin Templeton/Legg Mason fund complex.				
Matthew T. Hinkle (1971) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer - Finance and Administration	Since 2017	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; officer of certain funds in the Franklin Templeton/Legg Mason fund complex; and **formerly**, Vice President, Global Tax (2012-April 2017) and Treasurer/Assistant Treasurer, Franklin Templeton (2009-2017).				
Susan Kerr (1949) 620 Eighth Avenue New York, NY 10018	Vice President - AML Compliance	Since July 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Compliance Analyst, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co., or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, LMIS; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Christopher Kings (1974) One Franklin Parkway San Mateo, CA 94403-1906	Chief Financial Officer, Chief Accounting Officer and Treasurer	Since January 2022	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Treasurer, U.S. Fund Administration & Reporting; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Edward D. Perks (1970) One Franklin Parkway San Mateo, CA 94403-1906	President and Chief Executive Officer - Investment Management	Since 2018	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: President and Director, Franklin Advisers, Inc.; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Navid J. Tofigh (1972) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2015	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Craig S. Tyle (1960) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2005	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: General Counsel and Executive Vice President, Franklin Resources, Inc.; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.				

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
Lori A. Weber (1964) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Vice President and Co-Secretary	Vice President since 2011 and Co-Secretary since 2019	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:
Senior Associate General Counsel, Franklin Templeton; Assistant Secretary, Franklin Resources, Inc.; Vice President and Secretary, Templeton Investment Counsel, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

*We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton/Legg Mason fund complex. These portfolios have a common investment manager or affiliated investment managers.
**Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager and distributor. Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director and major shareholder of Resources.
Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.
Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated Mary C. Choksi as its audit committee financial expert. The Board believes that Ms. Choksi qualifies as such an expert in view of her extensive business background and experience. She served as a director of Avis Budget Group, Inc. (2007-2020) and formerly, Founder and Senior Advisor, Strategic Investment Group (1987 to 2017). Ms. Choksi has been a Member of the Fund's Audit Committee since 2014. As a result of such background and experience, the Board believes that Ms. Choksi has acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Choksi is an independent Board member as that term is defined under the relevant Securities and Exchange Commission Rules and Releases.

The Statement of Additional Information (SAI) includes additional information about the board members and is available, without charge, upon request. Shareholders may call (800) DIAL BEN/342-5236 to request the SAI.

Shareholder Information

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
Franklin Allocation VIP Fund
(Fund)

At a meeting held on September 8, 2021 (Meeting), the Board of Trustees (Board) of Franklin Templeton Variable Insurance Products Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved a new investment sub-advisory agreement between Franklin Advisers, Inc. (Manager), the Fund's investment manager, and each of Brandywine Global Investment Management, LLC, ClearBridge Investments, LLC, Western Asset Management Company, LLC, and Western Asset Management Company Limited (each a Sub-Adviser and collectively, the Sub-Advisers), on behalf of the Fund (each a Sub-Advisory Agreement) for an initial two-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve each Sub-Advisory Agreement.

The Board reviewed and considered information provided by the Manager and the Sub-Advisers at the Meeting with respect to each Sub-Advisory Agreement. The Board also reviewed and considered the factors it deemed relevant in approving each Sub-Advisory Agreement, including, but not limited to: (i) the nature, extent, and quality of the services to be provided by each Sub-Adviser; and (ii) the costs of the services to be provided by each Sub-Adviser. The Board further reviewed and considered information provided by management showing the expected impact of hiring each Sub-Adviser on the Manager's profitability consistent with the Order (as defined below). The Board also considered that management proposed that the Board approve each Sub-Advisory Agreement in order to provide the Fund's portfolio management team with access to additional investment strategies that could be accessed to attain desired exposures across asset allocation portfolios and to diversify holdings in the Fund. The Board reviewed and further considered the form of Sub-Advisory Agreement and the terms of each Sub-Advisory Agreement which were discussed at the Meeting, noting that the terms and conditions of each Sub-Advisory Agreement were substantially similar to the terms and conditions of the Fund's other sub-advisory agreements and substantially similar to the terms and conditions of sub-advisory agreements for other Franklin Templeton (FT) mutual funds.

In approving each Sub-Advisory Agreement, the Board, including a majority of the Independent Trustees, determined that the hiring of each Sub-Adviser is in the best interests of the Fund and its shareholders and does not involve a conflict of interest from which the Manager or Sub-Adviser derives an inappropriate advantage. The Board also determined that the terms of each Sub-Advisory Agreement are fair and reasonable and that the approval of such Sub-Advisory Agreement is in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services
The Board reviewed and considered information regarding the nature, extent and quality of investment management services to be provided by each Sub-Adviser and currently being provided by the Manager and its affiliates to the Fund and its shareholders. In doing so, the Board noted that the Fund employs a "manager of managers" structure pursuant to an exemptive order (Order) granted to the Manager by the U.S. Securities and Exchange Commission, whereby the Manager and the Fund may, without shareholder approval, enter into sub-advisory agreements with sub-advisers that are indirect or direct wholly owned subsidiaries of Franklin Resources, Inc. (FRI). In particular, with respect to each Sub-Adviser, the Board took into account that each Sub-Advisory Agreement would not affect how the Fund is managed or the Fund's investment goal, principal investment strategies or principal risks associated with an investment in the Fund. The Board reviewed and considered information regarding the nature, quality and extent of investment sub-advisory services to be provided by each Sub-Adviser to the Fund and its shareholders under each Sub-Advisory Agreement; each Sub-Adviser's experience as manager of other funds and accounts, including those within the FT organization; the personnel, operations, financial condition, and investment management capabilities, methodologies and resources of each Sub-Adviser and each Sub-Adviser's capabilities, as demonstrated by, among other things, its policies and procedures reasonably designed to prevent violations of the federal securities laws.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of FRI, the parent of the Manager and each Sub-Adviser, and its commitment to the mutual fund business as evidenced by its reassessment of the fund offerings in response to the market environment and project initiatives and capital investments relating to the services provided to the Funds by the FT organization. The Board specifically noted FT's commitment to enhancing services and controlling costs, as reflected in its outsourcing of certain administrative functions, and growth opportunities, as evidenced by its acquisition of the Legg Mason companies. The Board also noted FT's attention focused on expanding the distribution opportunities for all funds in the FT family of funds.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services to be provided by each Sub-Adviser and its affiliates to the Fund and its shareholders.

Fund Performance
The Board noted its review and consideration of the performance results of the Fund in connection with the April 2021 annual contract renewal (Annual Contract Renewal) of the Fund's investment management agreement. The Board recalled its conclusion at that time that the Fund's performance was satisfactory.

Comparative Fees and Expenses
The Board reviewed and considered information regarding the investment sub-advisory fee to be charged by each Sub-Adviser. The Board noted that the addition of each Sub-Adviser will have no impact on the amount of management fees that are currently paid by the Fund as each Sub-Adviser will be paid by the Manager out of the management fee that the Manager receives from the Fund. The Board further noted that the allocation of the fee between the Manager and each Sub-Adviser reflected the services to be provided by each. The Board concluded that each proposed investment sub-advisory fee is reasonable.

Management Profitability and Economies of Scale
The Board noted that it reviewed and considered information showing the expected impact of retaining each Sub-Adviser on the profitability of the Manager consistent with the conditions of the Order. The Board determined that its conclusions regarding profitability and economies of scale reached in connection with the Annual Contract Renewal of the investment management agreement with the Manager had not changed as a result of the proposal to approve each Sub-Advisory Agreement.

Conclusion
Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved each Sub-Advisory Agreement for an initial two-year period.

Proxy Voting Policies and Procedures

The Trust's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Trust uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Trust's complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Trust's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Statement of Investments

The Trust files a complete statement of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

Franklin Templeton Variable Insurance Products Trust (FTVIP) shares are not offered to the public; they are offered and sold only to: (1) insurance company separate accounts (Separate Account) to serve as the underlying investment vehicle for variable contracts; (2) certain qualified plans; and (3) other mutual funds (funds of funds).

Authorized for distribution to investors in Separate Accounts only when accompanied or preceded by the current prospectus for the applicable contract, which includes the Separate Account and the FTVIP prospectuses. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. The prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



Annual Report
Franklin Templeton Variable Insurance Products Trust

Investment Managers
Franklin Advisers, Inc.
Franklin Mutual Advisers, LLC
Franklin Templeton Institutional, LLC
Templeton Asset Management Ltd.
Templeton Global Advisors Limited
Templeton Investment Counsel, LLC

Fund Administrator
Franklin Templeton Services, LLC

Distributor
Franklin Distributors, LLC

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Goldman Sachs Variable Insurance Trust

Goldman Sachs Equity Index Fund
Goldman Sachs Growth Opportunities Fund
Goldman Sachs International Equity Insights Fund
Goldman Sachs Large Cap Value Fund
Goldman Sachs Mid Cap Value Fund
Goldman Sachs Small Cap Equity Insights Fund
Goldman Sachs Strategic Growth Fund
Goldman Sachs U.S. Equity Insights Fund

Annual Report
December 31, 2021

Goldman Sachs | Asset Management

Goldman Sachs Variable Insurance Trust

- **GOLDMAN SACHS EQUITY INDEX FUND**
- **GOLDMAN SACHS GROWTH OPPORTUNITIES FUND**
- **GOLDMAN SACHS INTERNATIONAL EQUITY INSIGHTS FUND**
- **GOLDMAN SACHS LARGE CAP VALUE FUND**
- **GOLDMAN SACHS MID CAP VALUE FUND**
- **GOLDMAN SACHS SMALL CAP EQUITY INSIGHTS FUND**
- **GOLDMAN SACHS STRATEGIC GROWTH FUND**
- **GOLDMAN SACHS U.S. EQUITY INSIGHTS FUND**

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NOT FDIC-INSURED	**May Lose Value**	**No Bank Guarantee**

Goldman Sachs Variable Insurance Trust Funds

Market Review

U.S. Equities

Representing the U.S. equity market, the S&P 500® Index returned 28.71% during the 12 months ended December 31, 2021 (the "Reporting Period"). The U.S. equity market rose in each of the four quarters of 2021, closing near its all-time high and posting its third consecutive year of double-digit gains.

In the first quarter of 2021, rising bond yields and a value-led equity market dominated. The two key drivers of this performance were the Democrat victory in Georgia in January, paving the way for massive additional U.S. fiscal stimulus and progress in the COVID-19 vaccine rollout. An increase in the 10-year U.S. Treasury yield benefited financials and value stocks. The accelerating rollout of COVID-19 vaccines boosted investors' hopes of a sustainable reopening of the economy. Small-cap stocks, which tend to be more cyclical and domestically focused, performed particularly well. The passage of President Biden's stimulus package led to upgrades in consensus forecasts for U.S. Gross Domestic Product ("GDP") growth for the year. Some investors worried the size of the U.S. stimulus could provoke a pickup in inflation. However, despite upgrading its growth forecasts for the year and expecting unemployment to decline, the U.S. Federal Reserve (the "Fed") did not believe inflation would be meaningfully above target and did not expect to raise interest rates before 2024.

Discussions throughout the second quarter of 2021 centered on the central bank liquidity tailwind, fiscal stimulus, COVID-19 vaccine progress, reopening momentum, strong corporate profits and robust equity inflows. While inflation concerns were fairly pervasive, the Fed remained consistent in its messaging around expectations that price pressures would be transitory. The peak inflation theme gained traction as the quarter progressed, even as economists suggested the transitory period may be longer than expected. Corporate earnings season brought a round of outsized beats over consensus estimates, along with corporate commentary highlighting some input pressure offset for companies with above-average pricing power or productivity initiatives. Despite a late-quarter agreement between the White House and a bipartisan group of Senators on the framework of a physical infrastructure package, the path to additional fiscal stimulus remained complicated.

The U.S. equity market increased only marginally in the third quarter of 2021, as measured by the S&P 500® Index. Other major U.S. equity indices posted negative returns for the quarter. In July and August, the second quarter's rally continued, as the focus remained on easy financial conditions, accommodative monetary policy, pent-up consumer demand, positive earnings sentiment, resilient operating margins, corporate buybacks and retail inflows. Some economic indicators, including higher inflation and lower than consensus expected retail sales and manufacturing activity, were causes of concern among investors, through the market and the Fed remained largely optimistic. Sentiment deteriorated in September as the spread of the COVID-19 Delta variant dampened reopening momentum and the Fed signaled for a slowdown of asset purchases. A still complicated path to fiscal stimulus in the House of Representatives, the then-looming debt ceiling discussion, and global risk events, including supply-chain disruptions and input price pressures, all put a strain on the U.S. equity market. September also saw a global risk asset sell-off on the heels of Chinese real estate developers' leverage concerns and a spike in energy prices. U.S. Treasury yields climbed, as the global bond market posted its weakest month since March 2020.

The U.S. equity market, as measured by the S&P 500® Index, then rose strongly, logging its best performing quarter in the fourth quarter of 2021 since the fourth quarter of 2020 on the heels of robust consumer spending, strong corporate earnings results and passage of the U.S. government's infrastructure plan. There remained a few areas of concern still intact, including the Omicron variant of COVID-19, which emerged in late November, persistent inflation and supply-chain pressures, acceleration in the Fed's asset purchase tapering, and the fate of the social spending bill in Congress. Strong corporate earnings in October propelled U.S. equities higher despite the overhanging supply-chain issues and persistently high inflation. More than 80% of the S&P 500® Index constituent companies reported upside surprises. The positive momentum continued into November, and the passage of the infrastructure bill boosted market sentiment until the World Health Organization announced Omicron as a variant of concern given its potentially heightened transmissibility. Increased case counts around the world and travel restrictions added pressure to the equities markets globally. Moreover, the fate of the social spending bill was punted into 2022. However, in December, studies showed the Omicron variant tends to cause less severe symptoms. The Fed also announced an accelerated timeline for tapering its asset purchases, doubling its pace from a decrease of $15 billion a month in corporate debt purchases to a decrease of $30 billion a

month. The U.S. equity market rallied in December on positive seasonality and improved sentiment, closing the year on a high note. On the economic data front, inflation remained high in the fourth quarter, though the "peak inflation" narrative gained traction with cooler consumer confidence and manufacturing readings.

For the Reporting Period overall, all 11 sectors in the S&P 500® Index posted double-digit positive absolute returns. Energy, real estate and financials were the best performing sectors in the S&P 500® Index, as measured by total return, while the weakest performing sectors in the S&P 500® Index during the Reporting Period were utilities, consumer staples and industrials.

Within the U.S. equity market, all capitalization segments posted positive returns, led by large-cap stocks, as measured by the Russell 1000® Index, followed by mid-cap stocks, as measured by the Russell Midcap® Index, and then small-cap stocks, as measured by the Russell 2000® Index. From a style perspective, growth-oriented stocks modestly outperformed value stocks in the large-cap segment of the U.S. equity market during the Reporting Period, but value stocks significantly outperformed growth stocks in the mid- and small-cap segments during the same time frame. (All as measured by the FTSE Russell indices.)

International Equities

International equities rallied, but underperformed the U.S. equity market, during the Reporting Period. The MSCI Europe, Australasia, Far East (EAFE) Index (Net, USD, Unhedged) (the "MSCI EAFE Index") posted a return of 11.26%.*

International equity markets overcame bouts of volatility during the first quarter of 2021 to surge to new highs during March, driven by two key themes — the accelerating rollout of the COVID-19 vaccines globally and the ongoing commitment from central banks around the world to support the economic recovery. Accelerating GDP growth, normalizing inflation and steepening yield curves laid the foundation for the "reflation trade," as investors started to price in a brighter future. (Reflation is the inflation that typically comes immediately after a low-point in the economic cycle — often after economic stimulus, and the reflation trade is the purchase of specific stocks or sectors believed to outperform in that type of environment.) Markets took a sharp turn away from momentum stocks and favored cyclical sectors, many of which tend to be more value oriented. European equities were less impacted by inflation fears, as reopening progress pushed travel and leisure stocks higher, and U.K. equities were additionally buoyed by gains in energy prices. Markets welcomed the European Central Bank's ("ECB") decision to increase the pace of its Pandemic Emergency Purchase Programme ("PEPP") asset purchases in response to the bond sell-off there. Markets also overcame pressure as AstraZeneca vaccine safety concerns and new local lockdown measures in France dampened near-term recovery prospects. March's Euro-area Manufacturing Purchasing Managers Index posted a historical high. Japanese equities rose during the quarter, rallying on the back of a sharp rotation from growth to value stocks. Investor sentiment was also supported by the consistent weakness of the yen against the U.S. dollar and the rally in U.S. equities.

The rotation from growth to value stocks took a breather in April 2021, with growth stocks outperforming their value counterparts. Starting in May 2021, equity markets across the world were impacted by rising commodity prices, which stoked fears of earlier than consensus expected interest rate hikes from central banks, particularly the U.S. Fed. In June, international equities rallied following a weaker than consensus expected U.S. payrolls report that eased concerns of a shift to tighter monetary policy. Overall, discussions during the quarter centered on central bank liquidity tailwinds, fiscal stimulus, COVID-19 vaccine progress, economic reopening momentum, strong corporate profits and robust equity inflows. While inflation concerns were fairly pervasive, the Fed remained consistent in its messaging around expectations that price pressures would be transitory. European equities advanced for the fifth straight quarter amid a sharp rebound in economic growth, an accelerating COVID-19 vaccine rollout and significantly better than consensus expected first quarter 2021 corporate earnings. Cyclical stocks generated the best returns, although sector performance was broadly positive. The ECB maintained its accommodative monetary policy stance, while also upgrading its GDP growth forecast and raising its inflation forecast for both 2021 and 2022. In the U.K., the Bank of England ("BOE") raised its economic growth forecast for 2021 and tapered its pace of asset purchases. In Japan, state of emergency measures following a third wave of COVID-19 cases that had begun in March 2021 and slowing COVID-19 vaccine rollouts weighed on investor sentiment for the majority of the second calendar quarter. However, the Japanese equity market rallied strongly during the first half of June, likely driven by the increased pace of inoculations. This exuberance was short-lived, however, as the direction of the Japanese equity market again turned sharply down in the middle of June in step with the U.S. equity markets.

* All index returns are expressed in U.S. dollar terms.

International equities fell during the third quarter of 2021 for the first time in six quarters. During the first half of the quarter, the international equity markets delivered strong returns, continuing the trend from the second calendar quarter along with an additional focus on positive corporate earnings as well as accommodative monetary policies. Pandemic-related pressures appeared to be easing, and economic activity appeared to be increasing. However, the markets receded in the second half of the third calendar quarter, primarily due to the Fed's announcements around tapering of monthly asset purchase plans but also due to heightened worries around an increase in interest rates, global supply-chain concerns, COVID-19 Delta variant cases and China's government regulations on Chinese technology stocks. Then, a debt crisis at one of China's largest property developers destabilized markets. All that said, European equities advanced for the sixth straight quarter, as risk sentiment was bolstered by robust corporate earnings, solid economic growth and an accommodative policy environment. The ECB signaled it would maintain interest rates at record lows for a longer period to support the economic recovery and unveiled a new flexible inflation policy framework. In the U.K., the BOE left monetary policy unchanged but signaled it was moving closer to raising its interest rates. Japanese equities also advanced during the quarter, rebounding largely on the Tokyo Olympics that began in July 2021 and on the election of Fumio Kishida to be the nation's next prime minister. Kishida was widely expected to compile a sizable fiscal package to shore up the Japanese economy. Bringing the MSCI EAFE Index into negative territory for the quarter were the equity markets of Germany and the Pacific Basin ex-Japan, which declined.

Many of the concerns that dominated the international equity markets in September 2021 ebbed somewhat in October, and the MSCI EAFE Index returned to positive territory, supported in Europe and the U.K. particularly by favorable third calendar quarter corporate earnings reports. The Japanese equity market declined in October as investors digested the prospects of new prime minister Kishida ahead of the general election that took place on October 31. Global news flow was generally negative in the first half of October, especially from China, but the sustained strength of U.S. equity markets provided some support for Japan. Equity markets in the Pacific Basin ex-Japan rose, rallying on both positive corporate earnings guidance and an ongoing decline in the number of new COVID-19 cases in many countries in the region. However, shares were weaker toward the end of the month with ongoing concerns around rising energy prices, higher inflation and ongoing tensions between the U.S. and China weighing on investment sentiment.

International equities then gave back its returns after a strong October, with the MSCI EAFE Index delivering a negative return in November 2021. The markets suffered over fears of the new Omicron variant of COVID-19 weighing on sentiment, led by Europe, which saw rising COVID-19 hospitalizations and varied restrictions. The emergence of the potentially more transmissible Omicron variant triggered a sell-off among global risk assets on the day after the U.S.' Thanksgiving, as investors fled to safety. Travel restrictions were re-imposed to curtail the spread of the new variant, while lockdown measures in Europe amid rising cases and deaths sought to have the same effect. Persistently high inflation weighed on market sentiment as well. Japan's equities underperformed the MSCI EAFE Index due both to inflation and supply-chain issues as well as to concerns round the spread of the new COVID-19 variant—the same narrative that affected their global counterparts. Following the sell-off in November, international equities saw a strong rebound in December 2021, as the initial scare of the Omicron variant dissipated. Studies of the variant showed that while it may be more contagious than other variants, it was likely not as severe as initially feared, with a smaller share of infections resulting in hospitalizations. This led to an improvement in investor sentiment, as widespread major restrictions became less likely. Value stocks outperformed growth stocks in December, which benefited international equities, due to their relatively high value/cyclical exposures.

For the Reporting Period overall, 10 of the 11 sectors of the MSCI EAFE gained, with energy leading the way, followed by information technology and financials. Communication services was the weakest performer on the basis of total return during the Reporting Period, followed by utilities and real estate.

From a country perspective, Austria was by far the strongest individual country constituent in the MSCI EAFE Index on a relative basis during the Reporting Period, followed by the Netherlands, Sweden, Norway and France. New Zealand and Hong Kong most significantly lagged the MSCI EAFE Index on a relative basis during the Reporting Period, each generating a negative total return. Portugal, Spain and Japan each posted a positive total return but also significantly underperformed the MSCI EAFE Index during the Reporting Period.

INVESTMENT OBJECTIVE

The Fund seeks to achieve investment results that correspond to the aggregate price and yield performance of a benchmark index that measures the investment returns of large capitalization stocks.

Portfolio Management Discussion and Analysis

Below, SSgA Funds Management, Inc. ("SSgA"), the Fund's Subadvisor, discusses the Goldman Sachs Variable Insurance Trust — Goldman Sachs Equity Index Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Service Shares generated an average annual total return of 28.20%. This compares to the 28.71% average annual total return of the Fund's benchmark, the Standard & Poor's 500® Index (with dividends reinvested) (the "S&P 500® Index"), during the same time period.

During the Reporting Period, which sectors and which industries in the S&P 500® Index were the strongest contributors to the Fund's performance?

All 11 sectors in the S&P 500® Index generated double-digit gains during the Reporting Period. In terms of total return, the sectors that made the strongest positive contributions to the S&P 500® Index and to the Fund were energy, real estate and financials. The largest sector by weighting in the S&P 500® Index at the end of the Reporting Period was information technology at a weighting of 29.17%. The industries with the strongest performance in terms of total return were real estate management and development; construction and engineering; oil, gas and consumable fuels; automobiles; and distributors.

On the basis of impact (which takes both total returns and weightings into account), the strongest performing sectors were information technology, financials and health care. The strongest performing industries on the basis of impact were software; interactive media and services; semiconductors and semiconductor equipment; technology hardware storage and peripherals; and banks.

Which sectors and industries in the S&P 500® Index were the weakest contributors to the Fund's performance?

In terms of total return, during the Reporting Period, the weakest performing sectors were utilities, consumer staples and industrials. The industries with the weakest performance in terms of total return were wireless telecommunication services; diversified telecommunication services; entertainment; airlines; and media.

On the basis of impact, the sectors that made the weakest contributions to the S&P 500® Index and to the Fund were utilities, materials and consumer staples. The industries with the weakest performance on the basis of impact were entertainment; diversified telecommunication services; wireless telecommunication services; leisure products; and gas utilities.

Which individual stocks were the top detractors, and which were the greatest positive contributors?

On the basis of impact, the stocks that made the strongest contribution during the Reporting Period were Alphabet Inc. Class A, Alphabet Inc. Class B, Apple, Microsoft and NVIDIA. The weakest performers were Walt Disney Company, Verizon Communications, PayPal Holdings, Moderna and Global Payments.

How did the Fund use derivatives and similar instruments during the Reporting Period?

During the Reporting Period, the Fund did not use derivatives as part of an active management strategy to add value to the Fund's results. However, equity index futures were used to equitize the Fund's cash holdings. In other words, we put the Fund's cash holdings to work by using them as collateral for the purchase of equity index futures. We also used these equity index futures to provide liquidity for daily cash flow requirements. Equity index futures had a neutral impact on the Fund's performance during the Reporting Period.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

Effective November 2, 2021, Daniel TenPas no longer served as a co-portfolio manager for the Fund, and Michael Finocchi, Principal and Portfolio Manager, became a co-portfolio manager for the Fund. Mr. Finocchi joined Michael Feehily, Senior Managing Director and Senior Portfolio Manager of SSgA, and Melissa Kapitulik, Vice President and Senior Portfolio Manager of

SSgA, both of whom have managed the Fund since 2014. By design, all investment decisions for the Fund are performed within a co-lead or team structure.

What changes were made to the makeup of the S&P 500® Index during the Reporting Period?

Twenty-six stocks were removed from the S&P 500® Index during the Reporting Period. Among them were Alexion Pharmaceuticals, Hanesbrands, Kansas City Southern, L Brands, Tiffany, Western Union and Xerox Holdings. There were 26 stocks added to the S&P 500® Index during the Reporting Period, including Bath & Body Works, Caesars Entertainment, FactSet Research Systems, Moderna, Signature Bank, Solar Edge Technologies and NXP Semiconductors.

The source of the data included in the above Portfolio Management Discussion and Analysis with respect to the Goldman Sachs Equity Index Fund is FactSet as of 12/31/2021.

Characteristics presented are calculated using the month end market value of holdings, except for beta and standard deviation, if shown, which use month end return values. Averages reflect the market weight of securities in the portfolio. Market data, prices, and dividend estimates for characteristics calculations provided by FactSet Research Systems, Inc. All other portfolio data provided by SSgA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.

Past performance is not a guarantee of future results.

Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income.

SSgA may have or may seek investment management or other business relationships with companies discussed in this material or affiliates of those companies, such as their officers, directors and pension plans.

The views expressed in this material are the views of SSgA's Global Equity Beta Solutions Team through the period ended December 31, 2021 and are subject to change based on market and other conditions. All information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such. This document contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.

Equity Index Fund

as of December 31, 2021

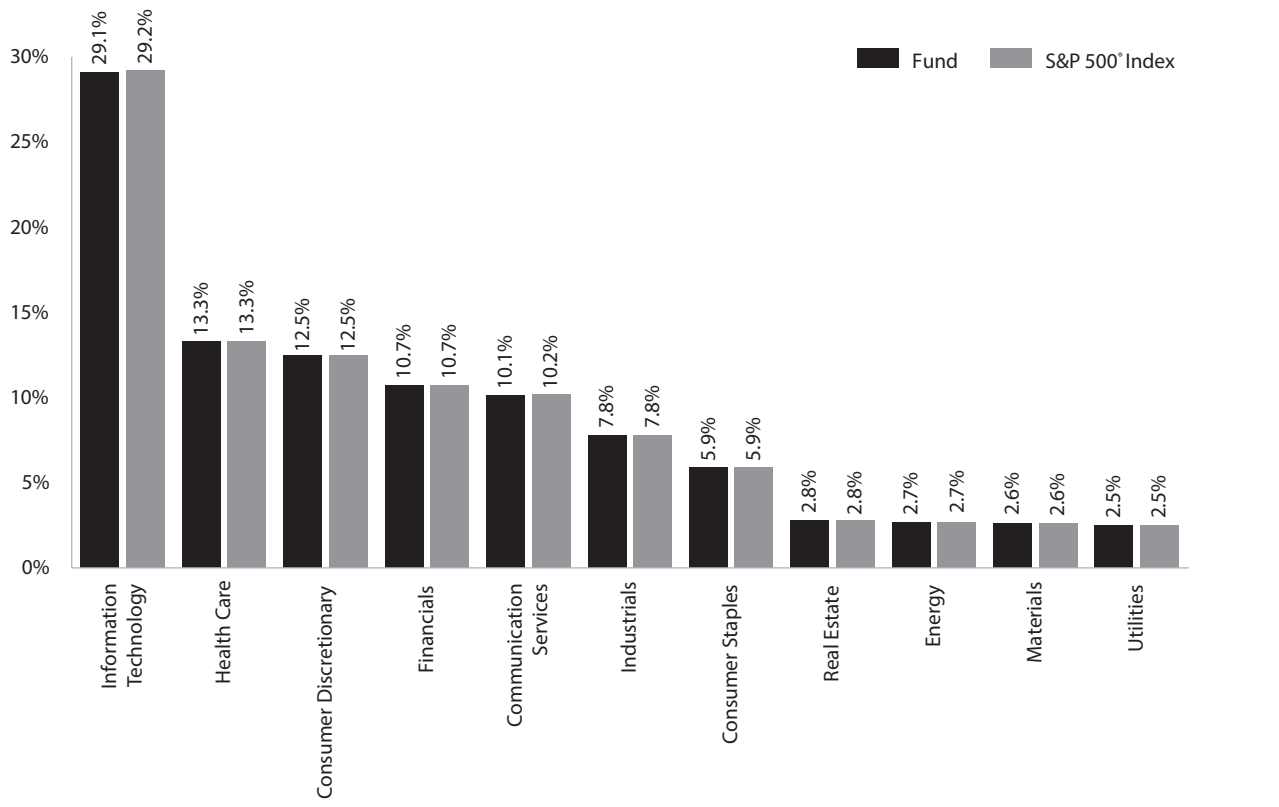
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business	Country
Apple, Inc.	6.9%	Technology Hardware & Equipment	United States
Microsoft Corp.	6.3	Software & Services	United States
Amazon.com, Inc.	3.6	Retailing	United States
Alphabet, Inc., Class A	2.2	Media & Entertainment	United States
Tesla, Inc.	2.1	Automobiles & Components	United States
Alphabet, Inc., Class C	2.0	Media & Entertainment	United States
Meta Platforms, Inc., Class A	2.0	Media & Entertainment	United States
NVIDIA Corp.	1.8	Semiconductors & Semiconductor Equipment	United States
Berkshire Hathaway, Inc., Class B	1.4	Diversified Financials	United States
UnitedHealth Group, Inc.	1.2	Health Care Equipment & Services	United States

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND VS. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



[2] The Fund is actively managed and, as such, its composition may differ over time. Consequently, the Fund's overall sector allocations may differ from percentages contained in the graph above. The graph categorizes investments using Global Industry Classification Standard ("GICS"); however, the sector classifications used by the portfolio management team may differ from GICS. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value (excluding investments in the securities lending reinvestment vehicle, if any). The graph depicts the Fund's investments but may not represent the Fund's market exposure due to the exclusion of certain derivatives, if any, as listed in the Additional Investment Information section of the Schedule of Investments.

For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

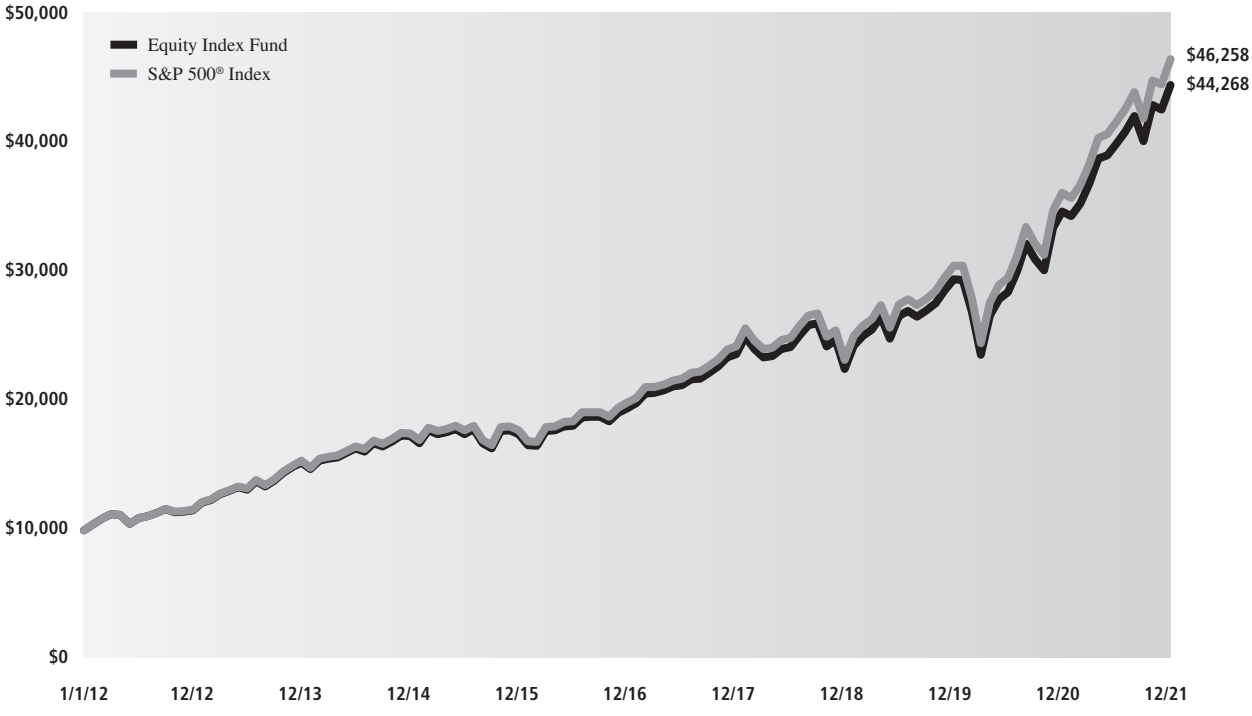
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made in the Service Shares of Fund on January 1, 2012 at NAV. For comparative purposes, the performance of the Fund's benchmark, the S&P 500® Index (with distributions reinvested), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

Equity Index Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Equity Index Fund	28.20%	17.93%	16.03%

INVESTMENT OBJECTIVE

The Fund seeks long-term growth of capital.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Growth Investment Team discusses the Goldman Sachs Variable Insurance Trust — Goldman Sachs Growth Opportunities Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 11.65% and 11.48%, respectively. These returns compare to the 12.73% average annual total return of the Fund's benchmark, the Russell Midcap® Growth Index (with dividends reinvested) (the "Russell Index"), during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

During the Reporting Period, the Fund generated double-digit positive absolute returns but underperformed the Russell Index. Both sector positioning and security selection detracted from relative returns.

Which equity market sectors helped and hurt Fund performance?

Our bottom-up approach focuses on security selection, and therefore, we do not make active sector-level investment decisions. The Fund's sector positioning is a result of our stock selection. That said, on a sector level, stock selection in the health care, information technology and materials sectors detracted from relative performance. Stock selection in the consumer discretionary, communication services and energy sectors contributed positively.

Which individual stocks detracted from the Fund's relative performance during the Reporting Period?

RingCentral, Danimer Scientific and Utz Brands detracted most from the Fund's performance relative to the Russell Index during the Reporting Period.

The Fund's top detractor was RingCentral, which provides global enterprise cloud communications and collaboration solutions. Its shares declined following a debt issuance in mid-March 2021. Its stock price fell further following the announcement that RingCentral had agreed to acquire the technology and engineering arm of Kindite. Later in the Reporting Period, the company endured a series of executive departures. Nevertheless, RingCentral continued to deliver strong quarterly results and offered a favorable risk/reward profile, in our opinion. At the end of the Reporting Period, we maintained our positive view on RingCentral because of its strong new customer acquisition, lower churn rate and growing partnerships with telecommunications companies, such as AT&T and Vodaphone. (The churn rate, also known as the rate of attrition, is the percentage of customers to a service who discontinue their subscriptions to that service within a given time period.)

Danimer Scientific is a bioplastics company focused on biodegradable materials. Its shares depreciated through much of the Reporting Period due to speculative sell-offs, reports of investors holding short positions in the stock, and an acquisition that was viewed unfavorably by the market. As the Reporting Period ended, we continued to monitor the Fund's position closely but also believed Danimer Scientific could be a beneficiary of corporate and regulatory efforts to reduce the use of petrochemicals and single-use plastics. In our view, the company is one of the only commercially viable options in biodegradable plastics, and we saw a potentially compelling opportunity for it going forward.

Utz Brands manufactures, markets and distributes branded snacking products. Its stock declined after the company missed consensus expectations on both its top-line and bottom-line results in the first quarter of 2021—the second consecutive quarter in which Utz Brands had lost some share of its core market. However, the company reported sales that grew in line with the salty snacks market and continued to gain share as it expanded into the emerging markets. In addition, Utz Brands significantly revised its full year 2021 guidance due to the impact of higher inflation and subsequent input price pressures. At the end of the Reporting Period, we continued to like the stock given what we saw as the company's pricing power, productivity, synergies in mergers and acquisitions, and distribution opportunities once near-term inflation pressures subside.

Which individual stocks added to the Fund's relative performance during the Reporting Period?

During the Reporting Period, the Fund was helped most versus the Russell Index by investments in Marvell Technology, HubSpot and West Pharmaceutical Services.

Marvell Technology, which provides data infrastructure semiconductor solutions, was the Fund's top contributor during the Reporting Period. Its shares appreciated in response to a second quarter 2021 earnings report that was better than consensus expectations. Then, in early December, the company delivered another strong quarter of performance, highlighted by its ability to better fulfill backlogged orders. Additionally, the backlog of business actually increased, signifying the further demand for Marvell Technology's products. We remained positive on its stock at the end of the Reporting Period, given our view of its management's history of execution and the company's exposure to structural growth trends in cloud-based technology, automobile electronics and fifth-generation ("5G") networks.

HubSpot is a developer of Internet marketing software solutions. Its stock price rose after the company announced the launch of Operations Hub, which aims to make the sales process more efficient, coordinated, automated and based on a synced set of customer data. The positive momentum continued through the end of the Reporting Period, with its earnings announcements fueling the progress. At the end of the Reporting Period, we remained optimistic that HubSpot would benefit from a shift in demand to front office software, as business activities continued to become more virtual.

West Pharmaceutical Services manufactures and markets pharmaceuticals, biologics, vaccines and consumer health care products. The company continued to benefit during the Reporting Period from an operating environment in which demand for its services was at a record high. The COVID-19 pandemic was also a catalyst for the adoption of West Pharmaceutical Services' high-value products, sparking further production to meet demand. At the end of the Reporting Period, we continued to see material tailwinds for the company and believed in its ability to execute moving forward.

Did the Fund make any significant purchases or sales during the Reporting Period?

Among the positions initiated by the Fund during the Reporting Period was an investment in Zscaler. We have a positive view of the cloud-based information security company's pipeline growth in an elevated threat environment, the secular shift toward cloud adoption and Zscaler's continued investment in its platform to support increased growth.

We established a Fund position in Keysight Technologies, a communications, networking and electronics industries company. The deployment of 5G as well as a cyclical rebound in industrial spending leads us to believe its stock may outperform in the near term.

Conversely, during the Reporting Period, we sold the Fund's position in U.S. cloud communications company Twilio. Because we did not expect our investment thesis to unfold in the near term, we eliminated the position and reallocated the capital to what we considered more attractive risk/reward opportunities.

We exited the Fund's position in cloud services company Akamai Technologies. In February 2021, it became apparent to us that our investment thesis was unlikely to play out in the near term, which led us sell the position and reallocate the capital to what we saw as more attractive investment opportunities.

Were there any notable changes in the Fund's weightings during the Reporting Period?

Changes to the Fund's sector weightings relative to the Russell Index are due to our stock selection. As a result of these decisions during the Reporting Period, the Fund moved from an overweight versus the Russell Index in the consumer discretionary sector to an underweight position. In addition, it changed from rather neutral positions in consumer staples and health care to overweight positions and from rather neutral positions in financials and real estate to underweight positions. Compared to the Russell Index, the Fund shifted from an underweight in the communication services sector to an overweight position. Also, the Fund's overweight positions in the industrials and materials sectors increased during the Reporting Period.

How did the Fund use derivatives and similar instruments during the Reporting Period?

The Fund did not use derivatives or similar instruments within its investment process during the Reporting Period.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

There were no changes to the Fund's portfolio management team during the Reporting Period.

How was the Fund positioned relative to the Russell Index at the end of the Reporting Period?

As mentioned, the Fund's sector positioning relative to the Russell Index is the result of our stock selection, as we take a pure bottom-up, research-intensive approach to investing. From that perspective, then, at the end of the Reporting Period, the Fund's

portfolio was broadly diversified with overweight positions compared to the Russell Index in the industrials, health care, materials, consumer staples and communication services sectors. The Fund had smaller weightings than the Russell Index in the information technology, consumer discretionary, financials and real estate sectors. At the end of the Reporting Period, the Fund was relatively neutral compared to the Russell Index in the energy sector and had no exposure to the utilities sector.

What is the Fund's tactical view and strategy for the months ahead?

The end of 2021 was cast with the development of the Omicron variant of COVID-19, which we expected at the end of the Reporting Period to remain a major focus of the U.S. equity markets in the first quarter of 2022, as entities around the world continued to navigate pockets of outbreaks and implement responses accordingly. Other major themes, such as the acceleration in the Fed's winding down of its asset purchasing program and hiking of interest rates as well as inflation readings, supply-chain issues and the global energy shortage may test the markets again. The unclear future of the U.S. Administration's social spending bill will likely also be in play in early 2022.

Regardless of market direction, we intend to stay true to our quality-first investment approach and seek to invest in businesses with healthy balance sheets, relatively stable cash flows and differentiated business models aligned to secular tailwinds. We continue to test our models and re-evaluate our assumptions with increasing information, remain focused on the long-term investment horizon and believe this fundamental approach can generate added value in the long run. As always, we maintain our focus on seeking companies that we believe will generate long-term growth in today's ever-changing market conditions.

Growth Opportunities Fund

as of December 31, 2021

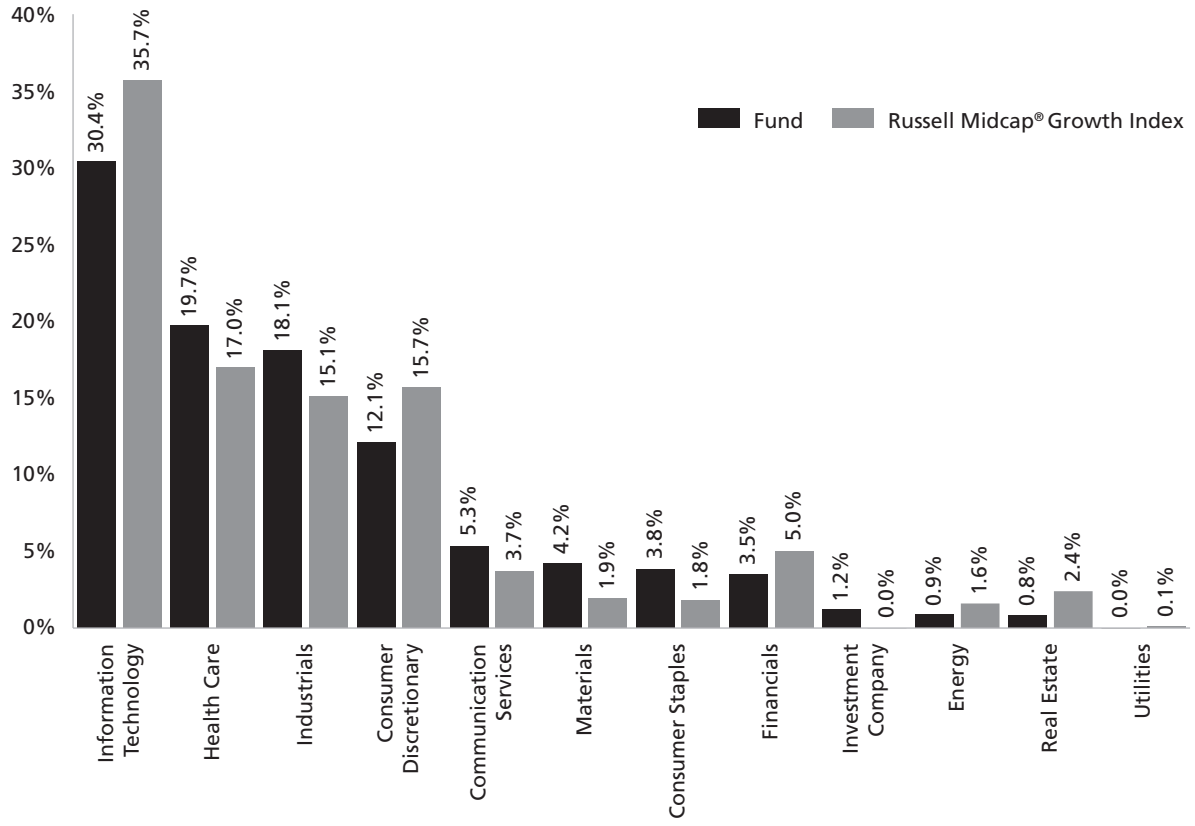
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business	Country
Palo Alto Networks, Inc.	2.9%	Software & Services	United States
Cadence Design Systems, Inc.	2.6	Software & Services	United States
West Pharmaceutical Services, Inc.	2.5	Pharmaceuticals, Biotechnology & Life Sciences	United States
Expedia Group, Inc.	2.3	Consumer Services	United States
Lululemon Athletica, Inc.	2.2	Consumer Durables & Apparel	United States
Verisk Analytics, Inc.	2.2	Commercial & Professional Services	United States
Rockwell Automation, Inc.	2.1	Capital Goods	United States
Old Dominion Freight Line, Inc.	2.0	Transportation	United States
Etsy, Inc.	2.0	Retailing	United States
Veeva Systems, Inc., Class A	1.9	Health Care Equipment & Services	United States

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND VS. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



[2] The Fund is actively managed and, as such, its composition may differ over time. Consequently, the Fund's overall sector allocations may differ from percentages contained in the graph above. The graph categorizes investments using Global Industry Classification Standard ("GICS"); however, the sector classifications used by the portfolio management team may differ from GICS. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value (excluding investments in the securities lending reinvestment vehicle, if any). Underlying sector allocations of exchange traded funds and investment companies held by the Fund are not reflected in the graph above. Investments in the securities lending reinvestment vehicle represented 0.9% of the Fund's net assets at December 31, 2021.

For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

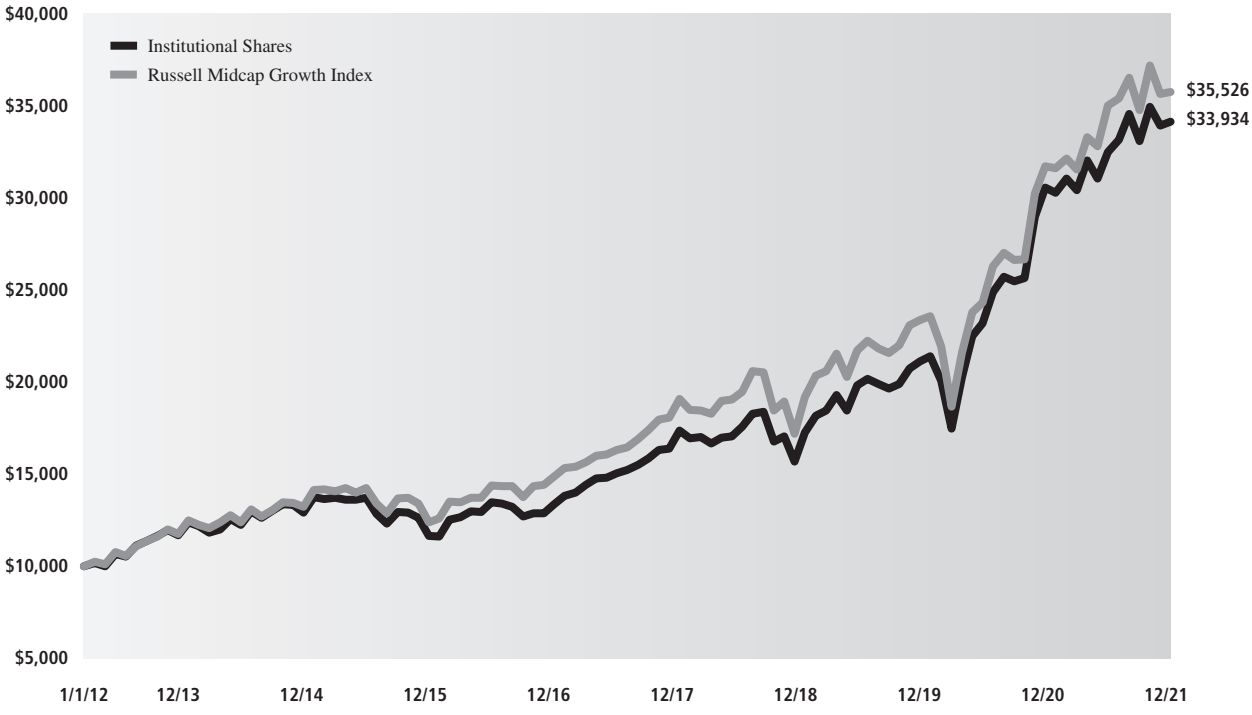
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in Institutional Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the Russell Midcap® Growth Index (with distributions reinvested), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

Growth Opportunities Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years	Since Inception
Institutional (Commenced April 30, 2013)	11.65%	21.42%	N/A	15.12%
Service	11.48%	21.22%	16.00%	—

INVESTMENT OBJECTIVE

The Fund seeks long-term growth of capital.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Quantitative Investment Strategies Team discuss the Goldman Sachs Variable Insurance Trust — Goldman Sachs International Equity Insights Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 12.17% and 11.81%, respectively. These returns compare to the 11.26% average annual total return of the Fund's benchmark, the MSCI Europe, Australasia, Far East (EAFE) Standard Index (net, USD, unhedged) (the "MSCI EAFE Index"), during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

The Fund uses a quantitative style of management, in combination with a qualitative overlay, that emphasizes fundamentally-based stock and country/currency selection, careful portfolio construction and efficient implementation.

During the Reporting Period, the Fund posted double-digit absolute gains and outperformed the MSCI EAFE Index, with each of our quantitative model's four investment themes contributing positively to results. Stock selection overall, driven by these investment themes, boosted relative performance.

Which investment themes helped and which hurt within the Team's stock selection strategy?

In keeping with our investment approach, we use our quantitative model and four investment themes to take a long-term view of market patterns and look for inefficiencies, selecting stocks for the Fund and overweighting or underweighting the ones chosen by the model. Over time and by design, the performance of any one of the model's investment themes tends to have a low correlation with the model's other themes, demonstrating the diversification benefit of the Fund's theme-driven quantitative model. The variance in performance supports our research indicating that the diversification provided by the Fund's different investment themes is a significant investment advantage over the long term, even though the Fund may experience underperformance in the short term. Of course, diversification does not protect an investor from market risk nor does it ensure a profit.

As mentioned, during the Reporting Period, each of our investment themes contributed positively to the Fund's relative returns. Sentiment Analysis added most, followed by Market Themes & Trends, Fundamental Mispricings and High Quality Business Models. Sentiment Analysis seeks to identify stocks experiencing improvements in their overall market sentiment. Market Themes & Trends seeks to identify companies positively positioned to benefit from themes and trends in the market and macroeconomic environment. Fundamental Mispricings seeks to identify high quality businesses trading at a fair price, which we believe may lead to strong performance over the long run. High Quality Business Models seeks to identify companies that are generating high quality revenues with sustainable business models and aligned management incentives.

How did the Fund's sector and industry allocations affect relative performance during the Reporting Period?

In constructing the Fund's portfolio, we focus on picking stocks rather than making sector or industry bets. Consequently, the Fund is similar to its benchmark, the MSCI EAFE Index, in terms of its sector and industry allocations and style. Relative performance is primarily driven by stock selection, not by sector or industry allocations.

Did stock selection help or hurt Fund performance during the Reporting Period?

We seek to outpace the MSCI EAFE Index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. At the same time, we strive to maintain a risk profile similar to the MSCI EAFE Index. The Fund's investments are selected using fundamental research and a variety of quantitative techniques based on our investment themes. For example, the Fund aims to hold a basket of stocks with better Fundamental Mispricings characteristics than the benchmark index.

During the Reporting Period, stock selection overall helped the Fund's performance, with investments in the industrials, information technology and health care sectors contributing most positively to results relative to the MSCI EAFE Index. Holdings in the consumer discretionary, financials and materials sectors detracted most.

Which individual stock positions contributed the most to the Fund's relative returns during the Reporting Period?

The Fund benefited most from overweight positions in Japan-based marine transportation services provider Nippon Yusen, Netherlands-based semiconductor machinery manufacturer ASM International and Japan-based marine transportation, warehousing and cargo handling services provider Mitsui OSK Lines. The overweight in Nippon Yusen was fueled mainly by our Market Themes & Trends and Fundamental Mispricings investment themes. The overweight in ASM International was based primarily on our Sentiment Analysis and Market Themes & Trends investment themes. Driven mostly by our Market Themes & Trends investment theme, the Fund benefited from its overweight in Mitsui OSK Lines.

Which individual positions detracted from the Fund's results during the Reporting Period?

Detracting most from the Fund's results relative to the MSCI EAFE Index were underweight positions in Japan-based electronics products manufacturer and distributor Sony Group, Switzerland-based packaged food company Nestle and Switzerland-based luxury goods manufacturer and retailer Compagnie Financiere Richemont. The underweight in Sony Group was implemented primarily because of our Market Themes & Trends investment theme. The underweights in Nestle and Compagnie Financiere Richemont were each based primarily on our High Quality Business Models investment theme.

What impact did country selection have on the Fund's relative performance during the Reporting Period?

Compared to the MSCI EAFE Index, the Fund was helped most by its positioning in France, the Netherlands and Germany. Positioning in Switzerland, Japan and Sweden detracted most from the Fund's relative results during the Reporting Period.

We made our picks using our proprietary models, which, during the Reporting Period, were based on five investment themes specific to our country/currency strategy — Valuation, Momentum, Risk Premium, Fund Flows and Macro. Valuation favors equity and currency markets that appear cheap relative to accounting measures of value and purchasing power. Momentum favors countries and currencies that have had strong recent outperformance. Risk Premium evaluates whether a country is overcompensating investors for various types of risk, while Fund Flows evaluates the strength of capital market inflows. Finally, Macro assesses a market's macroeconomic environment and growth prospects.

Did you make any enhancements to your quantitative models during the Reporting Period?

We continuously look for ways to improve our investment process. During the first half of the Reporting Period, we introduced several new signals into our models. For example, we introduced new signals within our Sentiment Analysis investment theme, which were rolled out across the majority of regions, including the U.S., emerging markets, Japan and Europe. These signals are an extension to our existing suite of signals that focus on institutional positioning and capture sentiment associated with outstanding short-interest for specific names. The new signals focus on short positions by institutional investors and seek to identify which ones may have been covered prematurely or maintained beyond their optimal duration. Additionally, within our High Quality Business Models investment theme, we introduced another signal to our existing suite of alternative growth signals, also across multiple regions, including the U.S., emerging markets, Japan and Europe. This signal seeks to identify companies that exhibit elevated levels of demand for their products and services based on trends identified from consumer Internet activity data. While we believe these types of trends can help provide additional insight on the global demand for certain products and services, we have also closely focused on developing our own process to identify which individual companies are most highly exposed to specific trends.

During the second half of the Reporting Period, we introduced several new signals into our models, mostly in the fourth quarter of 2021. For example, within our Market Themes & Trends investment theme, we introduced a new signal, rolled out across all regions, that focused on macro market environments and assesses similarities between market events from the past and the current environment. The signal evaluates the historical performance of the stock in similar market conditions to predict future stock returns. Finally, we introduced two signals within our Sentiment Analysis investment theme. One signal, rolled out across all developed market regions, uses short sales transaction data to help identify potential sustained stock selloffs, expanding upon our existing factors that leverage short sales and short interest data. The other signal, introduced in the emerging markets region, analyzes flows from local versus foreign registered investors, and seeks to anticipate the stock price impact caused by these flows and their subsequent trading activity.

How did the Fund use derivatives during the Reporting Period?

During the Reporting Period, we used equity index futures contracts, on an opportunistic basis, to equitize the Fund's cash holdings. In other words, we put the Fund's cash holdings to work by using them as collateral for the purchase of stock futures. We also used forward foreign currency exchange contracts to avoid unintended local currency exposure when buying and selling stocks. The use of these derivatives did not have a material impact on Fund results during the Reporting Period.

What changes did you make to the Fund's country weightings during the Reporting Period?

During the Reporting Period, we increased the Fund's positions relative to the MSCI EAFE Index in Norway, Sweden, Germany, France and the U.K. We decreased the Fund's positions relative to the MSCI EAFE Index in the Netherlands, Italy, Switzerland and Belgium.

What were the Fund's sector and country weightings at the end of the Reporting Period?

As of December 31, 2021, the Fund was overweight the industrials and information technology sectors relative to the MSCI EAFE Index. The Fund was underweight consumer staples and health care and was rather neutral to the MSCI EAFE Index in communication services, consumer discretionary, materials, real estate, financials, energy and utilities on the same date.

In terms of countries, the Fund was overweight relative to the MSCI EAFE Index in Japan, France, Norway and Sweden at the end of the Reporting Period. Compared to the MSCI EAFE Index, the Fund was underweight in Switzerland and the U.K. and was relatively neutral compared to the MSCI EAFE Index in the remaining constituents of the MSCI EAFE Index at the end of the Reporting Period.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

In early 2021, Dennis Walsh, Managing Director and Senior Portfolio Manager, became a co-portfolio manager for the Fund. Mr. Walsh joined Len Ioffe, Managing Director and Senior Portfolio Manager, Osman Ali, Managing Director and Senior Portfolio Manager, and Takashi Suwabe, Managing Director and Senior Portfolio Manager, all of whom have managed the Fund since 2018. By design, all investment decisions for the Fund are performed within a co-lead or team structure.

What is your strategy going forward for the Fund?

Looking ahead, we continue to believe that less expensive stocks should outpace more expensive stocks, and stocks with good momentum are likely to outperform those with poor momentum. We intend to maintain our focus on seeking companies about which fundamental research analysts are becoming more positive as well as profitable companies with sustainable earnings and a track record of using their capital to enhance shareholder value. As such, we anticipate remaining fully invested with long-term performance likely to be the result of stock selection rather than sector or capitalization allocations.

We stand behind our investment philosophy that sound economic investment principles, coupled with a disciplined quantitative approach, can provide strong, uncorrelated returns over the long term. Our research agenda is robust, and we continue to enhance our existing models, add new proprietary forecasting signals and improve our trading execution as we seek to provide the most value to our shareholders.

International Equity Insights Fund

as of December 31, 2021

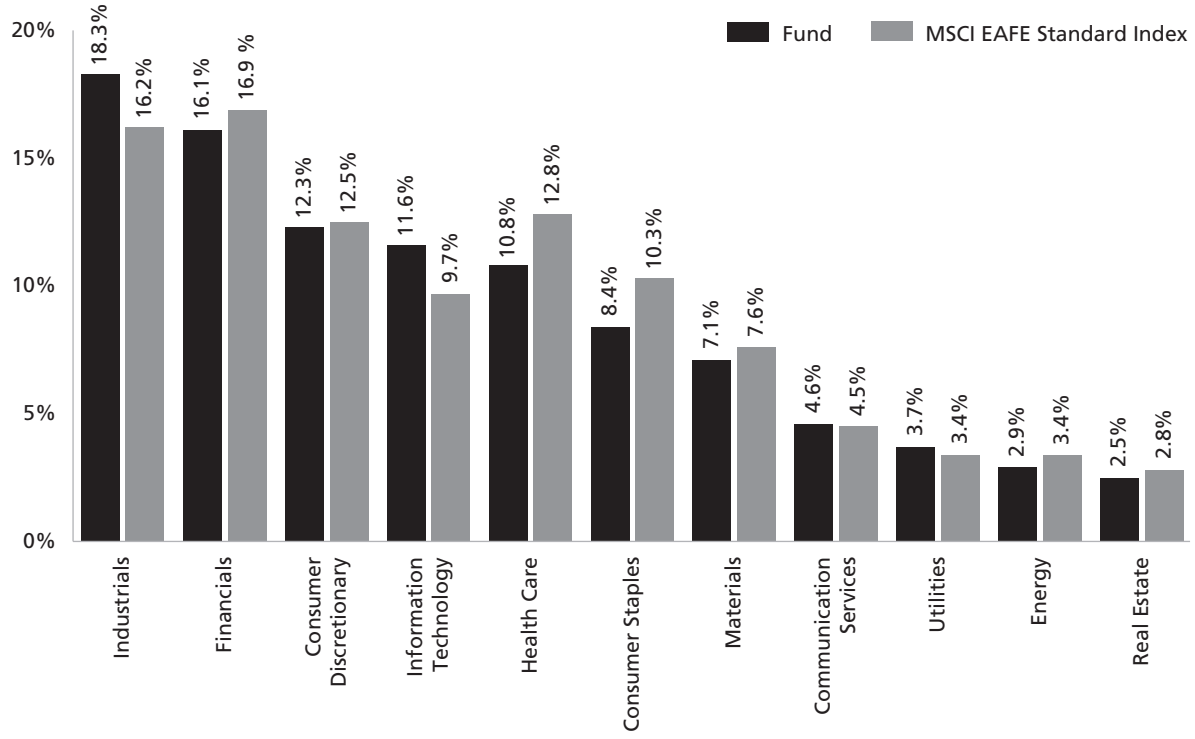
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business	Country
ASML Holding NV	2.4%	Semiconductors & Semiconductor Equipment	Netherlands
LVMH Moet Hennessy Louis Vuitton SE	2.0	Consumer Durables & Apparel	France
Novo Nordisk A/S, Class B	1.7	Pharmaceuticals, Biotechnology & Life Sciences	Denmark
Roche Holding AG	1.6	Pharmaceuticals, Biotechnology & Life Sciences	Switzerland
Schneider Electric SE	1.4	Capital Goods	United States
Commonwealth Bank of Australia	1.3	Banks	Australia
AIA Group Ltd.	1.3	Insurance	Hong Kong
Rio Tinto PLC ADR	1.1	Materials	Australia
Nestle SA	1.1	Food, Beverage & Tobacco	Switzerland
British American Tobacco PLC	1.1	Food, Beverage & Tobacco	United Kingdom

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND VS. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



[2] The Fund is actively managed and, as such, its composition may differ over time. Consequently, the Fund's overall sector allocations may differ from percentages contained in the graph above. The graph categorizes investments using Global Industry Classification Standard ("GICS"); however, the sector classifications used by the portfolio management team may differ from GICS. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value. The graph depicts the Fund's investments but may not represent the Fund's market exposure due to the exclusion of certain derivatives, if any, as listed in the Additional Investment Information section of the Schedule of Investments.

For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

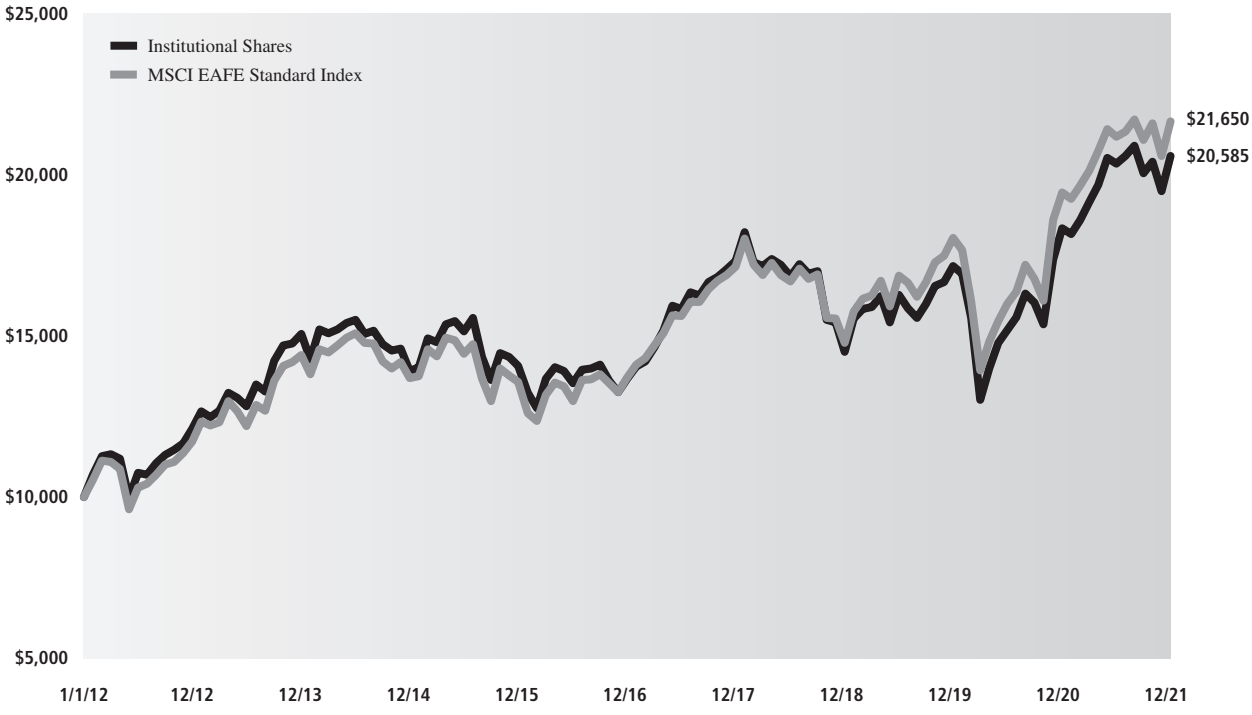
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in Institutional Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the MSCI EAFE Standard Index (Net, USD, Unhedged), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

International Equity Insights Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Institutional	12.17%	8.50%	7.48%
Service	11.81%	8.20%	7.20%

INVESTMENT OBJECTIVE

The Fund seeks long-term capital appreciation.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Fundamental Equity U.S. Equity Portfolio Management Team discusses the Goldman Sachs Variable Insurance Trust — Goldman Sachs Large Cap Value Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 24.13% and 23.93%, respectively. These returns compare to the 25.16% average annual total return of the Fund's benchmark, the Russell 1000® Value Index (with dividends reinvested) (the "Russell Index") during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

The Fund posted solid absolute gains but underperformed the Russell Index during the Reporting Period due to a combination of stock selection and sector allocation decisions overall.

Which equity market sectors most significantly affected Fund performance?

Stock selection in the health care and utilities sectors detracted most from the Fund's relative results during the Reporting Period. Having an underweight to financials, which outpaced the Russell Index during the Reporting Period, further dampened relative results. Partially offsetting these detractors was stock selection in the consumer discretionary and real estate sectors, which contributed positively to the Fund's relative results during the Reporting Period. Having an underweight to communication services, which notably lagged the Russell Index during the Reporting Period, also helped.

Which stocks detracted significantly from the Fund's performance during the Reporting Period?

Among those companies detracting most from the Fund's results relative to the Russell Index were positions in Zimmer Biomet Holdings, Fidelity National Information Services and Splunk.

Musculoskeletal health care services company Zimmer Biomet Holdings was the top detractor from the Fund's results during the Reporting Period. The spread of the COVID-19 Delta and Omicron variants limited hospital capacity and patient demand for orthopedics procedures. Despite its earnings per share consistently beating consensus estimates, the company's hips and knees business segments missed expectations, and the company narrowed its full-year guidance to the lower end of its initial range. At the end of the Reporting Period, we remained confident in the company's innovative robotic ROSA platform and its growth potential in the long run, especially with new products being introduced and procedure levels eventually increasing toward pre-COVID-19 levels.

Technology services provider Fidelity National Information Services detracted, largely because the competitive landscape shifted following recent merger and acquisition within the industry. This shift applied price pressure on the company's stock as did talks around selling its capital markets business. Further, the company's second quarter 2021 earnings release revealed smaller earnings per share guidance relative to consensus expectations and lower implied margin as a result of incremental incentive accruals and the upfront impact of new business wins. At the end of the Reporting Period, we believed Fidelity National Information Services' global footprint and presence in the banking industry was well positioned to take advantage of accelerating payments innovations globally and felt the company should benefit from improving spending fundamentals.

Splunk engages in the development and marketing of software solutions. During the first quarter of 2021, its shares declined in line with the broad information technology sector and then further depreciated following the news of the departures of several senior company leaders. Later in the year, Splunk's Chief Executive Office announced his retirement as well. Though headwinds remained, at the end of the Reporting Period, we were still confident in Splunk's prospects given its transition to a subscription-based pricing model, its near-term upsell opportunity with its existing renewal base, and what we saw as its relatively inexpensive valuation.

What were some of the Fund's best-performing individual stocks?

Relative to the Russell Index, the Fund benefited most from positions in Marvell Technology, Bath & Body Works and Alphabet.

Marvell Technology's stock price appreciated along with an earnings report during the second quarter of 2021 that was better than consensus expectations. Then, in early December 2021, the company delivered another strong quarter of performance, highlighted by its ability to better fulfill backlogged orders. Additionally, the backlog of business actually increased, signifying the further demand for Marvell Technology's products. At the end of the Reporting Period, we remained positive on Marvell Technology given our view of its management's history of execution and the company's exposure to structural growth trends in cloud, autos and fifth-generation ("5G") technologies.

Bath & Body Works, a new purchase for the Fund during the Reporting Period, engages in the operation of retail stores, specializing in domestics merchandise and home furnishings. Its stock price rose significantly in the early months of 2021, largely due to the retail trading environment. However, the lack of fundamental drivers behind the price appreciation led us to be cautious. We ultimately decided to capture the Fund's profits and exit the position in June 2021 in favor of what we saw as other more attractive risk/reward opportunities.

Alphabet is a holding company that engages in advertising, digital content, applications, cloud offerings and more through its subsidiaries, including its largest, Google. During the Reporting Period, the company benefited from a solid recovery in the search business as well as from significant growth in its YouTube and Cloud businesses. It had become clear to many that the broad advertising market was recovering, and virtually all of the major Internet players were benefiting — all while Alphabet continued to show real cost discipline, in our view. At the end of the Reporting Period, we remained optimistic about Alphabet, as advertising spending and travel were improving, which we believe could further benefit the company.

How did the Fund use derivatives and similar instruments during the Reporting Period?

During the Reporting Period, we did not use derivatives as part of an active management strategy.

Did the Fund make any significant purchases or sales during the Reporting Period?

During the Reporting Period, we initiated a Fund position in banking and nonbank financial services company Bank of America. We believe holding the name in the Fund's portfolio will help maintain balance from an interest rate sensitivity and capital return perspective. We also believe Bank of America is generally well positioned with a strong deposit base over the long term.

We established a Fund position in cloud-based customer relationship management software provider salesforce.com during the Reporting Period. Despite its disappointing quarterly results in December 2021, we still see ample room for organic growth and believe its integration with Slack, the proprietary communication platform of Slack Technologies, will likely continue to benefit the company moving forward.

Conversely, we exited the Fund's position in telecommunications company Verizon Communications during the Reporting Period. While we continue to like the long-term outlook for the company, we sold the position in favor of what we believed to be better risk/reward prospects within the industry.

We eliminated the Fund's position in financial services company Wells Fargo & Co. as a result of concerns that the Federal Reserve's ("Fed") asset cap on the bank may create headwinds for longer than we previously anticipated. Despite these concerns, we intend to continue to monitor the stock, as we remained optimistic about some of the company's efficiency efforts and believe there may be an opportunity for growth once the asset cap is removed.

Were there any notable changes in the Fund's weightings during the Reporting Period?

In constructing the Fund's portfolio, we focus on picking stocks rather than on making industry or sector bets. We seek to outpace the benchmark index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. Consequently, changes in its sector weights are generally the direct result of individual stock selection or of stock appreciation or depreciation. That said, during the Reporting Period, the Fund's exposure compared to the Russell Index to consumer staples, financials, health care and materials increased. The Fund's allocations compared to the Russell Index in communication services, consumer discretionary and utilities decreased.

How was the Fund positioned relative to its benchmark index at the end of the Reporting Period?

At the end of December 2021, the Fund had overweighted positions relative to the Russell Index in the information technology, materials and consumer staples sectors. On the same date, the Fund had underweighted positions compared to the Russell Index in communication services and industrials and was rather neutrally weighted to the Russell Index in the consumer discretionary, energy, financials, health care, real estate and utilities sectors.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

There were no changes to the Fund's portfolio management team during the Reporting Period.

What is the Fund's tactical view and strategy for the months ahead?

The end of 2021 was cast with the development of the Omicron variant of COVID-19, which we expected at the end of the Reporting Period to remain a major focus of the U.S. equity markets in the first quarter of 2022, as entities around the world continued to navigate pockets of outbreaks and implement responses accordingly. Other major themes, such as the acceleration in the Fed's winding down of its asset purchasing program and hiking of interest rates as well as inflation readings, supply-chain issues and the global energy shortage may test the markets again. The unclear future of the U.S. Administration's social spending bill will likely also be in play in early 2022.

Regardless of market direction, we intend to stay true to our quality-first investment approach and seek to invest in businesses with healthy balance sheets, relatively stable cash flows and differentiated business models aligned to secular tailwinds. We continue to test our models and re-evaluate our assumptions with increasing information, remain focused on the long-term investment horizon and believe this fundamental approach can generate added value in the long run. As always, we maintain our focus on undervalued companies that we believe have comparatively greater control of their own destiny, such as innovators with differentiated products, companies with low cost structures or companies that have been investing in their own businesses and may be poised to gain market share.

Large Cap Value Fund

as of December 31, 2021

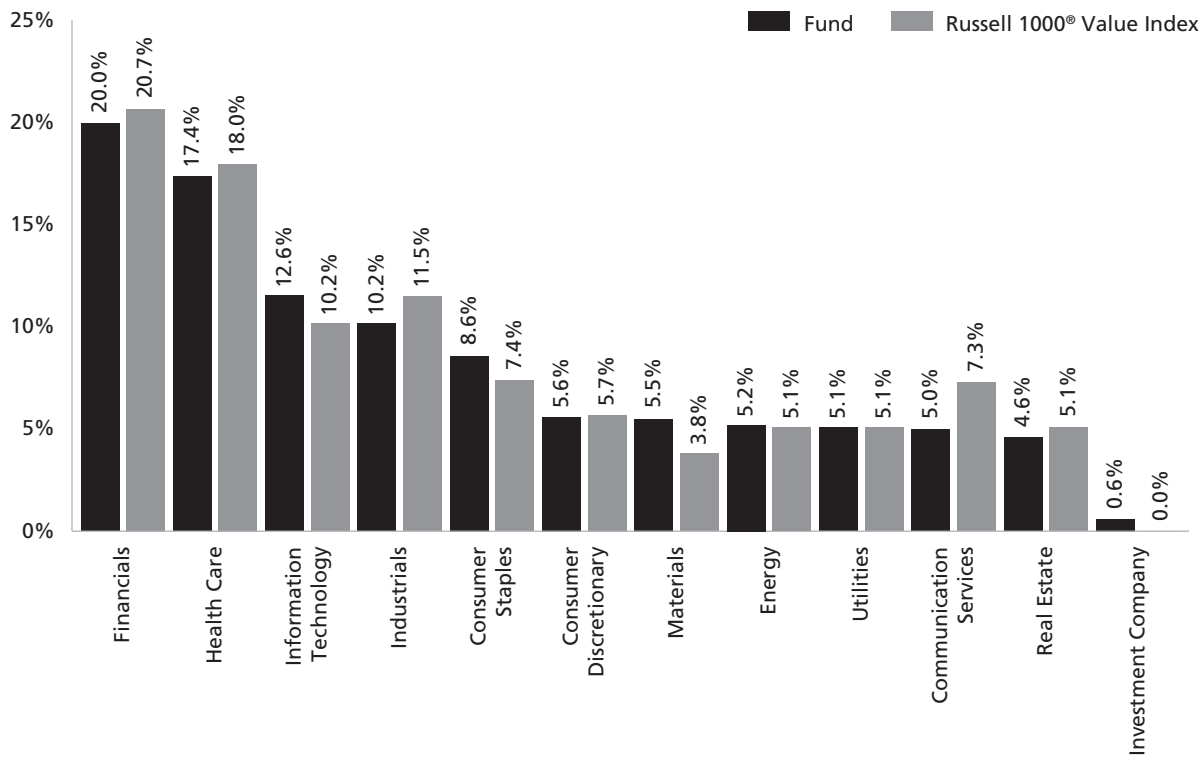
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business	Country
JPMorgan Chase & Co.	3.5%	Banks	United States
Procter & Gamble Co. (The)	3.2	Household & Personal Products	United States
Bank of America Corp.	2.9	Banks	United States
Johnson & Johnson	2.6	Pharmaceuticals, Biotechnology & Life Sciences	United States
Cisco Systems, Inc.	2.2	Technology Hardware & Equipment	United States
Chevron Corp.	2.1	Energy	United States
NextEra Energy, Inc.	2.0	Utilities	United States
salesforce.com, Inc.	2.0	Software & Services	United States
AT&T, Inc.	1.9	Telecommunication Services	United States
BlackRock, Inc.	1.8	Diversified Financials	United States

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND VS. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



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For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

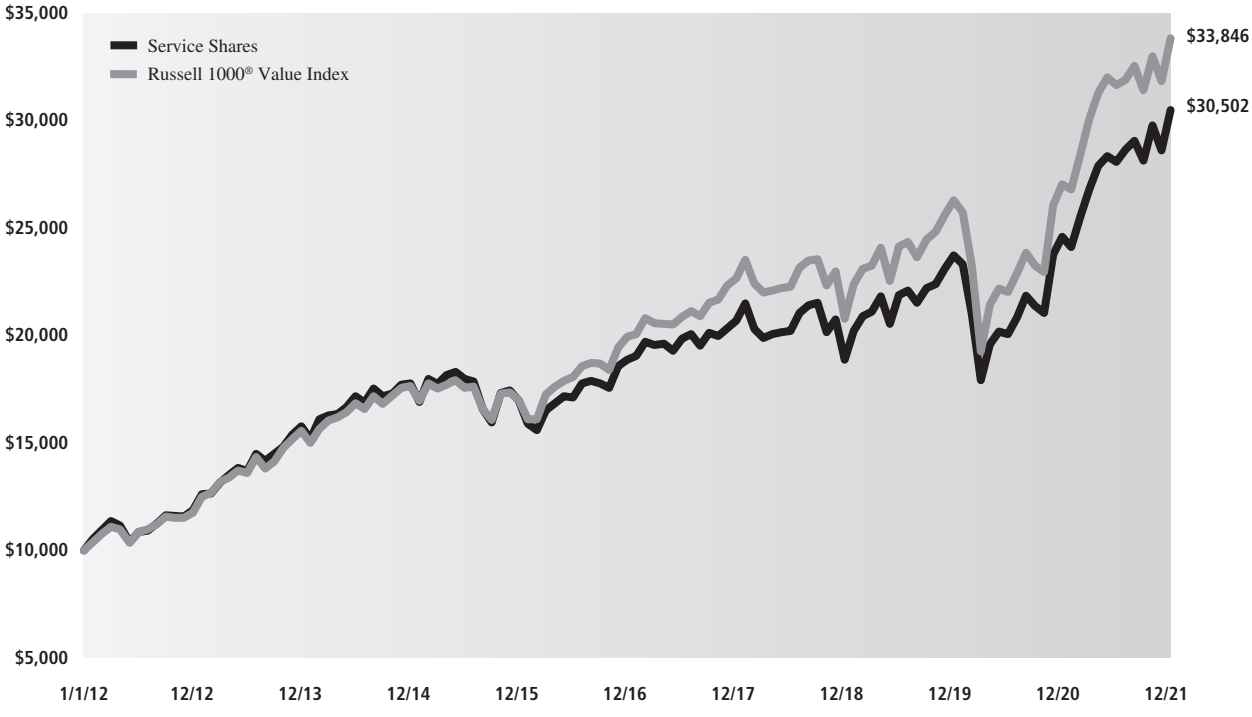
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in Service Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the Russell 1000® Value Index (with distributions reinvested), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

Large Cap Value Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Institutional	24.13%	10.32%	12.06%
Service	23.93%	10.06%	11.79%

INVESTMENT OBJECTIVE

The Fund seeks long-term capital appreciation.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Fundamental Equity U.S. Equity Portfolio Management Team discusses the Goldman Sachs Variable Insurance Trust — Goldman Sachs Mid Cap Value Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 30.95% and 30.57%, respectively. These returns compare to the 28.34% average annual total return of the Fund's benchmark, the Russell Midcap® Value Index (with dividends reinvested) (the "Russell Index"), during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

The Fund posted double-digit absolute gains that outperformed the Russell Index during the Reporting Period due primarily to stock selection overall. Sector allocation as a whole also contributed positively, albeit more modestly, to the Fund's performance relative to the Russell Index during the Reporting Period.

Which equity market sectors most significantly affected Fund performance?

Contributing most positively to the Fund's relative results during the Reporting Period was effective stock selection in the information technology, financials and consumer discretionary sectors. Detracting most from the Fund's relative results during the Reporting Period were the consumer staples, industrials and communication services sectors, wherein stock selection proved especially challenging.

What were some of the Fund's best-performing individual stocks?

The Fund benefited most relative to the Russell Index from positions in ON Semiconductor, Old Dominion Freight Lines and Bath & Body Works.

ON Semiconductor engages in the design, manufacture and marketing of a portfolio of semiconductor components. The Reporting Period was a strong year for many semiconductor firms, and ON Semiconductor was no exception. Its results were also driven by strong quarterly earnings releases, featuring what we saw as impressive margins and top-line revenue amidst ongoing supply-chain constraints. At the end of the Reporting Period, we continued to view the company as one of our favorite semiconductor names in the mid-cap segment of the U.S. equity market.

Old Dominion Freight Lines provides less-than-truckload services. The operating environment that dominated the Reporting Period led to Old Dominion Freight Lines' services being in high demand throughout. One reason it was able to keep up with the demand was the company culture that its senior management has built. As a result, the company has hardly been affected by the nationwide labor shortage. Its technological progress also improved its operational efficiency and margins while leaving room for technological growth. At the end of the Reporting Period, we continued to believe the company was the leading player in a capacity-constrained and structurally-growing less-than-truckload space.

Bath & Body Works engages in the operation of retail stores, specializing in domestics merchandise and home furnishings. Its stock price rose significantly in the early months of 2021, largely due to the retail trading environment. However, the lack of fundamental drivers behind the price appreciation led us to be cautious. Still, at the end of the Reporting Period, we continued to see positive momentum potential among consumer purchases, demonstrating loyalty to the Bath & Body Works product offering.

Which stocks detracted significantly from the Fund's performance during the Reporting Period?

Detracting from the Fund's results relative to the Russell Index were positions in Zimmer Bioment Holdings, Wynn Resorts and ViacomCBS.

Musculoskeletal health care services company Zimmer Biomet Holdings was the top detractor from the Fund's results during the Reporting Period. The spread of the COVID-19 Delta and Omicron variants limited hospital capacity and patient demand for orthopedics procedures. Despite its earnings per share consistently beating consensus estimates, the company's hips and knees

business segments missed expectations, and the company narrowed its full-year guidance to the lower end of its initial range. At the end of the Reporting Period, we remained confident in the company's innovative robotic ROSA platform and its growth potential in the long run, especially with new products being introduced and procedure levels eventually increasing toward pre-COVID-19 levels.

High-end hotel and casino developer and operator Wynn Resorts saw its stock depreciate after missing earnings estimates during the Reporting Period. We exited the Fund's position in Wynn Resorts, as new regulatory changes were proposed in Macau, including increases in government scrutiny around capital use and return, competition and enforcement, together hampering the company's potential long-term growth, in our view.

Telecommunications company ViacomCBS was a new purchase for the Fund during the Reporting Period. Its shares declined, though much of its underperformance of the Russell Index was driven by technical rather than fundamental factors attributable to the end of the first calendar quarter and through the second quarter of 2021. We ultimately decided to exit the position, as we felt the competitive landscape was oversaturated in streaming services, and we believed there were better risk/reward opportunities elsewhere.

How did the Fund use derivatives and similar instruments during the Reporting Period?

During the Reporting Period, we did not use derivatives as part of an active management strategy.

Did the Fund make any significant purchases or sales during the Reporting Period?

We initiated a Fund position in pharmaceutical and business solutions provider AmerisourceBergen during the Reporting Period. The fundamental backdrop for drug distributors has dramatically changed after facing a series of headwinds during the past few years. We believe the company can now get back to focusing on earnings per share growth compounding, which should, in our view, lead to more favorable multiples, or price/earnings ratios.

We established a Fund position in oil and gas exploration and production company Devon Energy during the Reporting Period. We are optimistic about the company, as its management continues to emphasize the importance of free cash flow generation over the pursuit of volume growth, along with what we see as ample dividends being returned to shareholders. We will continue to carefully monitor 2022 production figures as well as the company's debt reduction timeline.

Conversely, in addition to the sales already mentioned, we exited the Fund's position in agriculture company Corteva during the Reporting Period. Corteva was, in our view, executing well on taking share across seed and crop protection and also was managing an effective cost savings plan. We simply preferred other names and decided to sell.

We sold the Fund's position in payment transaction company Discover Financial Services during the Reporting Period. Even though we see spending trends as strong, we believe that view is already mostly priced in to the company's stock valuation. Furthermore, credit conditions appear to us to have peaked and the competitive landscape is shifting with fintech names becoming a larger threat. (Financial technology, or fintech, is used to describe new technology that seeks to improve and automate the delivery and use of financial services.) Ultimately, we eliminated the position in favor of what we believe to be more attractive risk/reward opportunities.

Were there any notable changes in the Fund's weightings during the Reporting Period?

In constructing the Fund's portfolio, we focus on picking stocks rather than on making industry or sector bets. We seek to outpace the benchmark index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. Consequently, changes in its sector weights are generally the direct result of individual stock selection or of stock appreciation or depreciation. That said, during the Reporting Period, the Fund's exposure to energy, industrials and utilities increased and its exposure to consumer staples, financials, health care and information technology decreased compared to the Russell Index.

How was the Fund positioned relative to its benchmark index at the end of the Reporting Period?

At the end of December 2021, the Fund had overweighted positions relative to the Russell Index in industrials and utilities. On the same date, the Fund had underweighted positions compared to the Russell Index in real estate and consumer discretionary and was rather neutrally weighted to the Russell Index in communication services, consumer staples, energy, financials, health care, information technology and materials.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

In early 2021, co-lead portfolio manager Adam Agress left the firm. Sung Cho, managing director and portfolio manager for the Fund alongside Adam, assumed his portfolio management responsibilities for the Fund. Sung joined Goldman Sachs Asset

Management in 2004 and has 20 years of investment experience. He has been a lead portfolio manager for the U.S. Mid Cap Value strategy since 2015. Sung will continue to leverage the expertise of more than 20 investment professionals as part of the Fundamental Equity U.S. Equity team.

By design, all investment decisions for the Fund are performed within a team structure, with multiple subject matter experts. This strategic decision making has been the cornerstone of our approach and ensures continuity in the Fund.

What is the Fund's tactical view and strategy for the months ahead?

The end of 2021 was cast with the development of the Omicron variant of COVID-19, which we expected at the end of the Reporting Period to remain a major focus of the U.S. equity markets in the first quarter of 2022, as entities around the world continued to navigate pockets of outbreaks and implement responses accordingly. Other major themes, such as the acceleration in the Fed's winding down of its asset purchasing program and hiking of interest rates as well as inflation readings, supply-chain issues and the global energy shortage may test the markets again. The unclear future of the U.S. Administration's social spending bill will likely also be in play in early 2022.

Regardless of market direction, we intend to stay true to our quality-first investment approach and seek to invest in businesses with healthy balance sheets, relatively stable cash flows and differentiated business models aligned to secular tailwinds. We continue to test our models and re-evaluate our assumptions with increasing information, remain focused on the long-term investment horizon and believe this fundamental approach can generate added value in the long run. As always, we maintain our focus on undervalued companies that we believe have comparatively greater control of their own destiny, such as innovators with differentiated products, companies with low cost structures or companies that have been investing in their own businesses and may be poised to gain market share.

Mid Cap Value Fund

as of December 31, 2021

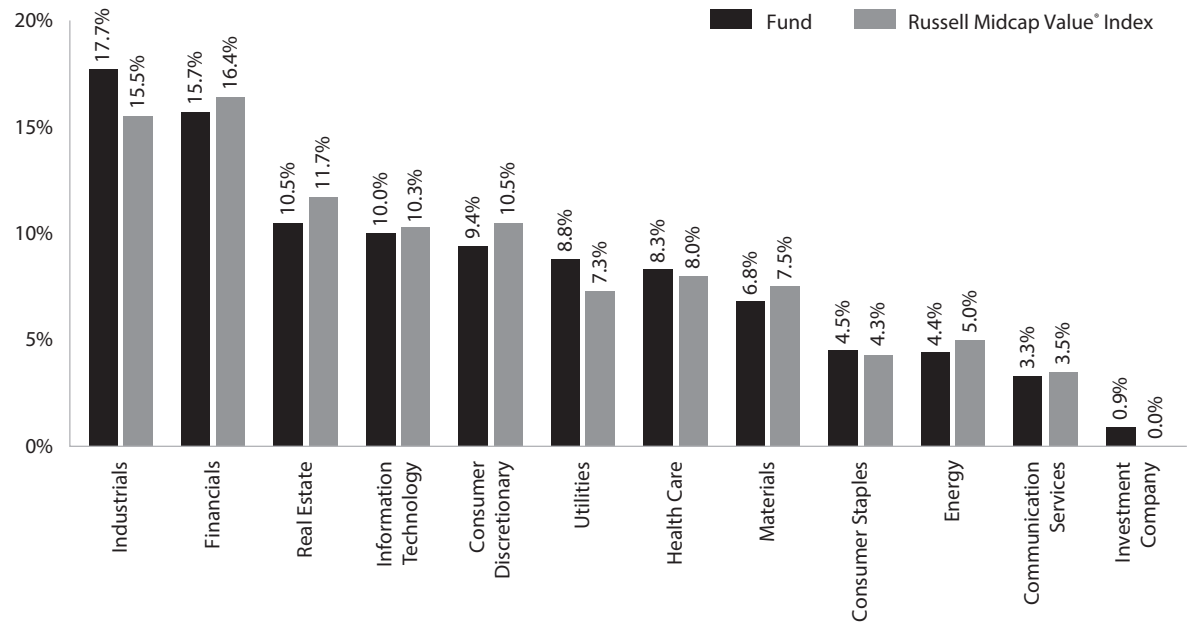
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business
Ball Corp.	1.8%	Materials
United Airlines Holdings, Inc.	1.8	Transportation
Motorola Solutions, Inc.	1.8	Technology Hardware & Equipment
Marvell Technology, Inc.	1.7	Semiconductors & Semiconductor Equipment
Ashland Global Holdings, Inc.	1.7	Materials
M&T Bank Corp.	1.7	Banks
Advance Auto Parts, Inc.	1.7	Retailing
East West Bancorp, Inc.	1.7	Banks
AMETEK, Inc.	1.6	Capital Goods
ON Semiconductor Corp.	1.6	Semiconductors & Semiconductor Equipment

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND vs. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



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For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

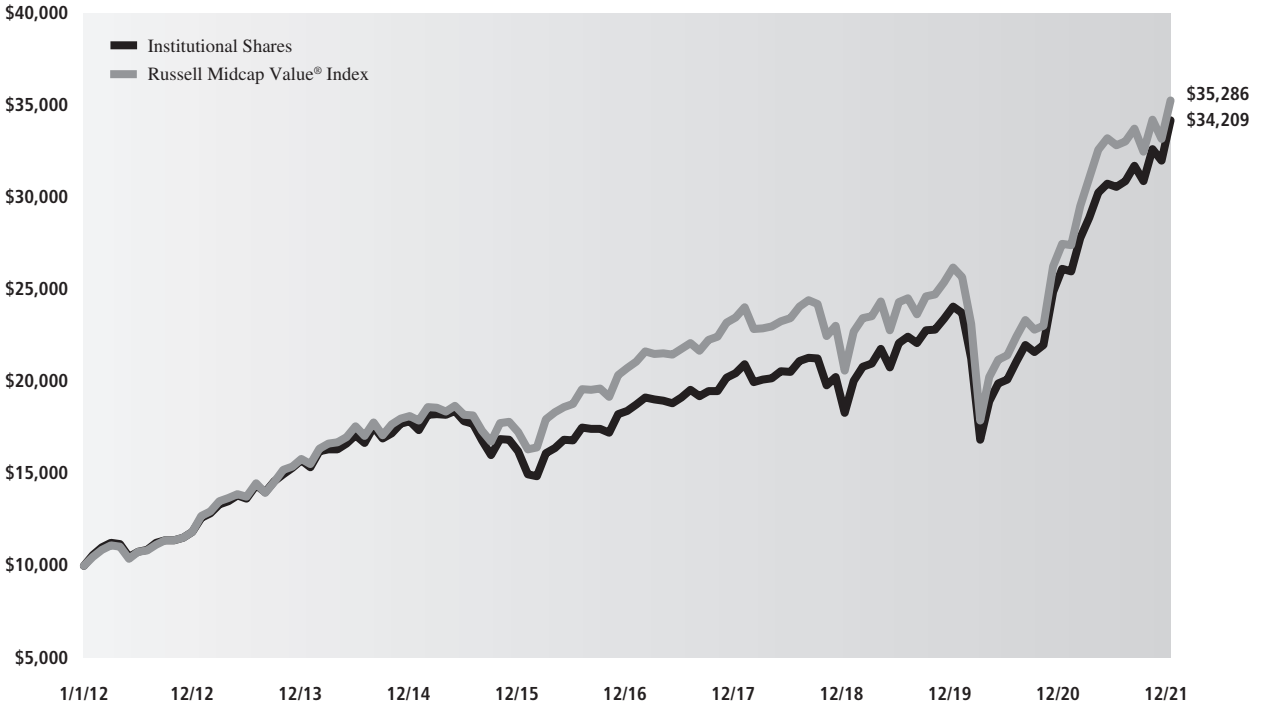
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in Institutional Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the Russell Midcap Value® Index (with distributions reinvested), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

Mid Cap Value Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Institutional	30.95%	13.17%	13.08%
Service	30.57%	12.89%	12.79%

INVESTMENT OBJECTIVE

The Fund seeks long-term growth of capital.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Quantitative Investment Strategies Team discusses the Goldman Sachs Variable Insurance Trust — Goldman Sachs Small Cap Equity Insights Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 23.79% and 23.50%, respectively. These returns compare to the 14.82% average annual total return of the Fund's benchmark, the Russell 2000® Index (with dividends reinvested) (the "Russell Index") during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

The Fund uses a quantitative style of management, in combination with a qualitative overlay, that emphasizes fundamentally-based stock selection, careful portfolio construction and efficient implementation. The Fund's investments are selected using fundamental research and a variety of quantitative techniques based on certain investment themes, namely Fundamental Mispricings, High Quality Business Models, Sentiment Analysis and Market Themes & Trends.

During the Reporting Period, the Fund outperformed the Russell Index, with all four of our quantitative model's investment themes contributing positively. Stock selection overall, driven by these investment themes, added to relative returns.

What impact did the Fund's investment themes have on performance during the Reporting Period?

In keeping with our investment approach, we use our quantitative model and four investment themes to take a long-term view of market patterns and look for inefficiencies, selecting stocks for the Fund and overweighting or underweighting the ones chosen by the model. Over time and by design, the performance of any one of the model's investment themes tends to have a low correlation with the model's other themes, demonstrating the diversification benefit of the Fund's theme-driven quantitative model. The variance in performance supports our research indicating that the diversification provided by the Fund's different investment themes is a significant investment advantage over the long term, even though the Fund may experience underperformance in the short term. Of course, diversification does not protect an investor from market risk nor does it ensure a profit.

During the Reporting Period, each of our four investment themes contributed positively to the Fund's relative performance. Sentiment Analysis and High Quality Business Models bolstered relative results most, followed at some distance by Fundamental Mispricings and Market Themes & Trends. Sentiment Analysis seeks to identify stocks experiencing improvements in their overall market sentiment. High Quality Business Models seeks to identify companies that are generating high quality revenues with sustainable business models and aligned management incentives. Fundamental Mispricing seeks to identify high quality businesses trading at a fair price, which we believe may lead to strong performance over the long run. Market Themes & Trends seeks to identify companies positively positioned to benefit from themes and trends in the market and macroeconomic environment.

How did the Fund's sector and industry allocations affect relative performance?

In constructing the Fund's portfolio, our quantitative model focuses on stock selection rather than making sector or industry bets. Consequently, the Fund is similar to its benchmark, the Russell Index, in terms of its sector and industry allocations and style. Relative performance is primarily driven by stock selection, not by sector or industry allocations.

Did stock selection help or hurt Fund performance during the Reporting Period?

We seek to outpace the Russell Index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. At the same time, we strive to maintain a risk profile similar to the Russell Index. The Fund's investments are selected using fundamental research and a variety of quantitative techniques based on our investment themes. For example, the Fund aims to hold a basket of stocks with better Fundamental Mispricings characteristics than the Russell Index.

During the Reporting Period, stock selection overall helped the Fund's performance, with investments in the health care, financials and consumer discretionary sectors contributing the most to the Fund's relative returns. Conversely, stock selection in industrials detracted—the only sector to detract from relative results during the Reporting Period.

Which individual stock positions contributed the most to the Fund's relative returns during the Reporting Period?

The Fund benefited most from overweight positions in casino and entertainment properties developer and operator Red Rock Resorts, multi-family properties-focused real estate investment trust NexPoint Residential Trust and components producer for the semiconductor industry Axcelis Technologies. The overweight in Red Rock Resorts was established predominantly due to our High Quality Business Models investment theme. The overweight in NexPoint Residential Trust was driven by our Sentiment Analysis and High Quality Business Models investment themes. The Fund was overweight Axcelis Technologies largely because of our High Quality Business Models and Sentiment Analysis investment themes.

Which individual positions detracted from the Fund's results during the Reporting Period?

Detracting most from the Fund's results relative to the Russell Index were overweight positions in Editas Medicine, a clinical stage genome editing company, and Trupanion, a pet health insurance services provider. An underweight position in vehicle rental operator Avis Budget Group also detracted. The overweight in Editas Medicine was established primarily as a result of our Sentiment Analysis investment theme. Largely because of our Fundamental Mispricings and Market Themes & Trends investment theme, the Fund was overweight Trupanion. The Fund's underweight in Avis Budget Group was driven primarily by our High Quality Business Models and Sentiment Analysis investment themes.

How did the Fund use derivatives during the Reporting Period?

During the Reporting Period, we used equity index futures contracts, on an opportunistic basis, to equitize the Fund's cash holdings. In other words, we put the Fund's cash holdings to work by using them as collateral for the purchase of futures contracts. The use of these derivatives did not have a material impact on the Fund's performance during the Reporting Period.

Did you make any enhancements to your quantitative models during the Reporting Period?

We continuously look for ways to improve our investment process. During the first half of the Reporting Period, we introduced several new signals into our models. For example, we introduced new signals within our Sentiment Analysis investment theme, which were rolled out across the majority of regions, including the U.S., emerging markets, Japan and Europe. These signals are an extension to our existing suite of signals that focus on institutional positioning and capture sentiment associated with outstanding short-interest for specific names. The new signals focus on short positions by institutional investors and seek to identify which ones may have been covered prematurely or maintained beyond their optimal duration. Additionally, within our High Quality Business Models investment theme, we introduced another signal to our existing suite of alternative growth signals, also across multiple regions, including the U.S., emerging markets, Japan and Europe. This signal seeks to identify companies that exhibit elevated levels of demand for their products and services based on trends identified from consumer Internet activity data. While we believe these types of trends can help provide additional insight on the global demand for certain products and services, we have also closely focused on developing our own process to identify which individual companies are most highly exposed to specific trends. Lastly, we introduced, in the U.S., a proprietary methodology to enhance how we identify a company's relevant peer group, as we believe that more common methods relying on country or industry classifications may be overly simplistic for companies operating in a complex business environment. This methodology is used to enhance our relative valuation signals within our Fundamental Mispricings investment theme that seek to identify companies that are currently trading at attractive valuations relative to their most relevant peers.

During the second half of the Reporting Period, we introduced several new signals into our models, mostly in the fourth quarter of 2021. For example, we introduced a new signal in the U.S. within our High Quality Business Models investment theme. The signal focused on the number of job postings by a company as we believe companies that are looking to expand their workforce are better positioned for growth in the long term. Additionally, we introduced two new signals within our Market Themes & Trends investment theme. The first signal, rolled out in the U.S. region, helps expand our library of economic linkages signals by identifying relationships between companies posting similar jobs in the same geographical regions. The second signal, rolled out across all regions, focuses on macro market environments and assesses similarities between market events from the past and the current environment. The signal evaluates the historical performance of the stock in similar market conditions to predict future stock returns. Finally, we introduced a signal within our Sentiment Analysis investment theme. Rolled out across all developed market regions, it uses short sales transaction data to help identify potential sustained stock selloffs, expanding upon our existing factors that leverage short sales and short interest data.

What was the Fund's sector positioning relative to its benchmark index at the end of the Reporting Period?

As of December 31, 2021, the Fund was overweight the financials, health care, consumer discretionary and communication services sectors relative to the Russell Index. The Fund was underweight utilities, real estate, industrials and consumer staples and was rather neutrally weighted in information technology, materials and energy compared to the Russell Index on the same date.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

In early 2021, Takashi Suwabe, Managing Director and Senior Portfolio Manager, became a co-portfolio manager for the Fund. Mr. Suwabe joined Len Ioffe, Managing Director and Senior Portfolio Manager, Osman Ali, Managing Director and Senior Portfolio Manager, and Dennis Walsh, Managing Director and Senior Portfolio Manager, who have managed the Fund since 2011, 2012, and 2013 respectively. By design, all investment decisions for the Fund are performed within a co-lead or team structure.

What is your strategy going forward for the Fund?

Looking ahead, we continue to believe that less expensive stocks should outpace more expensive stocks, and stocks with good momentum are likely to outperform those with poor momentum. We intend to maintain our focus on seeking companies about which fundamental research analysts are becoming more positive as well as profitable companies with sustainable earnings and a track record of using their capital to enhance shareholder value. As such, we anticipate remaining fully invested with long-term performance likely to be the result of stock selection rather than sector or capitalization allocations.

We stand behind our investment philosophy that sound economic investment principles, coupled with a disciplined quantitative approach, can provide strong, uncorrelated returns over the long term. Our research agenda is robust, and we continue to enhance our existing models, add new proprietary forecasting signals and improve our trading execution as we seek to provide the most value to our shareholders.

Small Cap Equity Insights Fund

as of December 31, 2021

TOP TEN HOLDINGS AS OF 12/31/21[1,2]

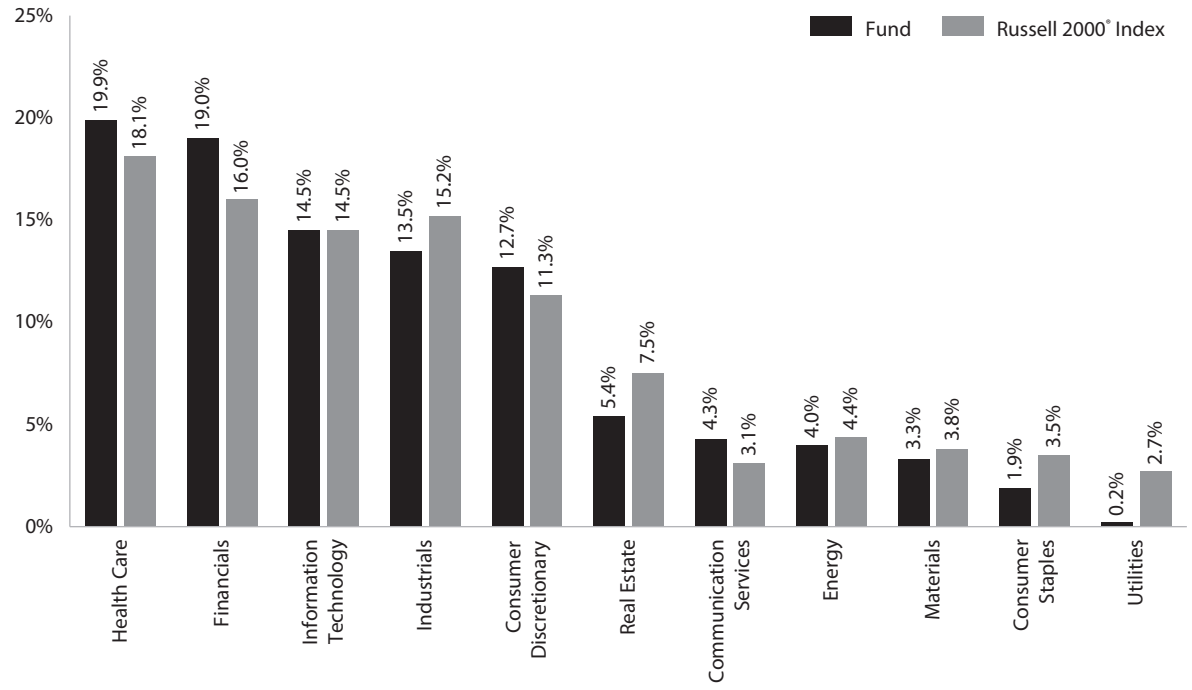
Holding	% of Net Assets	Line of Business
Atkore, Inc.	0.8%	Capital Goods
Medpace Holdings, Inc.	0.8	Pharmaceuticals, Biotechnology & Life Sciences
National Storage Affiliates TrustREIT	0.8	Real Estate
American Equity Investment Life Holding Co.	0.8	Insurance
Ovintiv, Inc.	0.7	Energy
Texas Roadhouse, Inc.	0.7	Consumer Services
NexPoint Residential Trust, Inc.REIT	0.7	Real Estate
Stewart Information Services Corp.	0.7	Insurance
Halozyme Therapeutics, Inc.	0.7	Pharmaceuticals, Biotechnology & Life Sciences
Kinsale Capital Group, Inc.	0.7	Insurance

[1] The top 10 holdings may not be representative of the Fund's future investments.

[2] The Fund's overall top ten holdings differ from the table above due to the exclusion of the Goldman Sachs Financial Square Government Fund (a short-term investment fund) which represents 1.4% of the Fund's net assets as of December 31, 2021.

FUND VS. BENCHMARK SECTOR ALLOCATIONS[3]

As of December 31, 2021



[3] The Fund is actively managed and, as such, its composition may differ over time. Consequently, the Fund's overall sector allocations may differ from percentages contained in the graph above. The graph categorizes investments using Global Industry Classification Standard ("GICS"); however, the sector classifications used by the portfolio management team may differ from GICS. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value (excluding investments in the securities lending reinvestment vehicle, if any). Underlying sector allocations of exchange traded funds and investment companies held by the Fund are not reflected in the graph above. Investments in the securities lending reinvestment vehicle represented 1.4% of the Fund's net assets at December 31, 2021. The graph depicts the Fund's investments but may not represent the Fund's market exposure due to the exclusion of certain derivatives, if any, as listed in the Additional Investment Information section of the Schedule of Investments.

For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

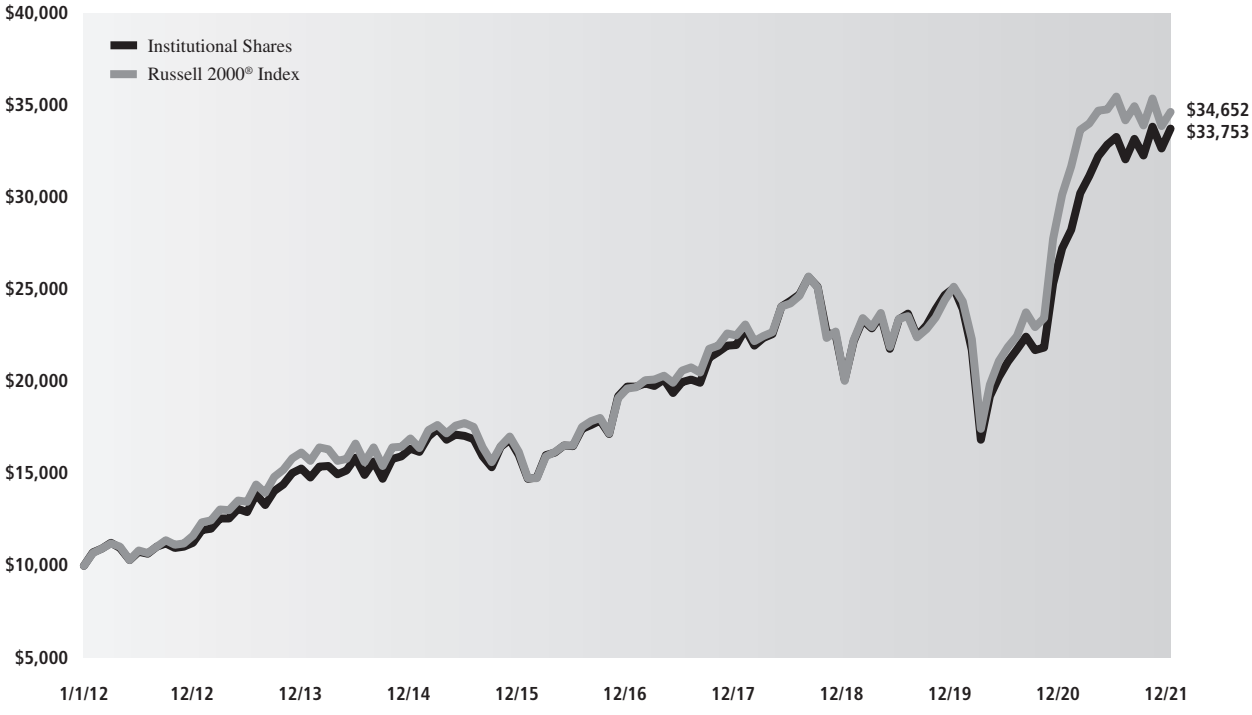
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in Institutional Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the Russell 2000® Index (with distributions reinvested), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

Small Cap Equity Insights Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Institutional	23.79%	11.33%	12.92%
Service	23.50%	11.06%	12.65%

INVESTMENT OBJECTIVE

The Fund seeks long-term growth of capital.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Fundamental Equity U.S. Equity Portfolio Management Team discusses the Goldman Sachs Variable Insurance Trust — Goldman Sachs Strategic Growth Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 21.93% and 21.56%, respectively. These returns compare to the 27.60% average annual total return of the Fund's benchmark, the Russell 1000® Growth Index (with dividends reinvested) (the "Russell Index"), during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

The Fund generated double-digit absolute gains but underperformed the Russell Index on a relative basis during the Reporting Period. Stock selection overall detracted most from the Fund's relative results. Sector allocation as a whole also detracted, albeit modestly.

Which equity market sectors most significantly affected Fund performance?

Detracting most from the Fund's relative results during the Reporting Period was weak stock selection in the information technology, consumer discretionary and health care sectors. Partially offsetting these detractors was effective stock selection in the communication services, industrials and financials sectors, which contributed positively to relative results during the Reporting Period.

Which stocks detracted significantly from the Fund's performance during the Reporting Period?

Detracting from the Fund's results relative to the Russell Index were overweight positions in C3.ai and Splunk and an underweight position in Microsoft.

C3.ai provides enterprise artificial intelligence software for digital transformation. In early March 2021, its shares depreciated following a mixed earnings report with below consensus revenues and margins along with lower than consensus billings results. As the year progressed, we no longer saw our investment thesis playing out, and we ultimately decided to exit the position in September 2021 in favor of other investment opportunities.

Splunk engages in the development and marketing of software solutions. During the first quarter of 2021, its shares declined in line with the broad information technology sector and then further depreciated following the news of the departures of several senior company leaders. Later in the year, Splunk's Chief Executive Office announced his retirement as well. Though headwinds remained, at the end of the Reporting Period, we were still confident in Splunk's prospects given its transition to a subscription-based pricing model, its near-term upsell opportunity with its existing renewal base, and what we saw as its relatively inexpensive valuation.

Microsoft engages in the development and support of software, services, devices and solutions. While its stock had a robust return during the Reporting Period, the Fund's underweight positioning in the name caused it to be a major detractor from relative results. Microsoft's performance can be attributed to an acceleration in its Azure business, ongoing strength in its Office and Windows products, and improved demand for on-premise products with customers continuing to make investments in their cloud environments. At the end of the Reporting Period, we continued to like the direction of the business moving forward and intended to carefully monitor both the stock's valuation and the Fund's positioning in the stock.

What were some of the Fund's best-performing individual stocks?

Among those stocks the Fund benefited most from relative to the Russell Index were overweight positions in graphics processors, chipsets and multimedia software manufacturer NVIDIA, data infrastructure semiconductor solutions provider Marvell Technology and Google parent company Alphabet (Class A).

Following its announcement of 2021 first quarter earnings, NVIDIA's stock saw a substantial downturn due to concerns around margin expansion and data center revenue growth. However, the stock quickly rebounded through the rest of the Reporting Period, as the company beat consensus estimates and proved it could out-innovate its competitors. At the end of the Reporting Period, we believed NVIDIA was well positioned to continue to benefit from the strong secular growth themes of migration to the cloud and online entertainment along with ongoing strong performance versus its competitors.

Marvell Technology's stock price appreciated along with an earnings report during the second quarter of 2021 that was better than consensus expectations. Then, in early December 2021, the company delivered another strong quarter of performance, highlighted by its ability to better fulfill backlogged orders. Additionally, the backlog of business actually increased, signifying the further demand for Marvell Technology's products. At the end of the Reporting Period, we remained positive on Marvell Technology given our view of its management's history of execution and the company's exposure to structural growth trends in cloud, autos and fifth-generation ("5G") technologies.

Alphabet is a holding company that engages in advertising, digital content, applications, cloud offerings and more through its subsidiaries, including its largest, Google. During the Reporting Period, the company benefited from a solid recovery in the search business as well as from significant growth in its YouTube and Cloud businesses. It had become clear to many that the broad advertising market was recovering, and virtually all of the major Internet players were benefiting — all while Alphabet continued to show real cost discipline, in our view. At the end of the Reporting Period, we remained optimistic about Alphabet, as advertising spending and travel were improving, which we believe could further benefit the company.

How did the Fund use derivatives and similar instruments during the Reporting Period?

During the Reporting Period, we did not use derivatives as part of an active management strategy.

Did the Fund make any significant purchases or sales during the Reporting Period?

We initiated a position in logistics and package delivery company United Parcel Services ("UPS") during the Reporting Period. We believe the automation and capacity efforts of UPS are starting to yield benefits through improved margins. In addition, pricing has been strong broadly, as UPS has implemented surcharges as a result of high volumes.

We established a Fund position in cloud-based software solutions provider Bill.com Holdings during the Reporting Period. The secular theme of back office automation and efficiency improvement is growing in importance, in our view, and we believe the business is able to simplify and automate complex back office financial operations.

Conversely, in addition to the sale of C3.ai, we exited the Fund's position in digital telecommunications company Qualcomm during the Reporting Period. We sold the position in April 2021 after numerous business risks were identified along with decreased business momentum being demonstrated through increased competition and what we saw as a valuation peak.

We eliminated the Fund's position in Fidelity National Information Services, which provides technology solutions for merchants, banks and capital markets firms worldwide, during the Reporting Period. We believe its near-term growth could be inhibited by implied risks in its merchant solutions business. We also sold the position due to concerns about its long-term growth based on the disruptive competitive landscape.

Were there any notable changes in the Fund's weightings during the Reporting Period?

In constructing the Fund's portfolio, we focus on picking stocks rather than on making industry or sector bets. We seek to outpace the benchmark index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. Consequently, changes in its sector weights are generally the direct result of individual stock selection or of stock appreciation or depreciation. That said, during the Reporting Period, the Fund's exposure to communication services, health care and industrials increased compared to the Russell Index. The Fund's allocations compared to the Russell Index in consumer discretionary and information technology decreased.

How was the Fund positioned relative to its benchmark index at the end of the Reporting Period?

At the end of December 2021, the Fund had overweighted positions relative to the Russell Index in the communication services, health care and materials sectors. On the same date, the Fund had underweighted positions compared to the Russell Index in information technology and consumer discretionary and was rather neutrally weighted to the Russell Index in consumer staples, financials, industrials and real estate. The Fund had no exposure to the utilities and energy sectors at the end of the Reporting Period.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

There were no changes to the Fund's portfolio management team during the Reporting Period.

What is the Fund's tactical view and strategy for the months ahead?

The end of 2021 was cast with the development of the Omicron variant of COVID-19, which we expected at the end of the Reporting Period to remain a major focus of the U.S. equity markets in the first quarter of 2022, as entities around the world continued to navigate pockets of outbreaks and implement responses accordingly. Other major themes, such as the acceleration in the Fed's winding down of its asset purchasing program and hiking of interest rates as well as inflation readings, supply-chain issues and the global energy shortage may test the markets again. The unclear future of the U.S. Administration's social spending bill will likely also be in play in early 2022.

Regardless of market direction, we intend to stay true to our quality-first investment approach and seek to invest in businesses with healthy balance sheets, relatively stable cash flows and differentiated business models aligned to secular tailwinds. We continue to test our models and re-evaluate our assumptions with increasing information, remain focused on the long-term investment horizon and believe this fundamental approach can generate added value in the long run. As always, we maintain our focus on seeking companies that we believe will generate long-term growth in today's ever-changing market conditions.

Strategic Growth Fund

as of December 31, 2021

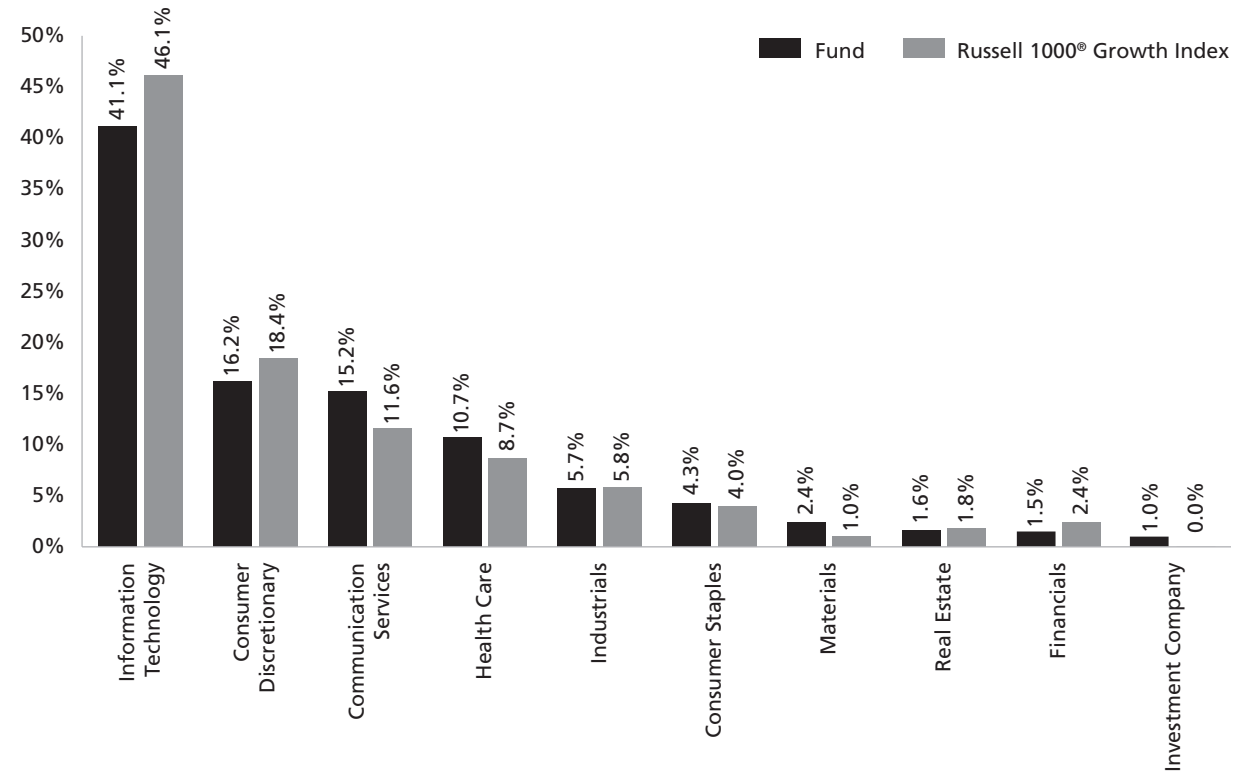
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business	Country
Apple, Inc.	9.5%	Technology Hardware & Equipment	United States
Microsoft Corp.	8.1	Software & Services	United States
Amazon.com, Inc.	6.8	Retailing	United States
Alphabet, Inc., Class A	5.0	Media & Entertainment	United States
NVIDIA Corp.	4.0	Semiconductors & Semiconductor Equipment	United States
Meta Platforms, Inc., Class A	3.8	Media & Entertainment	United States
Alphabet, Inc., Class C	3.0	Media & Entertainment	United States
Netflix, Inc.	2.2	Media & Entertainment	United States
Mastercard, Inc., Class A	2.1	Software & Services	United States
Tesla, Inc.	2.1	Automobiles & Components	United States

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND vs. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



[2] The Fund is actively managed and, as such, its composition may differ over time. Consequently, the Fund's overall sector allocations may differ from percentages contained in the graph above. The graph categorizes investments using Global Industry Classification Standard ("GICS"); however, the sector classifications used by the portfolio management team may differ from GICS. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value (excluding investments in the securities lending reinvestment vehicle, if any). Underlying sector allocations of exchange traded funds and investment companies held by the Fund are not reflected in the graph above. Investments in the securities lending reinvestment vehicle represented 0.2% of the Fund's net assets at December 31, 2021.

For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Fund's investment strategies, holdings, and performance.

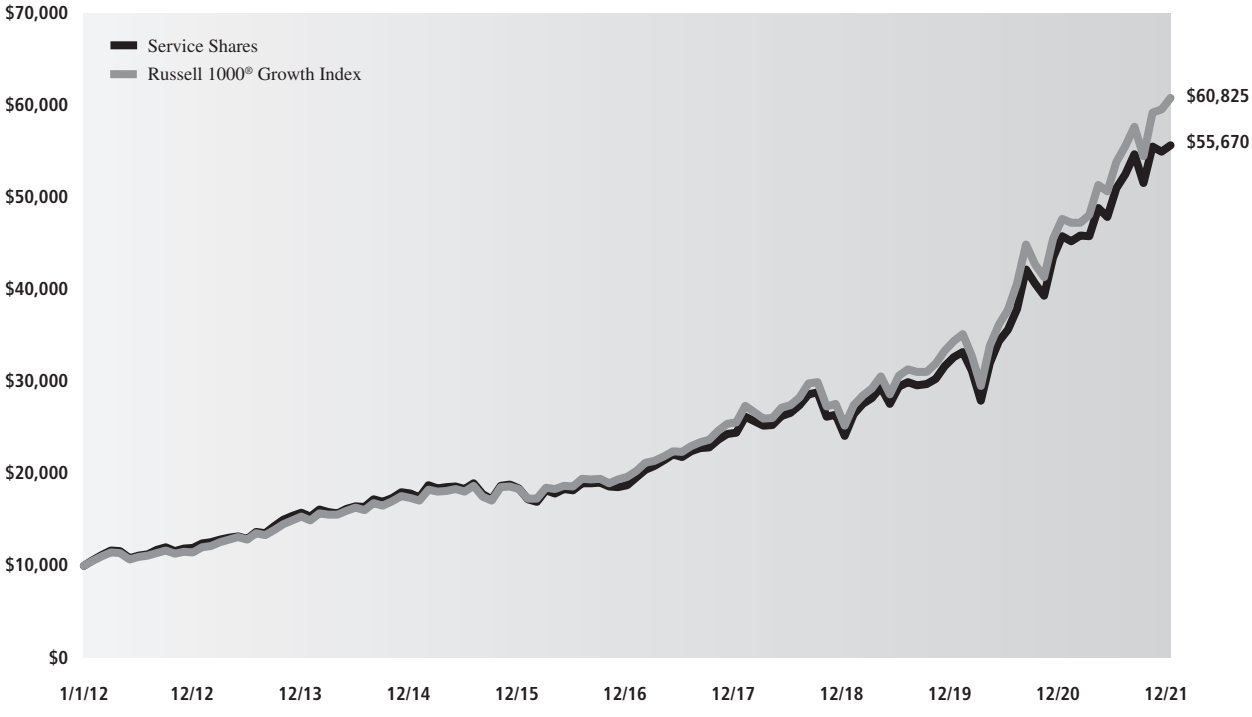
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in Service Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the Russell 1000® Growth Index (with distributions reinvested), is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

Strategic Growths Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Institutional	21.93%	24.58%	19.02%
Service	21.56%	24.26%	18.71%

INVESTMENT OBJECTIVE

The Fund seeks long-term growth of capital and dividend income.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Quantitative Investment Strategies Team discusses the Goldman Sachs Variable Insurance Trust—Goldman Sachs U.S. Equity Insights Fund's (the "Fund") performance and positioning for the 12-month period ended December 31, 2021 (the "Reporting Period").

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund's Institutional and Service Shares generated average annual total returns of 29.41% and 29.11%, respectively. These returns compare to the 28.71% average annual total return of the Fund's benchmark, the Standard & Poor's 500® Index (with dividends reinvested) (the "S&P 500® Index") during the same time period.

What key factors were responsible for the Fund's performance during the Reporting Period?

The Fund uses a quantitative style of management, in combination with a qualitative overlay, that emphasizes fundamentally-based stock selection, careful portfolio construction and efficient implementation. The Fund's investments are selected using fundamental research and a variety of quantitative techniques based on certain investment themes, namely Fundamental Mispricings, High Quality Business Models, Sentiment Analysis and Market Themes & Trends.

During the Reporting Period, the Fund outperformed the S&P 500® Index, with two of our quantitative model's four investment themes contributing positively to results. Stock selection overall, driven by these investment themes, bolstered relative performance.

What impact did the Fund's investment themes have on performance during the Reporting Period?

In keeping with our investment approach, we use our quantitative model and four investment themes to take a long-term view of market patterns and look for inefficiencies, selecting stocks for the Fund and overweighting or underweighting the ones chosen by the model. Over time and by design, the performance of any one of the model's investment themes tends to have a low correlation with the model's other themes, demonstrating the diversification benefit of the Fund's theme-driven quantitative model. The variance in performance supports our research indicating that the diversification provided by the Fund's different investment themes is a significant investment advantage over the long term, even though the Fund may experience underperformance in the short term. Of course, diversification does not protect an investor from market risk nor does it ensure a profit.

During the Reporting Period, two of our investment themes — Sentiment Analysis and High Quality Business Models — contributed positively to the Fund's relative performance. Sentiment Analysis seeks to identify stocks experiencing improvements in their overall market sentiment. High Quality Business Models seeks to identify companies that are generating high quality revenues with sustainable business models and aligned management incentives.

Market Themes & Trends and Fundamental Mispricings detracted from the Fund's relative performance during the Reporting Period. Market Themes & Trends seeks to identify companies positively positioned to benefit from themes and trends in the market and macroeconomic environment. Fundamental Mispricing seeks to identify high quality businesses trading at a fair price, which we believe may lead to strong performance over the long run.

How did the Fund's sector and industry allocations affect relative performance?

In constructing the Fund's portfolio, our quantitative model focuses on stock selection rather than making sector or industry bets. Consequently, the Fund is similar to its benchmark, the S&P 500® Index, in terms of its sector and industry allocations and style. Relative performance is primarily driven by stock selection, not by sector or industry allocations.

Did stock selection help or hurt Fund performance during the Reporting Period?

We seek to outpace the S&P 500® Index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. At the same time, we strive to maintain a risk profile similar to the S&P 500® Index. The Fund's investments are selected using fundamental research and a variety of quantitative techniques based on our investment themes. For example, the Fund aims to hold a basket of stocks with better Fundamental Mispricings characteristics than the benchmark index.

During the Reporting Period, stock selection added to the Fund's performance, with investments in the health care, real estate and industrials sectors contributing most positively to results relative to the S&P 500® Index. Stock selection in the information technology, energy and materials sectors detracted most from the Fund's results relative to the S&P 500® Index during the Reporting Period.

Which individual stock positions contributed the most to the Fund's relative returns during the Reporting Period?

The Fund benefited most from overweight positions in auto manufacturer Ford Motor, network security solutions provider Palo Alto Networks and Google parent company Alphabet. The overweight in Ford Motor was established primarily because of our Fundamental Mispricings and High Quality Business Models investment themes. The Fund was overweight Palo Alto Networks due mostly to our Sentiment Analysis and Market Themes & Trends investment themes. The Fund's overweight in Alphabet was driven mainly by our Fundamental Mispricings investment theme.

Which individual positions detracted from the Fund's results during the Reporting Period?

Detracting most from the Fund's results relative to the S&P 500® Index was an underweight position in NVIDIA, which engages in the design and manufacture of computer graphics processors, chipsets and related multimedia software. Overweight positions in electronic signature solutions provider DocuSign and digital and mobile payments technology platform PayPal Holdings also hurt. The Fund had an underweight position in NVIDIA driven primarily by our Market Themes & Trends investment theme. The Fund's overweight in DocuSign was largely due to our High Quality Business Models investment theme. The overweight in PayPal Holdings was established primarily because of our Sentiment Analysis investment theme.

How did the Fund use derivatives during the Reporting Period?

During the Reporting Period, we did not use derivatives as part of an active management strategy to add value to the Fund's results.

Did you make any enhancements to your quantitative models during the Reporting Period?

We continuously look for ways to improve our investment process. During the first half of the Reporting Period, we introduced several new signals into our models. For example, we introduced new signals within our Sentiment Analysis investment theme, which were rolled out across the majority of regions, including the U.S., emerging markets, Japan and Europe. These signals are an extension to our existing suite of signals that focus on institutional positioning and capture sentiment associated with outstanding short-interest for specific names. The new signals focus on short positions by institutional investors and seek to identify which ones may have been covered prematurely or maintained beyond their optimal duration. Additionally, within our High Quality Business Models investment theme, we introduced another signal to our existing suite of alternative growth signals, also across multiple regions, including the U.S., emerging markets, Japan and Europe. This signal seeks to identify companies that exhibit elevated levels of demand for their products and services based on trends identified from consumer Internet activity data. While we believe these types of trends can help provide additional insight on the global demand for certain products and services, we have also closely focused on developing our own process to identify which individual companies are most highly exposed to specific trends. Lastly, we introduced, in the U.S., a proprietary methodology to enhance how we identify a company's relevant peer group, as we believe that more common methods relying on country or industry classifications may be overly simplistic for companies operating in a complex business environment. This methodology is used to enhance our relative valuation signals within our Fundamental Mispricings investment theme that seek to identify companies that are currently trading at attractive valuations relative to their most relevant peers.

During the second half of the Reporting Period, we introduced several new signals into our models, mostly in the fourth quarter of 2021. For example, we introduced a new signal in the U.S. within our High Quality Business Models investment theme. The signal focused on the number of job postings by a company as we believe companies that are looking to expand their workforce are better positioned for growth in the long term. Additionally, we introduced two new signals within our Market Themes & Trends investment theme. The first signal, rolled out in the U.S. region, helps expand our library of economic linkages signals by identifying relationships between companies posting similar jobs in the same geographical regions. The second signal, rolled out across all regions, focuses on macro market environments and assesses similarities between market events from the past and the current environment. The signal evaluates the historical performance of the stock in similar market conditions to predict future stock returns. Finally, we introduced a signal within our Sentiment Analysis investment theme. Rolled out across all developed market regions, it uses short sales transaction data to help identify potential sustained stock selloffs, expanding upon our existing factors that leverage short sales and short interest data.

What was the Fund's sector positioning relative to its benchmark index at the end of the Reporting Period?

As of December 31, 2021, the Fund was overweight the information technology, health care, materials and real estate sectors relative to the S&P 500® Index. The Fund was underweight consumer staples, energy and financials and was rather neutrally weighted in communication services, consumer discretionary, utilities and industrials compared to the benchmark index on the same date.

Were there any changes to the Fund's portfolio management team during the Reporting Period?

In early 2021, Takashi Suwabe, Managing Director and Senior Portfolio Manager, became a co-portfolio manager for the Fund. Mr. Suwabe joined Len Ioffe, Managing Director and Senior Portfolio Manager, Osman Ali, Managing Director and Senior Portfolio Manager, and Dennis Walsh, Managing Director and Senior Portfolio Manager, who have managed the Fund since 2011, 2012, and 2013 respectively. By design, all investment decisions for the Fund are performed within a co-lead or team structure.

What is your strategy going forward for the Fund?

Looking ahead, we continue to believe that less expensive stocks should outpace more expensive stocks, and stocks with good momentum are likely to outperform those with poor momentum. We intend to maintain our focus on seeking companies about which fundamental research analysts are becoming more positive as well as profitable companies with sustainable earnings and a track record of using their capital to enhance shareholder value. As such, we anticipate remaining fully invested with long-term performance likely to be the result of stock selection rather than sector or capitalization allocations.

We stand behind our investment philosophy that sound economic investment principles, coupled with a disciplined quantitative approach, can provide strong, uncorrelated returns over the long term. Our research agenda is robust, and we continue to enhance our existing models, add new proprietary forecasting signals and improve our trading execution as we seek to provide the most value to our shareholders.

U.S. Equity Insights Fund

as of December 31, 2021

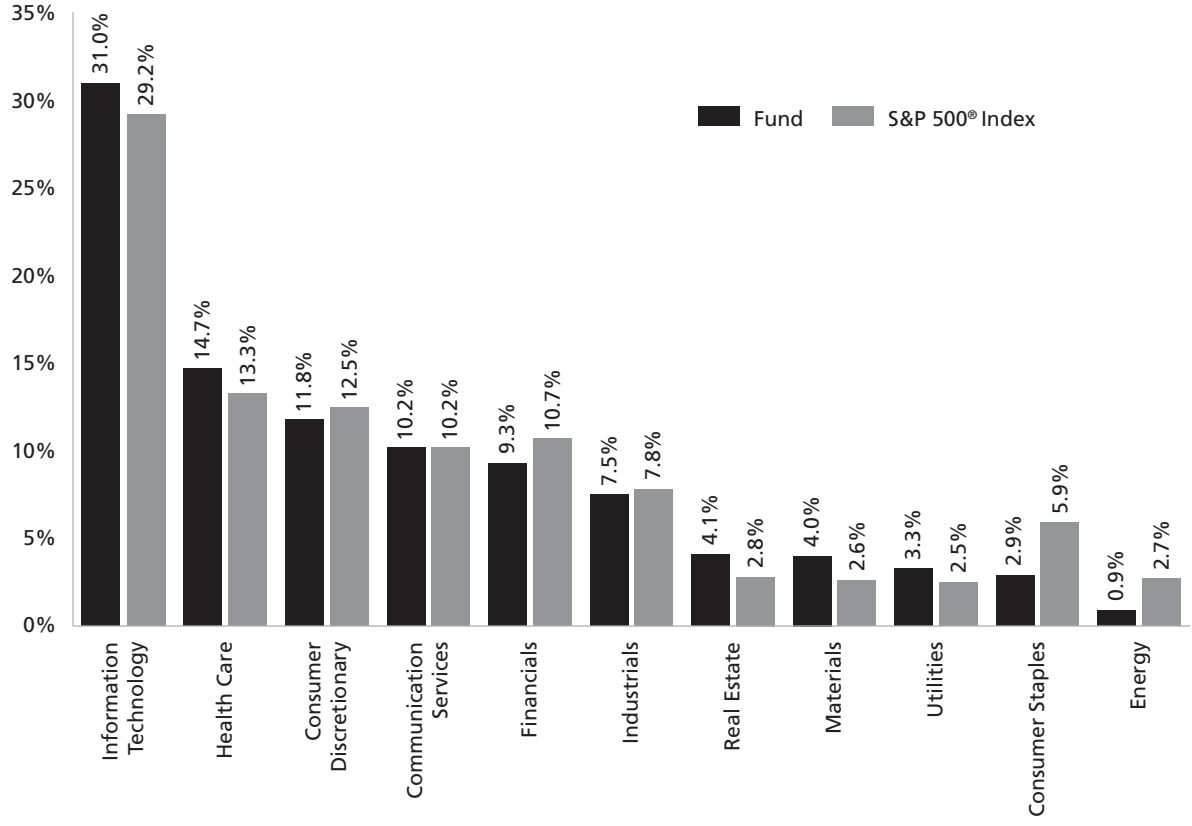
TOP TEN HOLDINGS AS OF 12/31/21[1]

Holding	% of Net Assets	Line of Business	Country
Apple, Inc.	5.9%	Technology Hardware & Equipment	United States
Microsoft Corp.	5.2	Software & Services	United States
Alphabet, Inc., Class C	3.6	Media & Entertainment	United States
Amazon.com, Inc.	2.7	Retailing	United States
Meta Platforms, Inc., Class A	2.4	Media & Entertainment	United States
Tesla, Inc.	2.2	Automobiles & Components	United States
NVIDIA Corp.	1.8	Semiconductors & Semiconductor Equipment	United States
AbbVie, Inc.	1.6	Pharmaceuticals, Biotechnology & Life Sciences	United States
Alphabet, Inc., Class A	1.6	Media & Entertainment	United States
Intuit, Inc.	1.4	Software & Services	United States

[1] The top 10 holdings may not be representative of the Fund's future investments.

FUND vs. BENCHMARK SECTOR ALLOCATIONS[2]

As of December 31, 2021



[2] The Fund is actively managed and, as such, its composition may differ over time. Consequently, the Fund's overall sector allocations may differ from percentages contained in the graph above. The graph categorizes investments using Global Industry Classification Standard ("GICS"); however, the sector classifications used by the portfolio management team may differ from GICS. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value.

For more information about your Fund, please refer to www.GSAMFUNDS.com. There, you can learn more about your Portfolio's investment strategies, holdings, and performance.

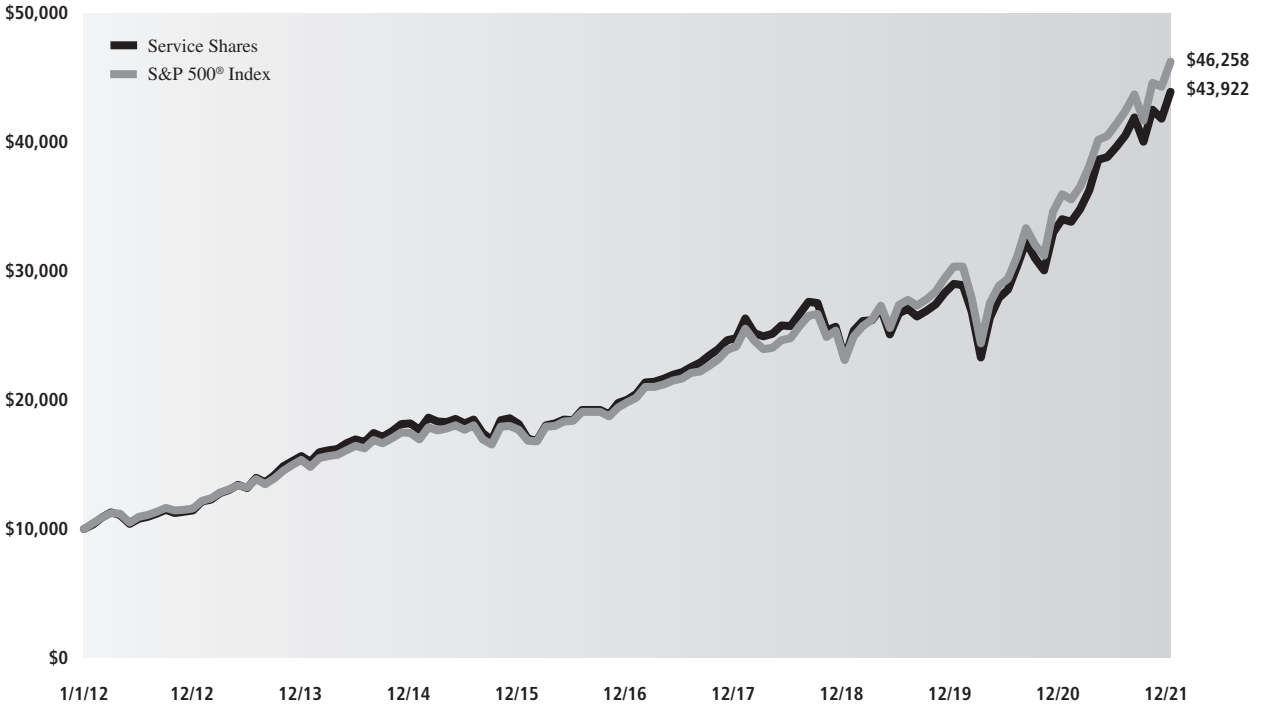
Performance Summary

December 31, 2021

The following graph shows the value, as of December 31, 2021, of a $10,000 investment made on January 1, 2012 in the Service Shares at NAV. For comparative purposes, the performance of the Fund's benchmark, the S&P 500® Index, is shown. Performance reflects applicable fee waivers and/or expense limitations in effect during the periods shown and in their absence, performance would be reduced. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns set forth below represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value 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 below. Please visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

U.S. Equity Insights Fund's 10 Year Performance

Performance of a $10,000 investment, with distributions reinvested, from January 1, 2012 through December 31, 2021.



Average Annual Total Return through December 31, 2021	One Year	Five Years	Ten Years
Institutional	29.41%	17.25%	16.18%
Service	29.11%	17.00%	15.94%

Index Definitions

S&P 500® Index is the Standard & Poor's composite index of 500 stocks, an unmanaged index of common stock prices. The figures for the index do not include any deduction for fees, expenses or taxes.

Russell 2000® Index is an unmanaged index of common stock prices that measures the performance of the 2000 smallest companies in the Russell 3000® Index. The figures for the index do not include any deduction for fees, expenses or taxes.

Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000® Index, which represents approximately 25% of the total market capitalization of the Russell 1000® Index.

Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000® Index, which represents approximately 92% of the total market capitalization of the Russell 3000® Index.

The **Russell 1000® Value Index** is an unmanaged market capitalization weighted index of the 1000 largest U.S. companies with lower price-to-book ratios and lower forecasted growth values. The figures for the index do not include any deduction for fees, expenses or taxes.

Russell Midcap® Growth Index is an unmanaged index that measures the performance of those companies in the Russell Midcap® Index with higher price-to-book ratios and higher forecasted growth values.

The **Russell Midcap Value® Index** is an unmanaged index of common stock prices that measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The index figures do not reflect any deduction for fees, expenses or taxes

The **Russell 1000® Growth Index** is an unmanaged market capitalization weighted index of the 1000 largest U.S. companies with higher price-to-book ratios and higher forecasted growth values. The figures for the index do not include any deduction for fees, expenses or taxes.

It is not possible to invest directly in an index.

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 99.9%		
Automobiles & Components – 2.7%		
1,507	Aptiv PLC*	$ 248,580
1,305	BorgWarner, Inc.	58,816
21,736	Ford Motor Co.	451,457
8,034	General Motors Co.*	471,033
4,444	Tesla, Inc.*	4,696,330
		5,926,216
Banks – 4.0%		
39,295	Bank of America Corp.	1,748,235
10,899	Citigroup, Inc.	658,191
2,382	Citizens Financial Group, Inc.	112,549
774	Comerica, Inc.	67,338
3,872	Fifth Third Bancorp	168,626
939	First Republic Bank	193,913
8,072	Huntington Bancshares, Inc.	124,470
16,134	JPMorgan Chase & Co.	2,554,819
5,176	KeyCorp	119,721
700	M&T Bank Corp.	107,506
2,216	People's United Financial, Inc.	39,489
2,300	PNC Financial Services Group, Inc. (The)	461,196
5,308	Regions Financial Corp.	115,714
333	Signature Bank	107,715
323	SVB Financial Group*	219,072
7,392	Truist Financial Corp.	432,802
7,338	US Bancorp	412,175
21,901	Wells Fargo & Co.	1,050,810
945	Zions Bancorp NA	59,686
		8,754,027
Capital Goods – 5.2%		
3,139	3M Co.	557,581
728	A O Smith Corp.	62,499
503	Allegion PLC	66,617
1,268	AMETEK, Inc.	186,447
3,045	Boeing Co. (The)*	613,019
4,762	Carrier Global Corp.	258,291
2,971	Caterpillar, Inc.	614,224
787	Cummins, Inc.	171,676
1,537	Deere & Co.	527,022
774	Dover Corp.	140,558
2,211	Eaton Corp. PLC	382,105
3,322	Emerson Electric Co.	308,846
3,097	Fastenal Co.	198,394
1,985	Fortive Corp.	151,436
757	Fortune Brands Home & Security, Inc.	80,923
341	Generac Holdings, Inc.*	120,005
1,253	General Dynamics Corp.	261,213
6,068	General Electric Co.	573,244
3,757	Honeywell International, Inc.	783,372
2,222	Howmet Aerospace, Inc.	70,726
219	Huntington Ingalls Industries, Inc.	40,896
415	IDEX Corp.	98,073
1,567	Illinois Tool Works, Inc.	386,736
2,251	Ingersoll Rand, Inc.	139,269
3,833	Johnson Controls International PLC	311,661

Shares	Description	Value
Common Stocks – (continued)		
Capital Goods – (continued)		
1,085	L3Harris Technologies, Inc.	$ 231,365
1,336	Lockheed Martin Corp.	474,828
1,342	Masco Corp.	94,235
808	Northrop Grumman Corp.	312,753
2,352	Otis Worldwide Corp.	204,789
1,891	PACCAR, Inc.	166,900
700	Parker-Hannifin Corp.	222,684
945	Pentair PLC	69,013
770	Quanta Services, Inc.	88,288
8,164	Raytheon Technologies Corp.	702,594
632	Rockwell Automation, Inc.	220,473
571	Roper Technologies, Inc.	280,852
297	Snap-on, Inc.	63,968
914	Stanley Black & Decker, Inc.	172,399
1,196	Textron, Inc.	92,331
1,301	Trane Technologies PLC	262,841
287	TransDigm Group, Inc.*	182,612
403	United Rentals, Inc.*	133,913
1,007	Westinghouse Air Brake Technologies Corp.	92,755
244	W.W. Grainger, Inc.	126,451
967	Xylem, Inc.	115,963
		11,416,840
Commercial & Professional Services – 0.8%		
478	Cintas Corp.	211,835
1,144	Copart, Inc.*	173,453
681	Equifax, Inc.	199,390
2,186	IHS Markit Ltd.	290,563
717	Jacobs Engineering Group, Inc.	99,828
768	Leidos Holdings, Inc.	68,275
1,932	Nielsen Holdings PLC	39,625
1,134	Republic Services, Inc.	158,136
604	Robert Half International, Inc.	67,358
1,137	Rollins, Inc.	38,897
876	Verisk Analytics, Inc.	200,368
2,115	Waste Management, Inc.	352,994
		1,900,722
Consumer Durables & Apparel – 1.1%		
1,823	D.R. Horton, Inc.	197,704
804	Garmin Ltd.	109,481
739	Hasbro, Inc.	75,215
1,490	Lennar Corp., Class A	173,078
326	Mohawk Industries, Inc.*	59,391
2,039	Newell Brands, Inc.	44,532
6,983	NIKE, Inc., Class B	1,163,857
17	NVR, Inc.*	100,451
1,387	PulteGroup, Inc.	79,281
425	PVH Corp.	45,326
249	Ralph Lauren Corp.	29,596
1,605	Tapestry, Inc.	65,163
933	Under Armour, Inc., Class A*	19,770
1,232	Under Armour, Inc., Class C*	22,226
1,740	VF Corp.	127,403
343	Whirlpool Corp.	80,488
		2,392,962

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Consumer Services – 1.9%		
227	Booking Holdings, Inc.*	$ 544,625
1,118	Caesars Entertainment, Inc.*	104,567
4,349	Carnival Corp.*	87,502
156	Chipotle Mexican Grill, Inc.*	272,727
700	Darden Restaurants, Inc.	105,448
195	Domino's Pizza, Inc.	110,045
764	Expedia Group, Inc.*	138,070
1,506	Hilton Worldwide Holdings, Inc.*	234,921
1,811	Las Vegas Sands Corp.*	68,166
1,525	Marriott International, Inc., Class A*	251,991
4,072	McDonald's Corp.	1,091,581
2,174	MGM Resorts International	97,569
2,072	Norwegian Cruise Line Holdings Ltd.*	42,973
848	Penn National Gaming, Inc.*	43,969
1,249	Royal Caribbean Cruises Ltd.*	96,048
6,422	Starbucks Corp.	751,181
596	Wynn Resorts Ltd.*	50,684
1,578	Yum! Brands, Inc.	219,121
		4,311,188
Diversified Financials – 4.9%		
3,446	American Express Co.	563,766
602	Ameriprise Financial, Inc.	181,599
4,108	Bank of New York Mellon Corp. (The)	238,593
10,025	Berkshire Hathaway, Inc., Class B*	2,997,475
779	BlackRock, Inc.	713,221
2,338	Capital One Financial Corp.	339,220
600	Cboe Global Markets, Inc.	78,240
8,179	Charles Schwab Corp. (The)	687,854
1,989	CME Group, Inc.	454,407
1,604	Discover Financial Services	185,358
207	FactSet Research Systems, Inc.	100,604
1,440	Franklin Resources, Inc.	48,226
1,861	Goldman Sachs Group, Inc. (The)[(a)]	711,926
3,065	Intercontinental Exchange, Inc.	419,200
1,729	Invesco Ltd.	39,802
209	MarketAxess Holdings, Inc.	85,955
886	Moody's Corp.	346,054
7,885	Morgan Stanley	773,992
449	MSCI, Inc.	275,098
638	Nasdaq, Inc.	133,986
1,104	Northern Trust Corp.	132,050
973	Raymond James Financial, Inc.	97,689
1,310	S&P Global, Inc.	618,228
2,017	State Street Corp.	187,581
3,047	Synchrony Financial	141,350
1,212	T. Rowe Price Group, Inc.	238,328
		10,789,802
Energy – 2.7%		
2,202	APA Corp.	59,212
4,625	Baker Hughes Co.	111,277
10,585	Chevron Corp.	1,242,150
7,245	ConocoPhillips	522,944
4,439	Coterra Energy, Inc.	84,341
3,389	Devon Energy Corp.	149,285

Shares	Description	Value
Common Stocks – (continued)		
Energy – (continued)		
915	Diamondback Energy, Inc.	$ 98,683
3,246	EOG Resources, Inc.	288,342
23,181	Exxon Mobil Corp.	1,418,445
4,950	Halliburton Co.	113,206
1,496	Hess Corp.	110,749
10,736	Kinder Morgan, Inc.	170,273
4,228	Marathon Oil Corp.	69,424
3,313	Marathon Petroleum Corp.	211,999
4,917	Occidental Petroleum Corp.	142,544
2,393	ONEOK, Inc.	140,613
2,358	Phillips 66	170,861
1,248	Pioneer Natural Resources Co.	226,986
7,588	Schlumberger NV	227,260
2,270	Valero Energy Corp.	170,500
6,694	Williams Cos., Inc. (The)	174,312
		5,903,406
Food & Staples Retailing – 1.4%		
2,420	Costco Wholesale Corp.	1,373,834
3,729	Kroger Co. (The)	168,775
2,818	Sysco Corp.	221,354
3,972	Walgreens Boots Alliance, Inc.	207,179
7,751	Walmart, Inc.	1,121,492
		3,092,634
Food, Beverage & Tobacco – 2.9%		
10,000	Altria Group, Inc.	473,900
3,126	Archer-Daniels-Midland Co.	211,286
944	Brown-Forman Corp., Class B	68,780
1,039	Campbell Soup Co.	45,155
21,265	Coca-Cola Co. (The)	1,259,101
2,664	Conagra Brands, Inc.	90,976
887	Constellation Brands, Inc., Class A	222,610
3,256	General Mills, Inc.	219,389
803	Hershey Co. (The)	155,356
1,579	Hormel Foods Corp.	77,071
587	J M Smucker Co. (The)	79,726
1,408	Kellogg Co.	90,703
3,944	Kraft Heinz Co. (The)	141,590
809	Lamb Weston Holdings, Inc.	51,275
1,383	McCormick & Co., Inc.	133,612
1,037	Molson Coors Beverage Co., Class B	48,065
7,575	Mondelez International, Inc., Class A	502,298
2,045	Monster Beverage Corp.*	196,402
7,566	PepsiCo, Inc.	1,314,290
8,497	Philip Morris International, Inc.	807,215
1,564	Tyson Foods, Inc., Class A	136,318
		6,325,118
Health Care Equipment & Services – 5.8%		
9,705	Abbott Laboratories	1,365,882
241	ABIOMED, Inc.*	86,560
409	Align Technology, Inc.*	268,787
825	AmerisourceBergen Corp.	109,634
1,323	Anthem, Inc.	613,263
2,754	Baxter International, Inc.	236,403

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Health Care Equipment & Services – (continued)		
1,558	Becton Dickinson and Co.	$ 391,806
7,907	Boston Scientific Corp.*	335,889
1,627	Cardinal Health, Inc.	83,774
3,250	Centene Corp.*	267,800
1,645	Cerner Corp.	152,771
1,821	Cigna Corp.	418,156
269	Cooper Cos., Inc. (The)	112,695
7,184	CVS Health Corp.	741,101
364	DaVita, Inc.*	41,409
1,188	DENTSPLY SIRONA, Inc.	66,279
538	Dexcom, Inc.*	288,879
3,455	Edwards Lifesciences Corp.*	447,595
1,315	HCA Healthcare, Inc.	337,850
742	Henry Schein, Inc.*	57,527
1,370	Hologic, Inc.*	104,887
714	Humana, Inc.	331,196
461	IDEXX Laboratories, Inc.*	303,550
1,942	Intuitive Surgical, Inc.*	697,761
515	Laboratory Corp. of America Holdings*	161,818
832	McKesson Corp.	206,810
7,417	Medtronic PLC	767,289
670	Quest Diagnostics, Inc.	115,917
791	ResMed, Inc.	206,040
555	STERIS PLC	135,093
1,858	Stryker Corp.	496,866
265	Teleflex, Inc.	87,047
5,142	UnitedHealth Group, Inc.	2,582,004
409	Universal Health Services, Inc., Class B	53,031
1,131	Zimmer Biomet Holdings, Inc.	143,682
		12,817,051
Household & Personal Products – 1.6%		
1,363	Church & Dwight Co., Inc.	139,708
676	Clorox Co. (The)	117,867
4,571	Colgate-Palmolive Co.	390,089
1,267	Estee Lauder Cos., Inc. (The), Class A	469,043
1,875	Kimberly-Clark Corp.	267,975
13,208	Procter & Gamble Co. (The)	2,160,565
		3,545,247
Insurance – 1.8%		
3,298	Aflac, Inc.	192,570
1,543	Allstate Corp. (The)	181,534
4,561	American International Group, Inc.	259,338
1,210	Aon PLC, Class A	363,678
1,156	Arthur J Gallagher & Co.	196,139
310	Assurant, Inc.	48,317
1,282	Brown & Brown, Inc.	90,099
2,366	Chubb Ltd.	457,371
805	Cincinnati Financial Corp.	91,714
227	Everest Re Group Ltd.	62,180
531	Globe Life, Inc.	49,765
1,853	Hartford Financial Services Group, Inc. (The)	127,931

Shares	Description	Value
Common Stocks – (continued)		
Insurance – (continued)		
991	Lincoln National Corp.	$ 67,646
1,171	Loews Corp.	67,637
2,748	Marsh & McLennan Cos., Inc.	477,657
3,994	MetLife, Inc.	249,585
1,315	Principal Financial Group, Inc.	95,114
3,251	Progressive Corp. (The)	333,715
2,080	Prudential Financial, Inc.	225,139
1,340	Travelers Cos., Inc. (The)	209,616
768	W R Berkley Corp.	63,276
669	Willis Towers Watson PLC	158,881
		4,068,902
Materials – 2.6%		
1,228	Air Products and Chemicals, Inc.	373,631
646	Albemarle Corp.	151,015
8,269	Amcor PLC	99,311
446	Avery Dennison Corp.	96,590
1,790	Ball Corp.	172,323
604	Celanese Corp.	101,508
1,167	CF Industries Holdings, Inc.	82,600
3,929	Corteva, Inc.	185,763
4,012	Dow, Inc.	227,561
2,807	DuPont de Nemours, Inc.	226,750
756	Eastman Chemical Co.	91,408
1,383	Ecolab, Inc.	324,438
721	FMC Corp.	79,231
8,155	Freeport-McMoRan, Inc.	340,308
1,346	International Flavors & Fragrances, Inc.	202,775
2,167	International Paper Co.	101,806
2,815	Linde PLC (United Kingdom)	975,201
1,425	LyondellBasell Industries NV, Class A	131,428
331	Martin Marietta Materials, Inc.	145,812
1,883	Mosaic Co. (The)	73,983
4,392	Newmont Corp.	272,392
1,569	Nucor Corp.	179,101
542	Packaging Corp. of America	73,793
1,325	PPG Industries, Inc.	228,483
786	Sealed Air Corp.	53,031
1,323	Sherwin-Williams Co. (The)	465,908
1	Sylvamo Corp.*	28
703	Vulcan Materials Co.	145,929
1,495	Westrock Co.	66,318
		5,668,425
Media & Entertainment – 9.0%		
4,200	Activision Blizzard, Inc.	279,426
1,643	Alphabet, Inc., Class A*	4,759,837
1,527	Alphabet, Inc., Class C*	4,418,512
680	Charter Communications, Inc., Class A*	443,340
24,921	Comcast Corp., Class A	1,254,274
876	Discovery, Inc., Class A*	20,621
1,617	Discovery, Inc., Class C*	37,029
1,329	DISH Network Corp., Class A*	43,113
1,555	Electronic Arts, Inc.	205,104

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Media & Entertainment – (continued)		
1,841	Fox Corp., Class A	$ 67,933
729	Fox Corp., Class B	24,983
2,116	Interpublic Group of Cos., Inc. (The)	79,244
745	Live Nation Entertainment, Inc.*	89,169
1,518	Match Group, Inc.*	200,755
12,926	Meta Platforms, Inc., Class A*	4,347,660
2,424	Netflix, Inc.*	1,460,315
2,000	News Corp., Class A	44,620
566	News Corp., Class B	12,735
1,207	Omnicom Group, Inc.	88,437
652	Take-Two Interactive Software, Inc.*	115,873
4,289	Twitter, Inc.*	185,371
3,198	ViacomCBS, Inc., Class B	96,516
9,951	Walt Disney Co. (The)*	1,541,310
		19,816,177
Pharmaceuticals, Biotechnology & Life Sciences – 7.5%		
9,673	AbbVie, Inc.	1,309,724
1,655	Agilent Technologies, Inc.	264,221
3,072	Amgen, Inc.	691,108
804	Biogen, Inc.*	192,896
115	Bio-Rad Laboratories, Inc., Class A*	86,890
215	Bio-Techne Corp.	111,228
12,112	Bristol-Myers Squibb Co.	755,183
930	Catalent, Inc.*	119,068
279	Charles River Laboratories International, Inc.*	105,122
3,466	Danaher Corp.	1,140,349
4,339	Eli Lilly & Co.	1,198,519
6,811	Gilead Sciences, Inc.	494,547
859	Illumina, Inc.*	326,798
1,026	Incyte Corp.*	75,308
1,047	IQVIA Holdings, Inc.*	295,401
14,372	Johnson & Johnson	2,458,618
13,800	Merck & Co., Inc.	1,057,632
126	Mettler-Toledo International, Inc.*	213,848
1,942	Moderna, Inc.*	493,229
1,422	Organon & Co.	43,300
693	PerkinElmer, Inc.	139,335
30,711	Pfizer, Inc.	1,813,484
583	Regeneron Pharmaceuticals, Inc.*	368,176
2,154	Thermo Fisher Scientific, Inc.	1,437,235
1,379	Vertex Pharmaceuticals, Inc.*	302,828
6,562	Viatris, Inc.	88,784
325	Waters Corp.*	121,095
401	West Pharmaceutical Services, Inc.	188,073
2,579	Zoetis, Inc.	629,353
		16,521,352
Real Estate – 2.7%		
767	Alexandria Real Estate Equities, Inc. REIT	171,010
2,478	American Tower Corp. REIT	724,815
762	AvalonBay Communities, Inc. REIT	192,474
769	Boston Properties, Inc. REIT	88,573
1,878	CBRE Group, Inc., Class A*	203,782

Shares	Description	Value
Common Stocks – (continued)		
Real Estate – (continued)		
2,393	Crown Castle International Corp. REIT	$ 499,515
1,547	Digital Realty Trust, Inc. REIT	273,618
2,097	Duke Realty Corp. REIT	137,647
490	Equinix, Inc. REIT	414,462
1,825	Equity Residential REIT	165,162
341	Essex Property Trust, Inc. REIT	120,110
729	Extra Space Storage, Inc. REIT	165,286
378	Federal Realty Investment Trust REIT	51,529
3,015	Healthpeak Properties, Inc. REIT	108,811
4,011	Host Hotels & Resorts, Inc. REIT*	69,751
1,557	Iron Mountain, Inc. REIT	81,478
3,468	Kimco Realty Corp. REIT	85,486
646	Mid-America Apartment Communities, Inc. REIT	148,218
4,021	Prologis, Inc. REIT	676,976
826	Public Storage REIT	309,387
2,992	Realty Income Corp. REIT	214,197
784	Regency Centers Corp. REIT	59,074
586	SBA Communications Corp. REIT	227,966
1,828	Simon Property Group, Inc. REIT	292,060
1,468	UDR, Inc. REIT	88,065
2,230	Ventas, Inc. REIT	113,998
862	Vornado Realty Trust REIT	36,083
2,332	Welltower, Inc. REIT	200,016
4,071	Weyerhaeuser Co. REIT	167,644
		6,087,193
Retailing – 6.8%		
344	Advance Auto Parts, Inc.	82,519
2,383	Amazon.com, Inc.*	7,945,732
113	AutoZone, Inc.*	236,892
1,479	Bath & Body Works, Inc.	103,219
1,218	Best Buy Co., Inc.	123,749
873	CarMax, Inc.*	113,691
1,264	Dollar General Corp.	298,089
1,253	Dollar Tree, Inc.*	176,072
3,372	eBay, Inc.	224,238
686	Etsy, Inc.*	150,193
1,099	Gap, Inc. (The)	19,397
752	Genuine Parts Co.	105,430
5,761	Home Depot, Inc. (The)	2,390,873
1,417	LKQ Corp.	85,062
3,803	Lowe's Cos., Inc.	982,999
364	O'Reilly Automotive, Inc.*	257,068
221	Pool Corp.	125,086
1,913	Ross Stores, Inc.	218,618
2,681	Target Corp.	620,491
6,547	TJX Cos., Inc. (The)	497,048
604	Tractor Supply Co.	144,114
287	Ulta Beauty, Inc.*	118,342
		15,018,922
Semiconductors & Semiconductor Equipment – 6.3%		
6,596	Advanced Micro Devices, Inc.*	949,164
2,919	Analog Devices, Inc.	513,073
4,960	Applied Materials, Inc.	780,506

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Semiconductors & Semiconductor Equipment – (continued)		
2,246	Broadcom, Inc.	$ 1,494,511
735	Enphase Energy, Inc.*	134,461
22,168	Intel Corp.	1,141,652
823	KLA Corp.	353,980
767	Lam Research Corp.	551,588
3,050	Microchip Technology, Inc.	265,533
6,095	Micron Technology, Inc.	567,749
228	Monolithic Power Systems, Inc.	112,479
13,655	NVIDIA Corp.	4,016,072
1,435	NXP Semiconductors NV (China)	326,864
627	Qorvo, Inc.*	98,057
6,152	QUALCOMM, Inc.	1,125,016
914	Skyworks Solutions, Inc.	141,798
288	SolarEdge Technologies, Inc.*	80,804
888	Teradyne, Inc.	145,215
5,031	Texas Instruments, Inc.	948,193
1,375	Xilinx, Inc.	291,541
		14,038,256
Software & Services – 14.0%		
3,445	Accenture PLC, Class A	1,428,125
2,610	Adobe, Inc.*	1,480,027
854	Akamai Technologies, Inc.*	99,952
472	ANSYS, Inc.*	189,329
1,221	Autodesk, Inc.*	343,333
2,295	Automatic Data Processing, Inc.	565,901
608	Broadridge Financial Solutions, Inc.	111,155
1,540	Cadence Design Systems, Inc.*	286,979
740	Ceridian HCM Holding, Inc.*	77,300
675	Citrix Systems, Inc.	63,848
2,882	Cognizant Technology Solutions Corp., Class A	255,691
1,390	DXC Technology Co.*	44,744
311	EPAM Systems, Inc.*	207,888
3,308	Fidelity National Information Services, Inc.	361,068
3,308	Fiserv, Inc.*	343,337
462	FleetCor Technologies, Inc.*	103,414
740	Fortinet, Inc.*	265,956
459	Gartner, Inc.*	153,453
1,615	Global Payments, Inc.	218,316
4,877	International Business Machines Corp.	651,860
1,549	Intuit, Inc.	996,348
396	Jack Henry & Associates, Inc.	66,128
4,745	Mastercard, Inc., Class A	1,704,973
41,033	Microsoft Corp.	13,800,219
3,235	NortonLifeLock, Inc.	84,045
8,859	Oracle Corp.	772,593
1,739	Paychex, Inc.	237,374
265	Paycom Software, Inc.*	110,025
6,422	PayPal Holdings, Inc.*	1,211,061
595	PTC, Inc.*	72,084
5,339	salesforce.com, Inc.*	1,356,800
1,094	ServiceNow, Inc.*	710,126
848	Synopsys, Inc.*	312,488

Shares	Description	Value
Common Stocks – (continued)		
Software & Services – (continued)		
218	Tyler Technologies, Inc.*	$ 117,273
514	VeriSign, Inc.*	130,464
9,175	Visa, Inc., Class A	1,988,314
		30,921,991
Technology Hardware & Equipment – 8.8%		
3,239	Amphenol Corp., Class A	283,283
85,183	Apple, Inc.	15,125,945
1,188	Arista Networks, Inc.*	170,775
754	CDW Corp.	154,404
23,072	Cisco Systems, Inc.	1,462,073
4,120	Corning, Inc.	153,388
333	F5, Inc.*	81,488
7,290	Hewlett Packard Enterprise Co.	114,963
6,331	HP, Inc.	238,489
209	IPG Photonics Corp.*	35,977
1,798	Juniper Networks, Inc.	64,207
1,005	Keysight Technologies, Inc.*	207,543
944	Motorola Solutions, Inc.	256,485
1,216	NetApp, Inc.	111,860
1,109	Seagate Technology Holdings PLC	125,295
1,771	TE Connectivity Ltd.	285,733
251	Teledyne Technologies, Inc.*	109,659
1,357	Trimble, Inc.*	118,317
1,631	Western Digital Corp.*	106,357
291	Zebra Technologies Corp., Class A*	173,203
		19,379,444
Telecommunication Services – 1.2%		
39,003	AT&T, Inc.	959,474
4,795	Lumen Technologies, Inc.	60,177
3,253	T-Mobile US, Inc.*	377,283
22,628	Verizon Communications, Inc.	1,175,751
		2,572,685
Transportation – 1.7%		
699	Alaska Air Group, Inc.*	36,418
3,649	American Airlines Group, Inc.*	65,536
697	C.H. Robinson Worldwide, Inc.	75,018
12,065	CSX Corp.	453,644
3,380	Delta Air Lines, Inc.*	132,090
947	Expeditors International of Washington, Inc.	127,173
1,338	FedEx Corp.	346,060
467	J.B. Hunt Transport Services, Inc.	95,455
1,322	Norfolk Southern Corp.	393,573
503	Old Dominion Freight Line, Inc.	180,265
3,159	Southwest Airlines Co.*	135,331
3,531	Union Pacific Corp.	889,565
1,817	United Airlines Holdings, Inc.*	79,548
3,970	United Parcel Service, Inc., Class B	850,930
		3,860,606
Utilities – 2.5%		
3,755	AES Corp. (The)	91,246
1,324	Alliant Energy Corp.	81,386

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Utilities – (continued)		
1,349	Ameren Corp.	$ 120,074
2,683	American Electric Power Co., Inc.	238,707
988	American Water Works Co., Inc.	186,594
741	Atmos Energy Corp.	77,635
3,377	CenterPoint Energy, Inc.	94,252
1,628	CMS Energy Corp.	105,901
1,885	Consolidated Edison, Inc.	160,828
4,421	Dominion Energy, Inc.	347,314
1,045	DTE Energy Co.	124,919
4,178	Duke Energy Corp.	438,272
2,087	Edison International	142,438
1,074	Entergy Corp.	120,986
1,244	Evergy, Inc.	85,351
1,869	Eversource Energy	170,042
5,305	Exelon Corp.	306,417
2,868	FirstEnergy Corp.	119,280
10,690	NextEra Energy, Inc.	998,018
2,089	NiSource, Inc.	57,677
1,276	NRG Energy, Inc.	54,970
601	Pinnacle West Capital Corp.	42,425
4,128	PPL Corp.	124,088
2,697	Public Service Enterprise Group, Inc.	179,971
1,757	Sempra Energy	232,416
5,872	Southern Co. (The)	402,702
1,686	WEC Energy Group, Inc.	163,660
3,010	Xcel Energy, Inc.	203,777
		5,471,346
TOTAL INVESTMENTS – 99.9% (Cost $51,836,842)		$220,600,512
OTHER ASSETS IN EXCESS OF LIABILITIES – 0.1%		311,782
NET ASSETS – 100.0%		$220,912,294

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) Represents an affiliated issuer.

Investment Abbreviations:
PLC —Public Limited Company
REIT—Real Estate Investment Trust

ADDITIONAL INVESTMENT INFORMATION

FUTURES CONTRACTS — At December 31, 2021, the Fund had the following futures contracts:

Description	Number of Contracts	Expiration Date	Notional Amount	Unrealized Appreciation/ (Depreciation)
Long position contracts:				
S&P 500 E-Mini Index	5	03/18/22	$1,175,722	$13,903
Total Futures Contracts				$13,903

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 98.8%		
Automobiles & Components – 1.2%		
5,744	Aptiv PLC*	$ 947,473
Banks – 0.7%		
806	SVB Financial Group*	546,661
Capital Goods – 10.6%		
5,932	AMETEK, Inc.	872,241
29,695	AZEK Co., Inc. (The)*	1,373,097
3,426	Cummins, Inc.	747,348
10,595	Fortive Corp.	808,292
7,093	ITT, Inc.	724,834
4,589	Rockwell Automation, Inc.	1,600,873
6,121	Trane Technologies PLC	1,236,625
1,310	TransDigm Group, Inc.*	833,527
		8,196,837
Commercial & Professional Services – 4.8%		
17,567	CoStar Group, Inc.*	1,388,320
5,120	TransUnion	607,130
7,491	Verisk Analytics, Inc.	1,713,416
		3,708,866
Consumer Durables & Apparel – 2.3%		
4,388	Lululemon Athletica, Inc.*	1,717,683
2,266	On Holding AG, Class A (Switzerland)*	85,677
		1,803,360
Consumer Services – 2.9%		
9,845	Expedia Group, Inc.*	1,779,188
3,271	Yum! Brands, Inc.	454,211
		2,233,399
Diversified Financials – 2.1%		
7,266	Ares Management Corp., Class A	590,508
1,448	MarketAxess Holdings, Inc.	595,519
3,998	Tradeweb Markets, Inc., Class A	400,360
		1,586,387
Energy – 0.9%		
3,909	Pioneer Natural Resources Co.	710,969
Food, Beverage & Tobacco – 3.8%		
12,237	Coca-Cola Europacific Partners PLC (United Kingdom)	684,415
12,599	McCormick & Co., Inc.	1,217,189
65,550	Utz Brands, Inc.	1,045,523
		2,947,127
Health Care Equipment & Services – 7.8%		
943	Align Technology, Inc.*	619,721
9,867	Guardant Health, Inc.*	986,897
2,249	IDEXX Laboratories, Inc.*	1,480,876
5,323	Insulet Corp.*	1,416,291
5,893	Veeva Systems, Inc., Class A*	1,505,544
		6,009,329

Shares	Description	Value
Common Stocks – (continued)		
Insurance – 0.7%		
13,423	Ryan Specialty Group Holdings, Inc., Class A*	$ 541,618
Materials – 4.2%		
3,806	Ashland Global Holdings, Inc.	409,754
14,292	Ball Corp.	1,375,891
17,684	Danimer Scientific, Inc.*	150,668
1,550	Martin Marietta Materials, Inc.	682,806
3,610	PPG Industries, Inc.	622,508
		3,241,627
Media & Entertainment – 5.3%		
7,437	Bumble, Inc., Class A*	251,817
14,165	Discovery, Inc., Class A*[(a)]	333,444
10,310	Live Nation Entertainment, Inc.*	1,234,004
9,149	Match Group, Inc.*	1,209,955
2,786	Roku, Inc.*	635,765
9,888	Twitter, Inc.*	427,360
		4,092,345
Pharmaceuticals, Biotechnology & Life Sciences – 12.0%		
8,540	Adaptive Biotechnologies Corp.*	239,632
7,354	Agilent Technologies, Inc.	1,174,066
3,449	Alnylam Pharmaceuticals, Inc.*	584,881
745	Argenx SE ADR (Netherlands)*	260,892
10,812	Avantor, Inc.*	455,618
10,052	Catalent, Inc.*	1,286,958
11,396	Genmab A/S ADR (Denmark)*	450,826
9,104	Neurocrine Biosciences, Inc.*	775,388
1,329	Novavax, Inc.*	190,140
5,831	PerkinElmer, Inc.	1,172,381
4,854	Seagen, Inc.*	750,428
4,136	West Pharmaceutical Services, Inc.	1,939,825
		9,281,035
Real Estate – 0.8%		
7,345	Equity LifeStyle Properties, Inc. REIT	643,863
Retailing – 5.6%		
2,669	Burlington Stores, Inc.*	778,040
6,917	Etsy, Inc.*	1,514,408
380	O'Reilly Automotive, Inc.*	268,367
1,356	RH*	726,735
2,608	Ulta Beauty, Inc.*	1,075,383
		4,362,933
Semiconductors & Semiconductor Equipment – 6.2%		
6,582	Entegris, Inc.	912,134
12,572	Marvell Technology, Inc.	1,099,924
4,783	MKS Instruments, Inc.	833,055
19,415	ON Semiconductor Corp.*	1,318,667
1,118	SolarEdge Technologies, Inc.*	313,677
2,958	Wolfspeed, Inc.*	330,616
		4,808,073

Shares	Description	Value
Common Stocks – (continued)		
Software & Services – 20.8%		
3,992	Affirm Holdings, Inc.*	$ 401,435
2,967	ANSYS, Inc.*	1,190,123
4,011	Bill.com Holdings, Inc.*	999,341
10,927	Cadence Design Systems, Inc.*	2,036,247
11,131	Dlocal Ltd. (Uruguay)*	397,265
6,631	DocuSign, Inc.*	1,009,968
16,544	Dynatrace, Inc.*	998,430
627	EPAM Systems, Inc.*	419,118
1,787	HubSpot, Inc.*	1,177,901
3,796	Okta, Inc.*	850,949
3,980	Palo Alto Networks, Inc.*	2,215,905
2,306	Paycom Software, Inc.*	957,428
3,738	Procore Technologies, Inc.*[a]	298,928
1,646	RingCentral, Inc., Class A*	308,378
9,428	Splunk, Inc.*	1,091,008
7,501	UiPath, Inc., Class A*	323,518
4,509	Zscaler, Inc.*	1,448,877
		16,124,819
Technology Hardware & Equipment – 3.4%		
14,448	Amphenol Corp., Class A	1,263,622
6,689	Keysight Technologies, Inc.*	1,381,345
		2,644,967
Transportation – 2.7%		
4,292	Old Dominion Freight Line, Inc.	1,538,167
1,712	Saia, Inc.*	576,995
		2,115,162
TOTAL COMMON STOCKS (Cost $52,412,741)		$ 76,546,850

Shares	Dividend Rate	Value
Investment Company – 1.2%[b]		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
933,690	0.026%	933,690
(Cost $933,690)		
TOTAL INVESTMENTS BEFORE SECURITIES LENDING REINVESTMENT VEHICLE (Cost $53,346,431)		$ 77,480,540

Shares	Dividend Rate	Value
Securities Lending Reinvestment Vehicle – 0.9%[b]		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
688,836	0.026%	$ 688,836
(Cost $688,836)		
TOTAL INVESTMENTS – 100.9% (Cost $54,035,267)		$ 78,169,376
LIABILITIES IN EXCESS OF OTHER ASSETS – (0.9)%		(700,870)
NET ASSETS – 100.0%		$ 77,468,506

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) All or a portion of security is on loan.

(b) Represents an affiliated issuer.

Investment Abbreviations:
ADR—American Depositary Receipt
PLC —Public Limited Company
REIT—Real Estate Investment Trust

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 97.2%		
Australia – 9.1%		
3,740	ASX Ltd. (Diversified Financials)	$ 252,765
47,906	Australia & New Zealand Banking Group Ltd. (Banks)	959,622
34,859	BHP Group PLC (Materials)	1,037,221
4,063	Charter Hall Group REIT (Real Estate)	60,782
19,595	Commonwealth Bank of Australia (Banks)	1,440,454
529	Domino's Pizza Enterprises Ltd. (Consumer Services)	45,405
16,046	Endeavour Group Ltd. (Food & Staples Retailing)	78,743
49,768	Glencore PLC (Materials)*	253,582
50,536	Goodman Group REIT (Real Estate)	974,174
4,476	Iluka Resources Ltd. (Materials)	32,997
543	Macquarie Group Ltd. (Diversified Financials)	81,171
22,230	Mineral Resources Ltd. (Materials)	908,002
83,451	Myer Holdings Ltd. (Retailing)*	27,344
17,570	Rio Tinto PLC ADR (Materials)	1,176,136
5,426	Sonic Healthcare Ltd. (Health Care Equipment & Services)	184,030
248,815	Telstra Corp. Ltd. (Telecommunication Services)	756,199
77,213	Treasury Wine Estates Ltd. (Food, Beverage & Tobacco)	696,179
30,516	Woolworths Group Ltd. (Food & Staples Retailing)	843,571
		9,808,377
Canada – 0.1%		
27,179	International Petroleum Corp. (Energy)*	149,893
China – 0.4%		
178,200	Chow Tai Fook Jewellery Group Ltd. (Retailing)*	321,095
15,000	SITC International Holdings Co. Ltd. (Transportation)	54,250
		375,345
Denmark – 3.3%		
177	AP Moller – Maersk A/S, Class A (Transportation)	587,209
131	AP Moller – Maersk A/S, Class B (Transportation)	467,580
193	Chemometec A/S (Pharmaceuticals, Biotechnology & Life Sciences)	24,439
2,014	Huscompagniet A/S (Consumer Durables & Apparel)	36,506
15,891	Novo Nordisk A/S, Class B (Pharmaceuticals, Biotechnology & Life Sciences)	1,784,970
1,379	Pandora A/S (Consumer Durables & Apparel)	171,535

Shares	Description	Value
Common Stocks – (continued)		
Denmark – (continued)		
3,940	Solar A/S, Class B (Capital Goods)	$ 479,528
		3,551,767
Finland – 1.6%		
17,559	Kesko OYJ, Class B (Food & Staples Retailing)	585,256
23,745	Nokia OYJ (Technology Hardware & Equipment)*	150,394
63,059	Nordea Bank Abp (Banks)	769,228
13,517	Nordea Bank Abp (Banks)	165,612
1,367	Sampo OYJ, Class A (Insurance)	68,416
		1,738,906
France – 11.0%		
759	Air Liquide SA (Materials)	132,373
11,061	AXA SA (Insurance)	329,212
93	Capgemini SE (Software & Services)	22,792
12,131	Cie de Saint-Gobain (Capital Goods)	853,375
15,170	Dassault Systemes SE (Software & Services)	900,270
13,358	Electricite de France SA (Utilities)	157,108
557	Hermes International (Consumer Durables & Apparel)	973,289
280	Ipsen SA (Pharmaceuticals, Biotechnology & Life Sciences)	25,623
1,571	IPSOS (Media & Entertainment)	73,592
1,357	Kering SA (Consumer Durables & Apparel)	1,088,793
7,670	Legrand SA (Capital Goods)	898,320
2,539	LVMH Moet Hennessy Louis Vuitton SE (Consumer Durables & Apparel)	2,098,317
4,042	Pernod Ricard SA (Food, Beverage & Tobacco)	972,417
11,004	Publicis Groupe SA (Media & Entertainment)	741,385
2,577	Renault SA (Automobiles & Components)*	89,397
35,739	Rexel SA (Capital Goods)*	723,804
1,437	Sartorius Stedim Biotech (Pharmaceuticals, Biotechnology & Life Sciences)	789,210
26,419	Societe Generale SA (Banks)	907,988
		11,777,265
Germany – 8.3%		
685	Bayerische Motoren Werke AG (Automobiles & Components)	68,529
7,793	Brenntag SE (Capital Goods)	703,739
8,776	Covestro AG (Materials)[a]	540,146
6,664	Daimler AG (Automobiles & Components)	509,158
4,057	Daimler Truck Holding AG (Capital Goods)*	149,144
10,295	Deutsche Bank AG (Diversified Financials)*	128,225
559	Deutsche Boerse AG (Diversified Financials)	93,339

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Germany – (continued)		
17,757	Deutsche Post AG (Transportation)	$ 1,142,145
26,536	Deutsche Telekom AG (Telecommunication Services)	490,319
3,911	DWS Group GmbH & Co. KGaA (Diversified Financials)[a]	157,715
66,113	E.ON SE (Utilities)	918,803
4,405	Gerresheimer AG (Pharmaceuticals, Biotechnology & Life Sciences)	423,537
912	Hapag-Lloyd AG (Transportation)[a]	286,748
1,442	HUGO BOSS AG (Consumer Durables & Apparel)	87,290
19,675	Infineon Technologies AG (Semiconductors & Semiconductor Equipment)	905,808
3,946	Merck KGaA (Pharmaceuticals, Biotechnology & Life Sciences)	1,015,138
582	Rheinmetall AG (Capital Goods)	54,772
3,024	SAP SE (Software & Services)	425,597
10,943	Siemens Healthineers AG (Health Care Equipment & Services)[a]	815,902
		8,916,054
Hong Kong – 2.2%		
133,200	AIA Group Ltd. (Insurance)	1,344,367
30,500	CK Asset Holdings Ltd. (Real Estate)	192,393
25,500	CK Infrastructure Holdings Ltd. (Utilities)	162,466
55,500	Sun Hung Kai Properties Ltd. (Real Estate)	673,451
1,000	Techtronic Industries Co. Ltd. (Capital Goods)	19,935
		2,392,612
Israel – 0.0%		
2,710	Plus500 Ltd. (Diversified Financials)	49,989
Italy – 0.5%		
3,828	BFF Bank SpA (Diversified Financials)[a]	30,782
4,041	Moncler SpA (Consumer Durables & Apparel)	292,037
14,700	PRADA SpA (Consumer Durables & Apparel)	94,128
549	Reply SpA (Software & Services)	111,506
		528,453
Japan – 25.2%		
93,700	Acom Co. Ltd. (Diversified Financials)	269,752
1,400	Albis Co. Ltd. (Food & Staples Retailing)	27,335
62,100	Amada Co. Ltd. (Capital Goods)	614,906
7,200	Astellas Pharma, Inc. (Pharmaceuticals, Biotechnology & Life Sciences)	117,184
2,900	CAC Holdings Corp. (Software & Services)	36,608

Shares	Description	Value
Common Stocks – (continued)		
Japan – (continued)		
7,000	Canon, Inc. (Technology Hardware & Equipment)	$ 170,756
39,500	Casio Computer Co. Ltd. (Consumer Durables & Apparel)	508,623
15,400	Citizen Watch Co. Ltd. (Technology Hardware & Equipment)	66,658
3,100	Concordia Financial Group Ltd. (Banks)	11,258
21,600	Daiwa House Industry Co. Ltd. (Real Estate)	620,764
22,600	Daiwa Securities Group, Inc. (Diversified Financials)	127,532
7,600	DTS Corp. (Software & Services)	166,921
900	Eizo Corp. (Technology Hardware & Equipment)	31,628
19,900	France Bed Holdings Co. Ltd. (Health Care Equipment & Services)	159,495
100	Fujitsu Ltd. (Software & Services)	17,183
27,000	Futaba Corp. (Capital Goods)	164,102
900	Hakuhodo DY Holdings, Inc. (Media & Entertainment)	14,976
500	Hamamatsu Photonics KK (Technology Hardware & Equipment)	31,935
8,900	Hino Motors Ltd. (Capital Goods)	73,389
700	Hisamitsu Pharmaceutical Co., Inc. (Pharmaceuticals, Biotechnology & Life Sciences)	24,181
12,500	Hokkaido Gas Co. Ltd. (Utilities)	165,807
500	Hoya Corp. (Health Care Equipment & Services)	74,196
9,000	Iida Group Holdings Co. Ltd. (Consumer Durables & Apparel)	209,317
5,300	I-PEX, Inc. (Technology Hardware & Equipment)	90,187
22,500	Isuzu Motors Ltd. (Automobiles & Components)	280,046
2,200	ITOCHU Corp. (Capital Goods)	67,307
7,200	J Front Retailing Co. Ltd. (Retailing)	65,562
700	Japan Petroleum Exploration Co. Ltd. (Energy)	15,243
39,200	Japan Post Holdings Co. Ltd. (Insurance)*	305,379
6,100	JDC Corp. (Capital Goods)	29,702
6,000	Kansai Electric Power Co., Inc. (The) (Utilities)	56,082
12,500	Kao Corp. (Household & Personal Products)	654,679
1,000	KDDI Corp. (Telecommunication Services)	29,244
9,800	Komatsu Ltd. (Capital Goods)	229,183
7,600	Komori Corp. (Capital Goods)	45,457
6,300	Konami Holdings Corp. (Media & Entertainment)	302,397
12,600	Kyocera Corp. (Technology Hardware & Equipment)	787,828

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Japan – (continued)		
8,200	Mars Group Holdings Corp. (Consumer Durables & Apparel)	$ 120,121
1,000	Marui Group Co. Ltd. (Retailing)	18,831
2,900	Meiji Electric Industries Co. Ltd. (Capital Goods)	31,885
3,000	Mimasu Semiconductor Industry Co. Ltd. (Semiconductors & Semiconductor Equipment)	69,138
4,400	MINEBEA MITSUMI, Inc. (Capital Goods)	125,020
23,700	Mitsubishi Electric Corp. (Capital Goods)	300,825
8,900	Mitsubishi Estate Co. Ltd. (Real Estate)	123,465
4,900	Mitsubishi Gas Chemical Co., Inc. (Materials)	83,062
133,900	Mitsubishi HC Capital, Inc. (Diversified Financials)	662,475
1,900	Mitsubishi Shokuhin Co. Ltd. (Food & Staples Retailing)	45,706
8,000	Mitsui & Co. Ltd. (Capital Goods)	189,583
9,400	Mitsui OSK Lines Ltd. (Transportation)	698,649
64,900	Mizuho Financial Group, Inc. (Banks)	824,311
400	MS&AD Insurance Group Holdings, Inc. (Insurance)	12,317
1,400	Nakamoto Packs Co. Ltd. (Commercial & Professional Services)	21,261
15,400	NEC Corp. (Software & Services)	712,091
7,200	Nexon Co. Ltd. (Media & Entertainment)	139,221
40,100	NGK Insulators Ltd. (Capital Goods)	678,693
21,900	Nikon Corp. (Consumer Durables & Apparel)	235,911
8,400	Nippon Express Co. Ltd. (Transportation)	502,697
17,400	Nippon Telegraph & Telephone Corp. (Telecommunication Services)	475,860
5,300	Nippon Thompson Co. Ltd. (Capital Goods)	31,419
5,800	Nippon Yusen KK (Transportation)	442,267
95,000	Nissan Motor Co. Ltd. (Automobiles & Components)*	457,572
9,300	Nitto Denko Corp. (Materials)	718,448
137,300	Nomura Holdings, Inc. (Diversified Financials)	598,031
40,900	NTT Data Corp. (Software & Services)	877,355
5,000	Oji Holdings Corp. (Materials)	24,226
11,700	Olympus Corp. (Health Care Equipment & Services)	269,419
1,900	Optex Group Co. Ltd. (Technology Hardware & Equipment)	27,130
43,000	ORIX Corp. (Diversified Financials)	877,552
5,400	Osaka Gas Co. Ltd. (Utilities)	89,312

Shares	Description	Value
Common Stocks – (continued)		
Japan – (continued)		
2,700	Paramount Bed Holdings Co. Ltd. (Health Care Equipment & Services)	$ 45,801
2,600	PHC Holdings Corp. (Health Care Equipment & Services)*	47,127
2,200	Renesas Electronics Corp. (Semiconductors & Semiconductor Equipment)*	27,326
75,200	Ricoh Co. Ltd. (Technology Hardware & Equipment)	700,947
2,100	Rion Co. Ltd. (Health Care Equipment & Services)	42,986
1,500	Round One Corp. (Consumer Services)	17,785
700	S Foods, Inc. (Food, Beverage & Tobacco)	21,193
34,000	Sekisui House Ltd. (Consumer Durables & Apparel)	731,536
700	Shimamura Co. Ltd. (Retailing)	58,745
5,300	Shinko Electric Industries Co. Ltd. (Semiconductors & Semiconductor Equipment)	252,499
21,200	Showa Denko KK (Materials)	445,776
13,000	SoftBank Group Corp. (Telecommunication Services)	623,222
54,600	Sumitomo Corp. (Capital Goods)	808,047
4,000	Sumitomo Dainippon Pharma Co. Ltd. (Pharmaceuticals, Biotechnology & Life Sciences)	46,150
8,200	Sumitomo Forestry Co. Ltd. (Consumer Durables & Apparel)	158,517
6,900	Sumitomo Heavy Industries Ltd. (Capital Goods)	167,482
21,100	Sumitomo Mitsui Financial Group, Inc. (Banks)	720,508
11,100	Suntory Beverage & Food Ltd. (Food, Beverage & Tobacco)	401,964
25,500	Takeda Pharmaceutical Co. Ltd. (Pharmaceuticals, Biotechnology & Life Sciences)	696,362
6,100	Tokio Marine Holdings, Inc. (Insurance)	339,585
33,000	Tokyo Gas Co. Ltd. (Utilities)	592,362
15,200	Tokyo Seimitsu Co. Ltd. (Semiconductors & Semiconductor Equipment)	673,267
4,200	Tokyotokeiba Co. Ltd. (Consumer Services)	155,566
21,000	TOPPAN, Inc. (Commercial & Professional Services)	394,080
20,100	Tosoh Corp. (Materials)	298,616
5,700	Toyota Motor Corp. (Automobiles & Components)	105,351
15,400	Toyota Tsusho Corp. (Capital Goods)	709,890
1,100	Ulvac, Inc. (Semiconductors & Semiconductor Equipment)	68,808
2,900	Ushio, Inc. (Capital Goods)	48,182

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Japan – (continued)		
20,300	Yamaha Motor Co. Ltd. (Automobiles & Components)	$ 487,588
5,800	Yamaichi Electronics Co. Ltd. (Semiconductors & Semiconductor Equipment)	117,271
		27,151,194
Luxembourg – 0.7%		
6,361	Eurofins Scientific SE (Pharmaceuticals, Biotechnology & Life Sciences)	788,075
Netherlands – 5.7%		
1,984	ASM International NV (Semiconductors & Semiconductor Equipment)	875,773
3,260	ASML Holding NV (Semiconductors & Semiconductor Equipment)	2,611,330
738	BE Semiconductor Industries NV (Semiconductors & Semiconductor Equipment)	62,740
25,518	Koninklijke Ahold Delhaize NV (Food & Staples Retailing)	875,685
3,442	OCI NV (Materials)*	89,843
48,293	Royal Dutch Shell PLC, Class A (Energy)	1,056,402
7,076	Royal Dutch Shell PLC, Class B ADR (Energy)	306,745
4,369	Signify NV (Capital Goods)[a]	202,861
		6,081,379
New Zealand – 0.4%		
131,950	Spark New Zealand Ltd. (Telecommunication Services)	408,054
Norway – 2.1%		
18,152	Aker BP ASA (Energy)	558,149
6,662	Equinor ASA (Energy)	176,405
13,331	Golden Ocean Group Ltd. (Transportation)	119,937
1,299	Kid ASA (Retailing)[a]	16,609
5,032	Nordic Semiconductor ASA (Semiconductors & Semiconductor Equipment)*	168,757
97,096	Norsk Hydro ASA (Materials)	764,009
19,476	Stolt-Nielsen Ltd. (Transportation)	299,991
21,290	Wallenius Wilhelmsen ASA (Transportation)*	122,326
		2,226,183
Portugal – 0.2%		
16,773	Galp Energia SGPS SA (Energy)	162,751
Singapore – 1.0%		
97,300	Oversea-Chinese Banking Corp. Ltd. (Banks)	823,522

Shares	Description	Value
Common Stocks – (continued)		
Singapore – (continued)		
6,073	STMicroelectronics NV (Semiconductors & Semiconductor Equipment)	$ 299,635
		1,123,157
South Africa – 0.9%		
24,581	Anglo American PLC (Materials)	1,011,073
Spain – 1.6%		
5,105	Acerinox SA (Materials)	65,695
68,666	Banco Bilbao Vizcaya Argentaria SA (Banks)	407,257
23,689	Bankinter SA (Banks)	120,699
3,451	Grifols SA (Pharmaceuticals, Biotechnology & Life Sciences)	66,406
88,636	Iberdrola SA (Utilities)	1,049,450
		1,709,507
Sweden – 4.1%		
6,911	Getinge AB, Class B (Health Care Equipment & Services)	301,196
980	Industrivarden AB, Class A (Diversified Financials)	31,139
677	Investor AB, Class A (Diversified Financials)	17,810
18,843	Investor AB, Class B (Diversified Financials)	472,833
18,591	Lundin Energy AB (Energy)	665,238
3,420	New Wave Group AB, Class B (Consumer Durables & Apparel)	63,509
5,993	Sandvik AB (Capital Goods)	167,046
19,216	Svenska Handelsbanken AB, Class A (Banks)	207,685
34,816	Swedbank AB, Class A (Banks)	699,657
79,394	Telefonaktiebolaget LM Ericsson, Class B (Technology Hardware & Equipment)	873,575
37,133	Volvo AB, Class B (Capital Goods)	858,757
		4,358,445
Switzerland – 7.5%		
30,463	ABB Ltd. (Capital Goods)	1,161,030
150	Bachem Holding AG, Class B (Pharmaceuticals, Biotechnology & Life Sciences)	117,457
370	Baloise Holding AG (Insurance)	60,389
2,349	Kuehne + Nagel International AG (Transportation)	756,513
1,257	Lonza Group AG (Pharmaceuticals, Biotechnology & Life Sciences)	1,046,564
8,394	Nestle SA (Food, Beverage & Tobacco)	1,171,948
828	Novartis AG (Pharmaceuticals, Biotechnology & Life Sciences)	72,758
4,249	Roche Holding AG (Pharmaceuticals, Biotechnology & Life Sciences)	1,762,745

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Switzerland – (continued)		
1,194	Tecan Group AG (Pharmaceuticals, Biotechnology & Life Sciences)	$ 725,195
59,597	UBS Group AG (Diversified Financials)	1,069,724
139	VAT Group AG (Capital Goods)[a]	68,878
		8,013,201
United Kingdom – 8.6%		
143,425	Aviva PLC (Insurance)	799,477
7,836	Barclays PLC (Banks)	19,960
885	Bellway PLC (Consumer Durables & Apparel)	40,223
31,561	British American Tobacco PLC (Food, Beverage & Tobacco)	1,171,915
89,500	CK Hutchison Holdings Ltd. (Capital Goods)	576,239
4,100	Clarkson PLC (Transportation)	215,323
907	DCC PLC (Capital Goods)	74,250
12,387	Diageo PLC (Food, Beverage & Tobacco)	677,273
2,761	GlaxoSmithKline PLC ADR (Pharmaceuticals, Biotechnology & Life Sciences)	121,760
34,752	Imperial Brands PLC (Food, Beverage & Tobacco)	761,584
3,743	Inchcape PLC (Retailing)	46,078
5,658	InterContinental Hotels Group PLC (Consumer Services)*	365,785
6,155	Legal & General Group PLC (Insurance)	24,856
3,577	London Stock Exchange Group PLC (Diversified Financials)	336,489
58,078	Man Group PLC (Diversified Financials)	178,763
106,362	Melrose Industries PLC (Capital Goods)	231,315
5,841	Next PLC (Retailing)	646,033
4,815	Persimmon PLC (Consumer Durables & Apparel)	186,625
27,211	Prudential PLC (Insurance)	470,556
2,948	Spectris PLC (Technology Hardware & Equipment)	146,738
36,311	SSE PLC (Utilities)	811,740
2,402	Tate & Lyle PLC (Food, Beverage & Tobacco)	21,610
207,205	Taylor Wimpey PLC (Consumer Durables & Apparel)	494,004
39,115	Vodafone Group PLC ADR (Telecommunication Services)	583,987
16,623	WPP PLC (Media & Entertainment)	253,131
		9,255,714
United States – 2.7%		
2,200	Ferguson PLC (Capital Goods)	390,779
41,311	Reliance Worldwide Corp. Ltd. (Capital Goods)	188,767

Shares	Description	Value
Common Stocks – (continued)		
United States – (continued)		
7,528	Schneider Electric SE (Capital Goods)	$ 1,479,973
46,582	Stellantis NV (Automobiles & Components)	879,403
		2,938,922
TOTAL COMMON STOCKS (Cost $95,700,636)		$104,516,316

Shares	Description	Rate	Value
Preferred Stocks – 0.9%			
Germany – 0.9%			
2,004	Bayerische Motoren Werke AG (Automobiles & Components)	2.62%	$ 166,185
4,176	Volkswagen AG (Automobiles & Components)	2.57	838,889
TOTAL PREFERRED STOCKS (Cost $950,431)			$ 1,005,074
TOTAL INVESTMENTS – 98.1% (Cost $96,651,067)			$105,521,390
OTHER ASSETS IN EXCESS OF LIABILITIES – 1.9%			2,029,386
NET ASSETS – 100.0%			$107,550,776

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) Exempt from registration under Rule 144A of the Securities Act of 1933.

Investment Abbreviations:
ADR— American Depositary Receipt
PLC — Public Limited Company
REIT— Real Estate Investment Trust

ADDITIONAL INVESTMENT INFORMATION

FUTURES CONTRACTS — At December 31, 2021, the Fund had the following futures contracts:

Description	Number of Contracts	Expiration Date	Notional Amount	Unrealized Appreciation/ (Depreciation)
Long position contracts:				
FTSE 100 Index	1	03/18/22	$ 94,865	$1,919
SPI 200 Index	1	03/17/22	130,079	869
Total Futures Contracts				$2,788

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 99.6%		
Automobiles & Components – 1.3%		
110,511	General Motors Co.*	$ 6,479,260
Banks – 8.5%		
318,015	Bank of America Corp.	14,148,487
106,884	JPMorgan Chase & Co.	16,925,081
43,503	M&T Bank Corp.	6,681,191
59,934	Truist Financial Corp.	3,509,136
		41,263,895
Capital Goods – 5.4%		
30,895	Eaton Corp. PLC	5,339,274
82,979	General Electric Co.	7,839,026
8,894	Honeywell International, Inc.	1,854,488
19,630	Illinois Tool Works, Inc.	4,844,684
31,388	L3Harris Technologies, Inc.	6,693,177
		26,570,649
Commercial & Professional Services – 0.6%		
23,058	Waste Connections, Inc.	3,142,114
Consumer Services – 1.4%		
26,406	McDonald's Corp.	7,078,656
Diversified Financials – 7.1%		
22,409	American Express Co.	3,666,113
17,466	Berkshire Hathaway, Inc., Class B*	5,222,334
9,756	BlackRock, Inc.	8,932,203
95,297	Charles Schwab Corp. (The)	8,014,478
88,820	Morgan Stanley	8,718,571
		34,553,699
Energy – 5.2%		
87,174	Chevron Corp.	10,229,869
97,435	ConocoPhillips	7,032,858
121,570	Devon Energy Corp.	5,355,158
35,619	Hess Corp.	2,636,875
		25,254,760
Food, Beverage & Tobacco – 5.5%		
36,869	Archer-Daniels-Midland Co.	2,491,976
90,924	Coca-Cola Co. (The)	5,383,610
20,908	Constellation Brands, Inc., Class A	5,247,281
63,275	General Mills, Inc.	4,263,469
38,847	Lamb Weston Holdings, Inc.	2,462,123
103,311	Mondelez International, Inc., Class A	6,850,552
		26,699,011
Health Care Equipment & Services – 6.8%		
149,735	Boston Scientific Corp.*	6,360,743
79,711	CVS Health Corp.	8,222,987
10,528	Guardant Health, Inc.*	1,053,010
13,534	Humana, Inc.	6,277,881
57,062	Medtronic PLC	5,903,064
42,272	Zimmer Biomet Holdings, Inc.	5,370,235
		33,187,920

Shares	Description	Value
Common Stocks – (continued)		
Household & Personal Products – 3.2%		
94,143	Procter & Gamble Co. (The)	$ 15,399,912
Insurance – 4.5%		
35,162	Chubb Ltd.	6,797,166
38,822	Globe Life, Inc.	3,638,398
92,212	MetLife, Inc.	5,762,328
54,093	Progressive Corp. (The)	5,552,646
		21,750,538
Materials – 5.5%		
22,596	Ashland Global Holdings, Inc.	2,432,685
59,546	Ball Corp.	5,732,493
14,601	Ecolab, Inc.	3,425,249
76,113	Freeport-McMoRan, Inc.	3,176,195
14,918	Linde PLC (United Kingdom)	5,168,043
15,540	Martin Marietta Materials, Inc.	6,845,681
		26,780,346
Media & Entertainment – 3.1%		
2,514	Alphabet, Inc., Class A*	7,283,159
76,517	New York Times Co. (The), Class A	3,695,771
26,129	Walt Disney Co. (The)*	4,047,121
		15,026,051
Pharmaceuticals, Biotechnology & Life Sciences – 10.6%		
4,831	Alnylam Pharmaceuticals, Inc.*	819,241
3,225	Argenx SE ADR (Netherlands)*	1,129,363
69,647	AstraZeneca PLC ADR (United Kingdom)	4,056,938
63,905	Avantor, Inc.*	2,692,957
5,476	Biogen, Inc.*	1,313,802
134,105	Bristol-Myers Squibb Co.	8,361,447
18,884	Eli Lilly & Co.	5,216,138
74,424	Johnson & Johnson	12,731,714
14,503	Neurocrine Biosciences, Inc.*	1,235,220
28,172	PerkinElmer, Inc.	5,664,262
6,873	Seagen, Inc.*	1,062,566
11,083	Thermo Fisher Scientific, Inc.	7,395,021
		51,678,669
Real Estate – 4.6%		
21,026	Alexandria Real Estate Equities, Inc. REIT	4,687,957
19,432	AvalonBay Communities, Inc. REIT	4,908,329
29,939	Boston Properties, Inc. REIT	3,448,374
28,816	Prologis, Inc. REIT	4,851,462
11,584	Public Storage REIT	4,338,903
		22,235,025
Retailing – 2.8%		
11,357	O'Reilly Automotive, Inc.*	8,020,654
23,882	Target Corp.	5,527,250
		13,547,904
Semiconductors & Semiconductor Equipment – 4.0%		
9,904	KLA Corp.	4,259,809
70,051	Marvell Technology, Inc.	6,128,762

Shares	Description	Value
Common Stocks – (continued)		
Semiconductors & Semiconductor Equipment – (continued)		
36,330	ON Semiconductor Corp.*	$ 2,467,534
22,825	Texas Instruments, Inc.	4,301,828
21,591	Wolfspeed, Inc.*	2,413,226
		19,571,159
Software & Services – 6.3%		
63,369	Cognizant Technology Solutions Corp., Class A	5,622,098
34,949	Fidelity National Information Services, Inc.	3,814,683
60,660	International Business Machines Corp.	8,107,816
37,933	salesforce.com, Inc.*	9,639,913
32,507	Splunk, Inc.*	3,761,710
		30,946,220
Technology Hardware & Equipment – 2.2%		
167,606	Cisco Systems, Inc.	10,621,192
Telecommunication Services – 1.9%		
370,000	AT&T, Inc.	9,102,000
Transportation – 4.0%		
20,119	Norfolk Southern Corp.	5,989,628
33,277	Union Pacific Corp.	8,383,475
122,330	United Airlines Holdings, Inc.*	5,355,607
		19,728,710
Utilities – 5.1%		
47,542	Ameren Corp.	4,231,714
24,273	Atmos Energy Corp.	2,543,082
55,418	CMS Energy Corp.	3,604,941
103,807	NextEra Energy, Inc.	9,691,422
68,662	Xcel Energy, Inc.	4,648,417
		24,719,576
TOTAL COMMON STOCKS (Cost $362,219,381)		$485,337,266

Shares	Dividend Rate	Value
Investment Company – 0.6%[a]		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
2,751,464	0.026%	2,751,464
(Cost $2,751,464)		
TOTAL INVESTMENTS – 100.2% (Cost $364,970,845)		$488,088,730
LIABILITIES IN EXCESS OF OTHER ASSETS – (0.2)%		(826,654)
NET ASSETS – 100.0%		$487,262,076

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) Represents an affiliated issuer.

Investment Abbreviations:
ADR —American Depositary Receipt
PLC —Public Limited Company
REIT—Real Estate Investment Trust

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 99.2%		
Automobiles & Components – 1.4%		
48,085	Aptiv PLC*	$ 7,931,621
Banks – 6.7%		
111,413	Citizens Financial Group, Inc.	5,264,264
115,648	East West Bancorp, Inc.	9,099,185
60,005	M&T Bank Corp.	9,215,568
62,095	Pinnacle Financial Partners, Inc.	5,930,073
12,686	Signature Bank	4,103,540
4,853	SVB Financial Group*	3,291,499
		36,904,129
Capital Goods – 13.7%		
37,030	Allegion PLC	4,904,253
61,002	AMETEK, Inc.	8,969,734
40,128	Cummins, Inc.	8,753,522
103,868	Fastenal Co.	6,653,784
94,830	Fortive Corp.	7,234,581
17,189	IDEX Corp.	4,062,104
59,667	ITT, Inc.	6,097,371
30,991	L3Harris Technologies, Inc.	6,608,521
16,295	Rockwell Automation, Inc.	5,684,511
26,952	Trane Technologies PLC	5,445,112
10,596	TransDigm Group, Inc.*	6,742,023
41,387	Woodward, Inc.	4,530,221
		75,685,737
Commercial & Professional Services – 0.6%		
42,121	Booz Allen Hamilton Holding Corp.	3,571,440
Consumer Durables & Apparel – 1.4%		
60,995	Capri Holdings Ltd.*	3,959,185
31,136	Lennar Corp., Class A	3,616,758
		7,575,943
Consumer Services – 3.4%		
38,203	Expedia Group, Inc.*	6,904,046
68,881	Royal Caribbean Cruises Ltd.*	5,296,949
33,007	Wyndham Hotels & Resorts, Inc.	2,959,078
27,278	Yum! Brands, Inc.	3,787,823
		18,947,896
Diversified Financials – 2.5%		
78,551	Carlyle Group, Inc. (The)	4,312,450
50,168	Raymond James Financial, Inc.	5,036,867
47,011	State Street Corp.	4,372,023
		13,721,340
Energy – 4.4%		
164,714	Devon Energy Corp.	7,255,652
37,725	Diamondback Energy, Inc.	4,068,641
100,815	Hess Corp.	7,463,334
28,950	Pioneer Natural Resources Co.	5,265,426
		24,053,053
Food & Staples Retailing – 0.7%		
83,670	Performance Food Group Co.*	3,839,616

Shares	Description	Value
Common Stocks – (continued)		
Food, Beverage & Tobacco – 3.8%		
95,068	Coca-Cola Europacific Partners PLC (United Kingdom)	$ 5,317,153
15,920	Constellation Brands, Inc., Class A	3,995,442
48,383	Lamb Weston Holdings, Inc.	3,066,515
30,895	McCormick & Co., Inc.	2,984,766
215,274	Nomad Foods Ltd. (United Kingdom)*	5,465,807
		20,829,683
Health Care Equipment & Services – 5.1%		
55,995	AmerisourceBergen Corp.	7,441,176
70,825	Centene Corp.*	5,835,980
11,330	Cooper Cos., Inc. (The)	4,746,590
23,877	Guardant Health, Inc.*	2,388,177
20,194	Quest Diagnostics, Inc.	3,493,764
34,092	Zimmer Biomet Holdings, Inc.	4,331,048
		28,236,735
Insurance – 6.5%		
3,765	Alleghany Corp.*	2,513,476
20,615	American Financial Group, Inc.	2,830,852
141,952	Arch Capital Group Ltd.*	6,309,766
28,320	Arthur J Gallagher & Co.	4,805,054
47,599	Athene Holding Ltd., Class A*	3,966,425
56,291	Globe Life, Inc.	5,275,593
2,196	Markel Corp.*	2,709,864
68,489	Principal Financial Group, Inc.	4,953,809
66,688	Ryan Specialty Group Holdings, Inc., Class A*	2,690,861
		36,055,700
Materials – 6.8%		
86,031	Ashland Global Holdings, Inc.	9,262,097
103,747	Ball Corp.	9,987,724
127,886	Freeport-McMoRan, Inc.	5,336,683
16,676	Martin Marietta Materials, Inc.	7,346,111
31,652	PPG Industries, Inc.	5,458,071
		37,390,686
Media & Entertainment – 3.3%		
258,673	Discovery, Inc., Class C*	5,923,612
69,222	Live Nation Entertainment, Inc.*	8,285,181
91,867	Twitter, Inc.*	3,970,492
		18,179,285
Pharmaceuticals, Biotechnology & Life Sciences – 3.2%		
10,675	Alnylam Pharmaceuticals, Inc.*	1,810,267
5,015	Argenx SE ADR (Netherlands)*	1,756,203
50,366	Catalent, Inc.*	6,448,359
21,599	Neurocrine Biosciences, Inc.*	1,839,587
28,222	PerkinElmer, Inc.	5,674,315
		17,528,731
Real Estate – 10.5%		
31,122	Alexandria Real Estate Equities, Inc. REIT	6,938,961

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Real Estate – (continued)		
108,220	Americold Realty Trust REIT	$ 3,548,534
22,505	AvalonBay Communities, Inc. REIT	5,684,538
24,079	Camden Property Trust REIT	4,302,436
51,393	CubeSmart REIT	2,924,776
78,936	Duke Realty Corp. REIT	5,181,359
49,622	Equity LifeStyle Properties, Inc. REIT	4,349,864
11,258	Essex Property Trust, Inc. REIT	3,965,405
90,397	Healthpeak Properties, Inc. REIT	3,262,428
69,168	Highwoods Properties, Inc. REIT	3,084,201
96,945	Invitation Homes, Inc. REIT	4,395,486
41,897	Ryman Hospitality Properties, Inc. REIT*	3,852,848
123,142	VICI Properties, Inc. REIT	3,707,806
30,990	Welltower, Inc. REIT	2,658,012
		57,856,654
Retailing – 3.1%		
38,330	Advance Auto Parts, Inc.	9,194,600
32,019	Bath & Body Works, Inc.	2,234,606
11,502	Burlington Stores, Inc.*	3,352,948
4,902	RH*	2,627,178
		17,409,332
Semiconductors & Semiconductor Equipment – 4.3%		
106,464	Marvell Technology, Inc.	9,314,535
33,073	MKS Instruments, Inc.	5,760,325
131,836	ON Semiconductor Corp.*	8,954,301
		24,029,161
Software & Services – 1.2%		
20,758	Cadence Design Systems, Inc.*	3,868,254
23,399	Splunk, Inc.*	2,707,732
		6,575,986
Technology Hardware & Equipment – 4.5%		
34,095	Keysight Technologies, Inc.*	7,040,958
35,757	Motorola Solutions, Inc.	9,715,177
290,695	Viavi Solutions, Inc.*	5,122,046
89,460	Vontier Corp.	2,749,106
		24,627,287
Transportation – 3.4%		
226,658	JetBlue Airways Corp.*	3,227,610
9,074	Old Dominion Freight Line, Inc.	3,251,940
6,597	Saia, Inc.*	2,223,387
227,440	United Airlines Holdings, Inc.*	9,957,323
		18,660,260
Utilities – 8.7%		
312,415	AES Corp. (The)	7,591,684
83,530	Ameren Corp.	7,435,005
21,844	American Water Works Co., Inc.	4,125,458
39,788	Atmos Energy Corp.	4,168,589
100,350	CMS Energy Corp.	6,527,767

Shares	Description	Value
Common Stocks – (continued)		
Utilities – (continued)		
84,182	Public Service Enterprise Group, Inc.	$ 5,617,465
48,628	WEC Energy Group, Inc.	4,720,320
120,815	Xcel Energy, Inc.	8,179,176
		48,365,464
TOTAL COMMON STOCKS (Cost $392,122,511)		$547,975,739

Shares	Dividend Rate	Value
Investment Company – 0.9%[a]		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
4,761,405	0.026%	$ 4,761,405
(Cost $4,761,405)		
TOTAL INVESTMENTS – 100.1% (Cost $396,883,916)		$552,737,144
LIABILITIES IN EXCESS OF OTHER ASSETS – (0.1)%		(139,521)
NET ASSETS – 100.0%		$552,597,623

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) Represents an affiliated issuer.

Investment Abbreviations:
ADR—American Depositary Receipt
PLC —Public Limited Company
REIT—Real Estate Investment Trust

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 98.6%		
Automobiles & Components – 0.3%		
4,849	Patrick Industries, Inc.	$ 391,266
Banks – 10.1%		
3,259	1st Source Corp.	161,646
2,767	American National Bankshares, Inc.	104,261
1,008	Ameris Bancorp	50,077
14,499	Atlantic Union Bankshares Corp.	540,668
14,504	Bancorp, Inc. (The)*	367,096
2,342	Berkshire Hills Bancorp, Inc.	66,583
1,425	Bridgewater Bancshares, Inc.*	25,208
2,064	Business First Bancshares, Inc.	58,432
5,469	Byline Bancorp, Inc.	149,577
1,983	Cambridge Bancorp	185,589
1,747	Capital Bancorp, Inc.	45,771
656	Capital City Bank Group, Inc.	17,318
9,708	Central Pacific Financial Corp.	273,474
5,973	Columbia Banking System, Inc.	195,437
1,112	Community Bank System, Inc.	82,822
1,459	Community Trust Bancorp, Inc.	63,627
32,206	CVB Financial Corp.	689,530
4,295	Dime Community Bancshares, Inc.	151,012
8,923	FB Financial Corp.	391,006
258	Financial Institutions, Inc.	8,204
59,574	First BanCorp. (Puerto Rico)	820,930
2,359	First Bancorp, Inc. (The)	74,073
5,443	First Bank	78,978
18,288	First Commonwealth Financial Corp.	294,254
9,435	First Financial Bancorp	230,025
5,745	First Internet Bancorp	270,245
6,787	Fulton Financial Corp.	115,379
8,614	Guaranty Bancshares, Inc.	323,714
1,684	Hancock Whitney Corp.	84,234
16,408	Hanmi Financial Corp.	388,541
3,726	HarborOne Bancorp, Inc.	55,294
5,587	Heritage Financial Corp.	136,546
7,203	Home Bancorp, Inc.	298,997
7,939	Home BancShares, Inc.	193,315
6,731	HomeStreet, Inc.	350,012
1,181	HomeTrust Bancshares, Inc.	36,587
21,708	Hope Bancorp, Inc.	319,325
16,916	International Bancshares Corp.	717,069
12,139	Macatawa Bank Corp.	107,066
10,151	Merchants Bancorp	480,447
2,505	MidWestOne Financial Group, Inc.	81,087
1,310	Northrim BanCorp, Inc.	56,933
8,766	OFG Bancorp (Puerto Rico)	232,825
12,660	Origin Bancorp, Inc.	543,367
2,598	Peoples Financial Services Corp.	136,889
974	QCR Holdings, Inc.	54,544
4,598	Republic First Bancorp, Inc.*	17,105
2,574	Sierra Bancorp	69,884
730	Silvergate Capital Corp., Class A*	108,186
5,588	South Plains Financial, Inc.	155,402
1,781	Southern First Bancshares, Inc.*	111,295

Shares	Description	Value
Common Stocks – (continued)		
Banks – (continued)		
23,738	Towne Bank	$ 749,883
1,389	TrustCo Bank Corp.	46,268
21,902	Trustmark Corp.	710,939
20,764	United Bankshares, Inc.	753,318
4,265	United Community Banks, Inc.	153,284
1,555	Univest Financial Corp.	46,526
1,107	Walker & Dunlop, Inc.	167,024
		13,197,128
Capital Goods – 8.1%		
1,167	AAR Corp.*	45,548
503	Albany International Corp., Class A	44,490
5,020	Argan, Inc.	194,224
9,578	Atkore, Inc.*	1,064,978
9,228	Bloom Energy Corp., Class A*	202,370
4,227	Boise Cascade Co.	300,962
637	CIRCOR International, Inc.*	17,314
1,914	Douglas Dynamics, Inc.	74,761
1,910	Dycom Industries, Inc.*	179,082
4,446	Encore Wire Corp.	636,223
246	EnerSys	19,449
3,520	Evoqua Water Technologies Corp.*	164,560
2,453	Franklin Electric Co., Inc.	231,956
1,248	GMS, Inc.*	75,017
24,471	GrafTech International Ltd.	289,492
8,867	H&E Equipment Services, Inc.	392,542
2,644	Herc Holdings, Inc.	413,918
1,292	Hydrofarm Holdings Group, Inc.*	36,551
1,555	Insteel Industries, Inc.	61,905
2,341	JELD-WEN Holding, Inc.*	61,709
20,485	Kennametal, Inc.	735,616
5,524	Maxar Technologies, Inc.	163,124
8,232	McGrath RentCorp	660,700
632	Miller Industries, Inc.	21,109
52,652	MRC Global, Inc.*	362,246
7,613	Mueller Industries, Inc.	451,908
772	National Presto Industries, Inc.	63,327
3,296	Nikola Corp.*[(a)]	32,531
19,138	NOW, Inc.*	163,438
9,945	Primoris Services Corp.	238,481
15,293	Quanex Building Products Corp.	378,961
1,683	Stem, Inc.*	31,926
10,162	Sterling Construction Co., Inc.*	267,261
15,455	Terex Corp.	679,247
9,821	Thermon Group Holdings, Inc.*	166,270
17,574	Titan International, Inc.*	192,611
17,979	Titan Machinery, Inc.*	605,712
4,924	Triton International Ltd. (Bermuda)	296,572
1,919	UFP Industries, Inc.	176,567
7,447	Vectrus, Inc.*	340,849
		10,535,507
Commercial & Professional Services – 3.0%		
1,118	ASGN, Inc.*	137,961
3,909	Barrett Business Services, Inc.	269,956

Shares	Description	Value
Common Stocks – (continued)		
Commercial & Professional Services – (continued)		
4,884	BrightView Holdings, Inc.*	$ 68,767
786	Brink's Co. (The)	51,538
361	Casella Waste Systems, Inc., Class A*	30,837
2,530	CBIZ, Inc.*	98,974
1,311	Cimpress PLC (Ireland)*	93,881
373	CRA International, Inc.	34,823
16,635	Ennis, Inc.	324,882
2,369	Exponent, Inc.	276,533
4,813	Forrester Research, Inc.*	282,667
655	Franklin Covey Co.*	30,366
12,395	Heidrick & Struggles International, Inc.	542,033
8,395	Heritage-Crystal Clean, Inc.*	268,808
11,827	Korn Ferry	895,659
483	ManTech International Corp., Class A	35,225
5,984	Matthews International Corp., Class A	219,433
105	TriNet Group, Inc.*	10,002
8,281	US Ecology, Inc.*	264,495
		3,936,840
Consumer Durables & Apparel – 5.0%		
9,839	Acushnet Holdings Corp.	522,254
3,814	Beazer Homes USA, Inc.*	88,561
1,135	Century Communities, Inc.	92,832
5,857	Crocs, Inc.*	750,984
1,976	G-III Apparel Group Ltd.*	54,617
2,412	Installed Building Products, Inc.	337,005
294	iRobot Corp.*	19,369
17,059	KB Home	763,049
9,247	Latham Group, Inc.*	231,452
5,081	LGI Homes, Inc.*	784,913
7,471	M/I Homes, Inc.*	464,547
4,643	Meritage Homes Corp.*	566,724
543	Movado Group, Inc.	22,714
1,442	Oxford Industries, Inc.	146,392
15,568	Steven Madden Ltd.	723,445
31,118	Tri Pointe Homes, Inc.*	867,881
1,589	Vista Outdoor, Inc.*	73,205
		6,509,944
Consumer Services – 3.4%		
134	Biglari Holdings, Inc., Class B*	19,104
21,633	Bloomin' Brands, Inc.*	453,860
4,918	Dave & Buster's Entertainment, Inc.*	188,851
533	Dine Brands Global, Inc.	40,407
18,664	Drive Shack, Inc.*	26,690
3,288	Everi Holdings, Inc.*	70,199
3,108	International Game Technology PLC	89,852
4,431	Monarch Casino & Resort, Inc.*	327,673
1,807	Nathan's Famous, Inc.	105,511

Shares	Description	Value
Common Stocks – (continued)		
Consumer Services – (continued)		
3,817	PlayAGS, Inc.*	$ 25,918
245	RCI Hospitality Holdings, Inc.	19,081
15,717	Red Rock Resorts, Inc., Class A	864,592
18,198	Ruth's Hospitality Group, Inc.*	362,140
13,164	SeaWorld Entertainment, Inc.*	853,817
764	Shake Shack, Inc., Class A*	55,130
10,855	Texas Roadhouse, Inc.	969,134
		4,471,959
Diversified Financials – 4.2%		
963	Associated Capital Group, Inc., Class A	41,409
2,253	Brightsphere Investment Group, Inc.	57,677
24,257	Dynex Capital, Inc. REIT	405,334
5,892	FirstCash Holdings, Inc.	440,781
3,857	Focus Financial Partners, Inc., Class A*	230,340
12,277	Great Ajax Corp. REIT	161,565
1,736	Houlihan Lokey, Inc.	179,711
42,962	Ladder Capital Corp. REIT	515,114
3,732	LendingClub Corp.*	90,240
116,862	MFA Financial, Inc. REIT	532,891
12,661	Moelis & Co., Class A	791,439
990	Oportun Financial Corp.*	20,048
13,163	Oppenheimer Holdings, Inc., Class A	610,368
10,290	Pzena Investment Management, Inc., Class A	97,446
5,338	Regional Management Corp.	306,721
14,863	TPG RE Finance Trust, Inc. REIT	183,112
2,719	Virtus Investment Partners, Inc.	807,815
		5,472,011
Energy – 4.0%		
26,512	Antero Resources Corp.*	463,960
25,342	Centennial Resource Development, Inc., Class A *	151,545
5,958	ChampionX Corp.*	120,411
2,905	DMC Global, Inc.*	115,067
7,882	Earthstone Energy, Inc., Class A*	86,229
29,189	Kosmos Energy Ltd. (Ghana)*	100,994
340	Laredo Petroleum, Inc.*	20,444
16,241	Magnolia Oil & Gas Corp., Class A	306,468
19,287	Matador Resources Co.	712,076
2,702	Murphy Oil Corp.	70,549
372	Nabors Industries Ltd.*	30,166
2,230	Oceaneering International, Inc.*	25,221
10,410	Oil States International, Inc.*	51,738
28,877	Ovintiv, Inc.	973,155
4,327	PDC Energy, Inc.	211,071
16,671	ProPetro Holding Corp.*	135,035
44,802	Range Resources Corp.*	798,820
1,329	REX American Resources Corp.*	127,584
13,225	SM Energy Co.	389,873
9,241	US Silica Holdings, Inc.*	86,866

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Energy – (continued)		
86,193	W&T Offshore, Inc.*	$ 278,403
		5,255,675
Food & Staples Retailing – 0.7%		
726	Chefs' Warehouse, Inc. (The)*	24,176
9,747	Ingles Markets, Inc., Class A	841,556
		865,732
Food, Beverage & Tobacco – 0.7%		
579	B&G Foods, Inc.	17,793
1,172	Celsius Holdings, Inc.*	87,396
506	Coca-Cola Consolidated, Inc.	313,310
2,695	Sanderson Farms, Inc.	514,960
		933,459
Health Care Equipment & Services – 8.6%		
1,073	1Life Healthcare, Inc.*	18,853
488	Accolade, Inc.*	12,864
3,924	AMN Healthcare Services, Inc.*	480,023
8,195	AngioDynamics, Inc.*	226,018
448	Apollo Medical Holdings, Inc.*	32,919
979	Apria, Inc.*	31,915
7,410	Avanos Medical, Inc.*	256,905
7,440	Aveanna Healthcare Holdings, Inc.*	55,056
70,811	Brookdale Senior Living, Inc.*	365,385
31,109	Castlight Health, Inc., Class B*	47,908
26,611	Community Health Systems, Inc.*	354,192
7,640	Computer Programs and Systems, Inc.*	223,852
3,991	Convey Health Solutions Holdings, Inc.*	33,365
23,281	Covetrus, Inc.*	464,922
3,851	Cross Country Healthcare, Inc.*	106,904
2,967	CryoLife, Inc.*	60,378
664	CryoPort, Inc.*	39,289
205	Fulgent Genetics, Inc.*	20,621
14,935	Hanger, Inc.*	270,772
1,311	Health Catalyst, Inc.*	51,942
2,805	Heska Corp.*	511,884
6,706	InfuSystem Holdings, Inc.*	114,203
1,414	Inspire Medical Systems, Inc.*	325,305
5,400	Integer Holdings Corp.*	462,186
17,846	Invacare Corp.*	48,541
732	iRadimed Corp.*	33,826
8,058	Joint Corp. (The)*	529,330
7,927	LeMaitre Vascular, Inc.	398,173
2,048	LivaNova PLC*	179,057
2,207	Meridian Bioscience, Inc.*	45,023
5,269	Merit Medical Systems, Inc.*	328,259
239	Mesa Laboratories, Inc.	78,413
19,153	Natus Medical, Inc.*	454,501
14,753	Neogen Corp.*	669,934
15,141	NextGen Healthcare, Inc.*	269,358
24,437	Patterson Cos., Inc.	717,226
1,827	Progyny, Inc.*	91,989

Shares	Description	Value
Common Stocks – (continued)		
Health Care Equipment & Services – (continued)		
1,454	R1 RCM, Inc.*	$ 37,062
3,169	Retractable Technologies, Inc.*[a]	21,961
14,070	Select Medical Holdings Corp.	413,658
41,845	Sharps Compliance Corp.*	298,355
158	Simulations Plus, Inc.	7,473
1,838	Stereotaxis, Inc.*	11,396
2,967	Surgery Partners, Inc.*	158,467
7,477	Surmodics, Inc.*	360,018
9,883	Tenet Healthcare Corp.*	807,342
88	US Physical Therapy, Inc.	8,408
2,273	Utah Medical Products, Inc.	227,300
15,871	Varex Imaging Corp.*	500,730
		11,263,461
Household & Personal Products – 0.6%		
14,729	Energizer Holdings, Inc.	590,633
4,235	Oil-Dri Corp. of America	138,611
		729,244
Insurance – 4.7%		
25,217	American Equity Investment Life Holding Co.	981,446
3,432	AMERISAFE, Inc.	184,744
13,879	Argo Group International Holdings Ltd.	806,509
20,905	BRP Group, Inc., Class A*	754,879
5,542	Crawford & Co., Class A	41,510
5,673	Donegal Group, Inc., Class A	81,067
121,083	Genworth Financial, Inc., Class A*	490,386
5,567	Goosehead Insurance, Inc., Class A	724,155
887	Investors Title Co.	174,872
3,884	Kinsale Capital Group, Inc.[b]	923,965
170	National Western Life Group, Inc., Class A	36,455
11,885	Stewart Information Services Corp.	947,591
		6,147,579
Materials – 3.3%		
3,387	AdvanSix, Inc.	160,036
6,636	Century Aluminum Co.*	109,892
9,655	Constellium SE*	172,921
2,289	FutureFuel Corp.	17,488
25,596	Hecla Mining Co.	133,611
6,057	Innospec, Inc.	547,189
496	Intrepid Potash, Inc.*	21,194
5,391	Livent Corp.*	131,433
6,982	Minerals Technologies, Inc.	510,733
44,332	Novagold Resources, Inc. (Canada)*	304,118
534	Olympic Steel, Inc.	12,549
1,629	Orion Engineered Carbons SA (Germany)*	29,909
14,110	Summit Materials, Inc., Class A*	566,375
30,962	SunCoke Energy, Inc.	204,040
31,743	Tronox Holdings PLC, Class A	762,784
857	United States Lime & Minerals, Inc.	110,570

The accompanying notes are an integral part of these financial statements.

Shares	Description	Value
Common Stocks – (continued)		
Materials – (continued)		
18,003	Warrior Met Coal, Inc.	$ 462,857
		4,257,699
Media & Entertainment – 2.8%		
21,862	AMC Entertainment Holdings, Inc., Class A*[(a)]	594,646
4,953	Cargurus, Inc.*	166,619
36,995	Cinemark Holdings, Inc.*	596,359
130	Daily Journal Corp.*	46,375
7,283	Eventbrite, Inc., Class A*	127,016
2,315	fuboTV, Inc.*[(a)]	35,929
2,986	Hemisphere Media Group, Inc.*	21,708
25,897	IMAX Corp.*	462,002
2,182	John Wiley & Sons, Inc., Class A	124,963
12,641	Liberty TripAdvisor Holdings, Inc., Class A*	27,431
3,742	Lions Gate Entertainment Corp., Class B*	57,589
10,641	Magnite, Inc.*	186,218
17,211	Marcus Corp. (The)*[(a)]	307,388
16,825	QuinStreet, Inc.*	306,047
3,019	TechTarget, Inc.*	288,798
6,644	Thryv Holdings, Inc.*	273,268
10,110	TrueCar, Inc.*	34,374
		3,656,730
Pharmaceuticals, Biotechnology & Life Sciences – 11.3%		
5,237	Aeglea BioTherapeutics, Inc.*	24,876
12,945	Affimed NV (Germany)*	71,456
20,595	Alkermes PLC*	479,040
2,206	Allakos, Inc.*	21,597
5,570	Allogene Therapeutics, Inc.*	83,104
1,559	Allovir, Inc.*	20,173
578	ALX Oncology Holdings, Inc.*	12,421
31,654	Amicus Therapeutics, Inc.*	365,604
38,698	Amneal Pharmaceuticals, Inc.*	185,363
32,110	Amphastar Pharmaceuticals, Inc.*	747,842
7,140	AnaptysBio, Inc.*	248,115
7,588	Antares Pharma, Inc.*	27,089
919	Applied Molecular Transport, Inc.*	12,848
1,553	Arcus Biosciences, Inc.*	62,850
3,023	Arena Pharmaceuticals, Inc.*	280,958
2,536	Arrowhead Pharmaceuticals, Inc.*	168,137
2,441	Arvinas, Inc.*	200,504
3,930	Avid Bioservices, Inc.*	114,677
1,892	Avidity Biosciences, Inc.*	44,973
2,595	Berkeley Lights, Inc.*	47,177
10,932	BioCryst Pharmaceuticals, Inc.*	151,408
3,137	Bridgebio Pharma, Inc.*	52,325
13,284	Cardiff Oncology, Inc.*[(a)]	79,837
3,317	CareDx, Inc.*	150,857
985	Cassava Sciences, Inc.*[(a)]	43,044
1,750	ChemoCentryx, Inc.*	63,718
16,172	Chimerix, Inc.*	103,986
4,313	Codexis, Inc.*	134,868

Shares	Description	Value
Common Stocks – (continued)		
Pharmaceuticals, Biotechnology & Life Sciences – (continued)		
4,073	Collegium Pharmaceutical, Inc.*	$ 76,084
9,071	Denali Therapeutics, Inc.*	404,567
3,115	Design Therapeutics, Inc.*[(a)]	66,692
16,843	Dynavax Technologies Corp.*[(a)]	236,981
5,833	Eagle Pharmaceuticals, Inc.*	297,016
11,430	Editas Medicine, Inc.*	303,467
10,962	Eiger BioPharmaceuticals, Inc.*	56,893
1,084	Emergent BioSolutions, Inc.*	47,121
28,051	Endo International PLC*	105,472
3,435	Fluidigm Corp.*	13,465
1,865	Frequency Therapeutics, Inc.*	9,567
6,025	Global Blood Therapeutics, Inc.*	176,352
23,463	Halozyme Therapeutics, Inc.*	943,447
1,247	Harvard Bioscience, Inc.*	8,791
17,921	Heron Therapeutics, Inc.*	163,619
8,562	Homology Medicines, Inc.*	31,166
2,515	Ideaya Biosciences, Inc.*	59,455
10,157	ImmunoGen, Inc.*	75,365
3,589	Inhibrx, Inc.*	156,732
3,543	Innoviva, Inc.*	61,117
4,751	Insmed, Inc.*	129,417
2,680	Intellia Therapeutics, Inc.*	316,883
1,566	Intercept Pharmaceuticals, Inc.*[(a)]	25,510
1,747	Intra-Cellular Therapies, Inc.*	91,438
21,115	Jounce Therapeutics, Inc.*	176,310
4,196	Kronos Bio, Inc.*	57,024
212	Krystal Biotech, Inc.*	14,829
1,294	Kymera Therapeutics, Inc.*	82,156
1,269	MacroGenics, Inc.*	20,367
308	Madrigal Pharmaceuticals, Inc.*	26,100
1,721	MaxCyte, Inc.*	17,537
4,805	Medpace Holdings, Inc.*	1,045,760
9,090	Myriad Genetics, Inc.*	250,884
16,115	NanoString Technologies, Inc.*	680,536
2,567	Nkarta, Inc.*	39,403
2,243	Olema Pharmaceuticals, Inc.*	20,994
7,693	OPKO Health, Inc.*	37,003
18,417	Organogenesis Holdings, Inc.*	170,173
1,580	Personalis, Inc.*	22,547
26,359	Phibro Animal Health Corp., Class A	538,251
38,355	Precision BioSciences, Inc.*	283,827
12,626	Prestige Consumer Healthcare, Inc.*	765,767
2,321	Protagonist Therapeutics, Inc.*	79,378
1,577	Prothena Corp. PLC (Ireland)*	77,904
7,051	Puma Biotechnology, Inc.*	21,435
13,654	Rigel Pharmaceuticals, Inc.*	36,183
5,043	Rubius Therapeutics, Inc.*	48,816
40,625	Selecta Biosciences, Inc.*	132,438
6,997	Seres Therapeutics, Inc.*	58,285
14,286	SIGA Technologies, Inc.*	107,431
12,542	Solid Biosciences, Inc.*	21,949
2,148	Sorrento Therapeutics, Inc.*	9,988
6,935	Sutro Biopharma, Inc.*	103,193

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Pharmaceuticals, Biotechnology & Life Sciences – (continued)		
8,813	Travere Therapeutics, Inc.*	$ 273,556
2,276	Turning Point Therapeutics, Inc.*	108,565
5,929	Twist Bioscience Corp.*	458,845
31,274	Vanda Pharmaceuticals, Inc.*	490,689
21,373	VBI Vaccines, Inc.*[(a)]	50,013
2,285	Veracyte, Inc.*	94,142
2,019	Vericel Corp.*	79,347
1,468	Verve Therapeutics, Inc.*	54,125
4,002	Vir Biotechnology, Inc.*	167,564
3,986	XBiotech, Inc.[(a)]	44,364
771	Xencor, Inc.*	30,933
559	Y-mAbs Therapeutics, Inc.*	9,061
1,138	Zentalis Pharmaceuticals, Inc.*	95,660
		14,758,796
Real Estate – 5.3%		
11,492	American Assets Trust, Inc. REIT	431,295
1,857	City Office REIT, Inc. REIT	36,620
5,897	Corporate Office Properties Trust REIT	164,939
1,463	EastGroup Properties, Inc. REIT	333,344
4,885	Forestar Group, Inc.*	106,249
3,448	Independence Realty Trust, Inc. REIT	89,062
23,611	Industrial Logistics Properties Trust REIT	591,456
5,724	Macerich Co. (The) REIT	98,911
15,101	National Storage Affiliates Trust REIT	1,044,989
11,478	NexPoint Residential Trust, Inc. REIT	962,201
23,158	Outfront Media, Inc. REIT	621,098
7,592	Paramount Group, Inc. REIT	63,317
997	Phillips Edison & Co., Inc. REIT	32,941
35,527	Piedmont Office Realty Trust, Inc., Class A REIT	652,986
1,513	PotlatchDeltic Corp. REIT	91,113
16,295	Retail Opportunity Investments Corp. REIT	319,382
14,027	RPT Realty REIT	187,681
28,781	SITE Centers Corp. REIT	455,603
328	St. Joe Co. (The)	17,072
5,367	STAG Industrial, Inc. REIT	257,401
1,357	Tanger Factory Outlet Centers, Inc. REIT	26,163
1,992	Terreno Realty Corp. REIT	169,898
4,228	UMH Properties, Inc. REIT	115,551
564	Urban Edge Properties REIT	10,716
695	Urstadt Biddle Properties, Inc., Class A REIT	14,803
10,612	Whitestone REIT REIT	107,500
		7,002,291
Retailing – 4.0%		
403	1-800-Flowers.com, Inc., Class A*	9,418

Shares	Description	Value
Common Stocks – (continued)		
Retailing – (continued)		
10,159	Academy Sports & Outdoors, Inc.*	$ 445,980
22,055	American Eagle Outfitters, Inc.	558,433
1,378	Asbury Automotive Group, Inc.*	238,022
631	Bed Bath & Beyond, Inc.*	9,200
2,744	Boot Barn Holdings, Inc.*	337,649
17,015	Buckle, Inc. (The)	719,905
20,764	Cato Corp. (The), Class A	356,310
18,347	Chico's FAS, Inc.*	98,707
6,596	Designer Brands, Inc., Class A*	93,729
432	Dillard's, Inc., Class A[(a)]	105,849
13,569	Funko, Inc., Class A*	255,097
4,166	Lands' End, Inc.*	81,778
4,160	Liquidity Services, Inc.*	91,853
12,431	Macy's, Inc.	325,444
4,401	Murphy USA, Inc.	876,855
1,199	Overstock.com, Inc.*	70,753
2,430	Porch Group, Inc.*	37,884
1,988	Revolve Group, Inc.*	111,407
1,260	Shutterstock, Inc.	139,709
1,916	Stitch Fix, Inc., Class A*	36,251
14,830	Tilly's, Inc., Class A	238,911
615	TravelCenters of America, Inc.*	31,746
		5,270,890
Semiconductors & Semiconductor Equipment – 2.9%		
2,624	Ambarella, Inc.*	532,383
5,364	Axcelis Technologies, Inc.*	399,940
19,468	Cohu, Inc.*	741,536
2,013	Diodes, Inc.*	221,048
9,772	FormFactor, Inc.*	446,776
1,244	Ichor Holdings Ltd.*	57,261
7,475	Kulicke & Soffa Industries, Inc. (Singapore)	452,537
1,915	Lattice Semiconductor Corp.*	147,570
4,514	MaxLinear, Inc.*	340,310
382	SiTime Corp.*	111,750
2,164	Ultra Clean Holdings, Inc.*	124,127
9,728	Veeco Instruments, Inc.*	276,956
		3,852,194
Software & Services – 7.5%		
16,027	A10 Networks, Inc.	265,728
3,911	ACI Worldwide, Inc.*	135,712
809	Appian Corp.*	52,755
850	Asana, Inc., Class A*	63,367
590	BigCommerce Holdings, Inc. Series 1*	20,868
17,196	Box, Inc., Class A*	450,363
3,891	Brightcove, Inc.*	39,766
2,648	Cerence, Inc.*	202,943
19,765	ChannelAdvisor Corp.*	487,800
5,557	CommVault Systems, Inc.*	382,988
25,819	Conduent, Inc.*	137,873
3,472	DigitalOcean Holdings, Inc.*	278,906
7,200	Domo, Inc., Class B*	357,120

Shares	Description	Value
Common Stocks – (continued)		
Software & Services – (continued)		
53,256	E2open Parent Holdings, Inc.*	$ 599,663
8,247	eGain Corp.*	82,305
2,737	ExlService Holdings, Inc.*	396,235
3,170	Hackett Group, Inc. (The)	65,080
526	I3 Verticals, Inc., Class A*	11,988
3,850	JFrog Ltd. (Israel)*	114,345
2,502	Marathon Digital Holdings, Inc.*[a]	82,216
250	MicroStrategy, Inc., Class A*[a]	136,122
10,788	Mimecast Ltd.*	858,401
4,426	Momentive Global, Inc.*	93,610
6,626	Perficient, Inc.*	856,676
5,985	Ping Identity Holding Corp.*	136,937
2,619	Qualys, Inc.*	359,379
14,131	Rackspace Technology, Inc.*	190,345
1,131	Riot Blockchain, Inc.*[a]	25,255
7,581	Sapiens International Corp. NV (Israel)	261,165
3,642	SPS Commerce, Inc.*	518,439
9,911	Tenable Holdings, Inc.*	545,799
12,197	Upland Software, Inc.*	218,814
7,515	Varonis Systems, Inc.*	366,582
5,563	Workiva, Inc.*	725,916
18,662	Zuora, Inc., Class A*	348,606
		9,870,067
Technology Hardware & Equipment – 4.0%		
6,242	3D Systems Corp.*	134,453
2,729	Avid Technology, Inc.*	88,884
6,332	Belden, Inc.	416,202
2,237	Cambium Networks Corp.*	57,334
2,790	Casa Systems, Inc.*	15,819
3,306	Clearfield, Inc.*	279,093
22,042	CTS Corp.	809,382
17,632	Daktronics, Inc.*	89,042
926	Fabrinet (Thailand)*	109,703
30,714	Harmonic, Inc.*	361,197
41,682	Infinera Corp.*	399,730
22,756	NetScout Systems, Inc.*	752,769
3,810	PC Connection, Inc.	164,325
10,993	Super Micro Computer, Inc.*	483,142
39,583	Vishay Intertechnology, Inc.	865,680
4,237	Vishay Precision Group, Inc.*	157,278
		5,184,033
Telecommunication Services – 1.5%		
10,734	Cogent Communications Holdings, Inc.	785,514
16,165	Globalstar, Inc.*	18,751
4,449	Gogo, Inc.*	60,195
18,831	Iridium Communications, Inc.*	777,532
14,928	Shenandoah Telecommunications Co.	380,664
		2,022,656

Shares	Description	Value
Common Stocks – (continued)		
Transportation – 2.4%		
355	ArcBest Corp.	$ 42,547
1,375	Atlas Air Worldwide Holdings, Inc.*	129,415
1,916	Avis Budget Group, Inc.*	397,321
3,756	Eagle Bulk Shipping, Inc.[a]	170,898
2,664	Genco Shipping & Trading Ltd.	42,624
7,813	Heartland Express, Inc.	131,415
42,927	Marten Transport Ltd.	736,627
84,454	Safe Bulkers, Inc. (Greece)*	318,392
1,503	Saia, Inc.*	506,556
14,040	Werner Enterprises, Inc.	669,146
		3,144,941
Utilities – 0.2%		
2,486	Northwest Natural Holding Co.	121,267
3,035	Sunnova Energy International, Inc.*	84,737
		206,004
TOTAL INVESTMENTS BEFORE SECURITIES LENDING REINVESTMENT VEHICLE (Cost $115,956,688)		$128,936,106

Shares	Dividend Rate	Value
Securities Lending Reinvestment Vehicle – 1.4%[c]		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
1,845,983	0.026%	$ 1,845,983
(Cost $1,845,983)		
TOTAL INVESTMENTS – 100.0% (Cost $117,802,671)		$130,782,089
OTHER ASSETS IN EXCESS OF LIABILITIES – 0.0%		47,852
NET ASSETS – 100.0%		$130,829,941

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) All or a portion of security is on loan.

(b) All or a portion of security is segregated as collateral for initial margin requirements on futures transactions.

(c) Represents an affiliated issuer.

Investment Abbreviations:
PLC —Public Limited Company
REIT—Real Estate Investment Trust

Schedule of Investments (continued)

December 31, 2021

ADDITIONAL INVESTMENT INFORMATION

FUTURES CONTRACTS — At December 31, 2021, the Fund had the following futures contracts:

Description	Number of Contracts	Expiration Date	Notional Amount	Unrealized Appreciation/ (Depreciation)
Long position contracts:				
Russell 2000 E-Mini Index	6	03/18/22	$662,665	$10,175

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 98.9%		
Automobiles & Components – 2.7%		
14,440	Aptiv PLC*	$ 2,381,878
9,050	Tesla, Inc.*	9,563,859
		11,945,737
Capital Goods – 1.4%		
14,576	Boeing Co. (The)*	2,934,441
9,643	Deere & Co.	3,306,488
		6,240,929
Commercial & Professional Services – 1.3%		
24,855	Verisk Analytics, Inc.	5,685,084
Consumer Durables & Apparel – 3.0%		
10,722	Lululemon Athletica, Inc.*	4,197,127
49,471	NIKE, Inc., Class B	8,245,332
11,774	PVH Corp.	1,255,697
		13,698,156
Consumer Services – 1.7%		
22,324	Chegg, Inc.*	685,347
1,416	Chipotle Mexican Grill, Inc.*	2,475,522
16,433	McDonald's Corp.	4,405,194
		7,566,063
Diversified Financials – 1.5%		
65,188	Charles Schwab Corp. (The)	5,482,311
10,186	Intercontinental Exchange, Inc.	1,393,139
		6,875,450
Food & Staples Retailing – 0.5%		
14,850	Walmart, Inc.	2,148,646
Food, Beverage & Tobacco – 3.0%		
77,220	Coca-Cola Co. (The)	4,572,196
43,261	McCormick & Co., Inc.	4,179,445
33,779	Mondelez International, Inc., Class A	2,239,886
28,391	Monster Beverage Corp.*	2,726,672
		13,718,199
Health Care Equipment & Services – 3.5%		
76,372	American Well Corp., Class A*	461,287
81,490	Boston Scientific Corp.*	3,461,695
14,555	Guardant Health, Inc.*	1,455,791
9,018	Insulet Corp.*	2,399,419
15,968	Intuitive Surgical, Inc.*	5,737,303
9,430	Veeva Systems, Inc., Class A*	2,409,176
		15,924,671
Household & Personal Products – 0.8%		
9,769	Estee Lauder Cos., Inc. (The), Class A	3,616,484
Materials – 2.4%		
29,887	Danimer Scientific, Inc.*[(a)]	254,637
9,928	Ecolab, Inc.	2,329,009
7,920	Linde PLC (United Kingdom)	2,743,726

Shares	Description	Value
Common Stocks – (continued)		
Materials – (continued)		
4,933	Martin Marietta Materials, Inc.	$ 2,173,085
9,454	Sherwin-Williams Co. (The)	3,329,321
		10,829,778
Media & Entertainment – 15.2%		
7,703	Alphabet, Inc., Class A*	22,315,899
4,686	Alphabet, Inc., Class C*	13,559,363
22,526	Live Nation Entertainment, Inc.*	2,696,137
50,939	Meta Platforms, Inc., Class A*	17,133,333
16,640	Netflix, Inc.*	10,024,601
60,099	Snap, Inc., Class A*	2,826,456
		68,555,789
Pharmaceuticals, Biotechnology & Life Sciences – 7.2%		
7,408	10X Genomics, Inc., Class A*	1,103,496
42,204	Adaptive Biotechnologies Corp.*	1,184,244
8,469	Alnylam Pharmaceuticals, Inc.*	1,436,173
18,963	BioMarin Pharmaceutical, Inc.*	1,675,381
15,772	Danaher Corp.	5,189,146
24,339	Eli Lilly & Co.	6,722,918
51,044	Genmab A/S ADR (Denmark)*	2,019,301
7,618	Illumina, Inc.*	2,898,192
6,723	Moderna, Inc.*	1,707,507
18,647	Sarepta Therapeutics, Inc.*	1,679,162
16,563	Seagen, Inc.*	2,560,640
8,798	West Pharmaceutical Services, Inc.	4,126,350
		32,302,510
Real Estate – 1.6%		
13,738	American Tower Corp. REIT	4,018,365
3,852	Equinix, Inc. REIT	3,258,176
		7,276,541
Retailing – 8.8%		
9,214	Amazon.com, Inc.*	30,722,609
11,764	Etsy, Inc.*	2,575,610
52,398	Farfetch Ltd., Class A (United Kingdom)*	1,751,665
40,925	Ross Stores, Inc.	4,676,909
		39,726,793
Semiconductors & Semiconductor Equipment – 5.8%		
93,492	Marvell Technology, Inc.	8,179,615
60,453	NVIDIA Corp.	17,779,832
		25,959,447
Software & Services – 25.1%		
16,338	Adobe, Inc.*	9,264,626
18,388	Affirm Holdings, Inc.*	1,849,097
7,942	Atlassian Corp. PLC, Class A*	3,028,205
11,800	Bill.com Holdings, Inc.*	2,939,970
31,466	Dlocal Ltd. (Uruguay)*	1,123,022
7,579	HubSpot, Inc.*	4,995,698
26,628	Mastercard, Inc., Class A	9,567,973
108,792	Microsoft Corp.	36,588,925
9,459	Okta, Inc.*	2,120,424

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Software & Services – (continued)		
49,942	PayPal Holdings, Inc.*	$ 9,418,062
50,480	Qualtrics International, Inc., Class A*	1,786,992
7,600	ServiceNow, Inc.*	4,933,236
850	Shopify, Inc., Class A (Canada)*	1,170,782
14,213	Snowflake, Inc., Class A*	4,814,654
31,266	Splunk, Inc.*	3,618,102
25,142	Toast, Inc., Class A*[(a)]	872,679
21,719	UiPath, Inc., Class A*	936,740
14,917	Visa, Inc., Class A	3,232,663
32,568	Workday, Inc., Class A*	8,896,926
4,843	Zscaler, Inc.*	1,556,201
		112,714,977
Technology Hardware & Equipment – 10.3%		
41,866	Amphenol Corp., Class A	3,661,600
240,206	Apple, Inc.	42,653,380
		46,314,980
Transportation – 3.1%		
33,617	Union Pacific Corp.	8,469,131
24,506	United Parcel Service, Inc., Class B	5,252,616
		13,721,747
TOTAL COMMON STOCKS (Cost $178,070,332)		$444,821,981

Shares	Dividend Rate	Value
Investment Company – 1.0%[(b)]		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
4,509,290	0.026%	$ 4,509,290
(Cost $4,509,290)		
TOTAL INVESTMENTS – 99.9% (Cost $182,579,622)		$449,331,271
TOTAL INVESTMENTS BEFORE SECURITIES LENDING REINVESTMENT VEHICLE (Cost $182,579,622)		$449,331,271

Shares	Dividend Rate	Value
Securities Lending Reinvestment Vehicle – 0.2%		
Goldman Sachs Financial Square Government Fund — Institutional Shares		
858,041	0.03%	$ 858,041
(Cost $858,041)		
TOTAL INVESTMENTS – 100.1% (Cost $183,437,663)		$450,189,312
LIABILITIES IN EXCESS OF OTHER ASSETS – (0.1)%		(262,590)
NET ASSETS – 100.0%		$449,926,722

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) All or a portion of security is on loan.

(b) Represents an affiliated issuer.

Investment Abbreviations:
ADR—American Depositary Receipt
PLC —Public Limited Company
REIT—Real Estate Investment Trust

Schedule of Investments

December 31, 2021

Shares	Description	Value
Common Stocks – 99.7%		
Automobiles & Components – 3.7%		
178,011	Ford Motor Co.	$ 3,697,289
34,167	General Motors Co.*	2,003,211
7,785	Tesla, Inc.*	8,227,032
		13,927,532
Banks – 2.1%		
22,672	Citigroup, Inc.	1,369,162
44,387	Citizens Financial Group, Inc.	2,097,286
4,497	JPMorgan Chase & Co.	712,100
168,262	KeyCorp	3,891,900
		8,070,448
Capital Goods – 3.4%		
23,624	Caterpillar, Inc.	4,884,026
21,634	Emerson Electric Co.	2,011,313
2,696	Lennox International, Inc.	874,474
4,710	MasTec, Inc.*	434,639
7,049	Otis Worldwide Corp.	613,756
4,314	Parker-Hannifin Corp.	1,372,370
1,461	SiteOne Landscape Supply, Inc.*	353,971
12,316	Stanley Black & Decker, Inc.	2,323,044
		12,867,593
Commercial & Professional Services – 0.2%		
5,838	Republic Services, Inc.	814,109
Consumer Durables & Apparel – 0.7%		
16,710	D.R. Horton, Inc.	1,812,200
12,158	PulteGroup, Inc.	694,951
		2,507,151
Consumer Services – 2.0%		
2,139	Airbnb, Inc., Class A*	356,122
477	Chipotle Mexican Grill, Inc.*	833,915
7,186	Hilton Worldwide Holdings, Inc.*	1,120,944
710	Hyatt Hotels Corp., Class A*	68,089
13,269	Marriott International, Inc., Class A*	2,192,570
1,141	Marriott Vacations Worldwide Corp.	192,806
6,398	McDonald's Corp.	1,715,112
7,456	Wyndham Hotels & Resorts, Inc.	668,430
10,776	Yum China Holdings, Inc. (China)	537,076
		7,685,064
Diversified Financials – 4.5%		
5,022	Ally Financial, Inc.	239,098
4,998	Berkshire Hathaway, Inc., Class B*	1,494,402
29,278	Capital One Financial Corp.	4,247,945
3,796	CME Group, Inc.	867,234
2,256	Raymond James Financial, Inc.	226,502
10,031	S&P Global, Inc.	4,733,930
76,985	Synchrony Financial	3,571,334
9,161	T. Rowe Price Group, Inc.	1,801,419
		17,181,864
Energy – 0.9%		
14,057	APA Corp.	377,993
800	EOG Resources, Inc.	71,064

Shares	Description	Value
Common Stocks – (continued)		
Energy – (continued)		
6,512	Hess Corp.	$ 482,084
48,312	Marathon Oil Corp.	793,283
4,071	Occidental Petroleum Corp.	118,018
9,449	Pioneer Natural Resources Co.	1,718,584
		3,561,026
Food, Beverage & Tobacco – 2.6%		
2,653	Altria Group, Inc.	125,725
62,269	Archer-Daniels-Midland Co.	4,208,762
24,272	Mondelez International, Inc., Class A	1,609,476
5,795	Monster Beverage Corp.*	556,552
12,501	PepsiCo, Inc.	2,171,549
10,950	Philip Morris International, Inc.	1,040,250
		9,712,314
Health Care Equipment & Services – 6.1%		
4,309	Align Technology, Inc.*	2,831,789
7,517	Anthem, Inc.	3,484,430
83,569	Boston Scientific Corp.*	3,550,011
22,944	Cerner Corp.	2,130,809
13,062	Cigna Corp.	2,999,427
16,937	HCA Healthcare, Inc.	4,351,454
7,015	Medtronic PLC	725,702
5,171	Molina Healthcare, Inc.*	1,644,792
474	Teleflex, Inc.	155,699
2,657	UnitedHealth Group, Inc.	1,334,186
		23,208,299
Household & Personal Products – 0.4%		
15,772	Colgate-Palmolive Co.	1,345,982
Insurance – 2.6%		
16,424	Arch Capital Group Ltd.*	730,047
5,023	Chubb Ltd.	970,996
8,407	Globe Life, Inc.	787,904
16,703	Marsh & McLennan Cos., Inc.	2,903,315
11,957	MetLife, Inc.	747,193
9,600	Reinsurance Group of America, Inc.	1,051,104
16,962	Travelers Cos., Inc. (The)	2,653,366
		9,843,925
Materials – 4.0%		
14,551	Air Products and Chemicals, Inc.	4,427,287
11,535	Alcoa Corp.	687,255
15,441	CF Industries Holdings, Inc.	1,092,914
70,270	Dow, Inc.	3,985,714
104,737	Freeport-McMoRan, Inc.	4,370,675
1,037	International Flavors & Fragrances, Inc.	156,224
1,275	Vulcan Materials Co.	264,665
		14,984,734
Media & Entertainment – 9.9%		
2,052	Alphabet, Inc., Class A*	5,944,726
4,697	Alphabet, Inc., Class C*	13,591,192
7,236	Charter Communications, Inc., Class A*	4,717,655

Schedule of Investments (continued)

December 31, 2021

Shares	Description	Value
Common Stocks – (continued)		
Media & Entertainment – (continued)		
27,493	Meta Platforms, Inc., Class A*	$ 9,247,271
14,952	News Corp., Class A	333,579
48,586	Omnicom Group, Inc.	3,559,896
		37,394,319
Pharmaceuticals, Biotechnology & Life Sciences – 8.5%		
44,752	AbbVie, Inc.	6,059,421
6,567	Amgen, Inc.	1,477,378
5,881	Biogen, Inc.*	1,410,970
2,205	Danaher Corp.	725,467
51,608	Gilead Sciences, Inc.	3,747,257
4,808	Incyte Corp.*	352,907
15,590	IQVIA Holdings, Inc.*	4,398,563
30,433	Johnson & Johnson	5,206,173
2,583	Mettler-Toledo International, Inc.*	4,383,893
2,019	Moderna, Inc.*	512,786
14,847	Perrigo Co. PLC	577,548
3,837	Thermo Fisher Scientific, Inc.	2,560,200
3,660	Vertex Pharmaceuticals, Inc.*	803,736
14,236	Viatris, Inc.	192,613
		32,408,912
Real Estate – 4.1%		
90,668	American Homes 4 Rent, Class A REIT	3,954,031
7,154	Camden Property Trust REIT	1,278,277
36,856	Equity LifeStyle Properties, Inc. REIT	3,230,797
58,270	First Industrial Realty Trust, Inc. REIT	3,857,474
65,763	Invitation Homes, Inc. REIT	2,981,694
3,742	Rexford Industrial Realty, Inc. REIT	303,514
		15,605,787
Retailing – 5.4%		
3,060	Amazon.com, Inc.*	10,203,081
9,573	AutoNation, Inc.*	1,118,605
4,697	Dick's Sporting Goods, Inc.	540,108
15,002	eBay, Inc.	997,633
836	Home Depot, Inc. (The)	346,948
38,981	LKQ Corp.	2,340,030
5,923	O'Reilly Automotive, Inc.*	4,183,000
2,106	Ulta Beauty, Inc.*	868,388
		20,597,793
Semiconductors & Semiconductor Equipment – 4.7%		
10,956	Applied Materials, Inc.	1,724,036
6,286	Broadcom, Inc.	4,182,767
22,864	Intel Corp.	1,177,496
23,039	NVIDIA Corp.	6,776,001
20,953	Texas Instruments, Inc.	3,949,012
		17,809,312
Software & Services – 19.1%		
5,502	Accenture PLC, Class A	2,280,854
48,795	Cognizant Technology Solutions Corp., Class A	4,329,092
2,499	DocuSign, Inc.*	380,623

Shares	Description	Value
Common Stocks – (continued)		
Software & Services – (continued)		
3,358	EPAM Systems, Inc.*	$ 2,244,655
18,787	Fidelity National Information Services, Inc.	2,050,601
12,746	Fortinet, Inc.*	4,580,912
12,197	Gartner, Inc.*	4,077,701
1,573	HubSpot, Inc.*	1,036,843
9,649	International Business Machines Corp.	1,289,685
8,514	Intuit, Inc.	5,476,375
58,999	Microsoft Corp.	19,842,544
13,344	Oracle Corp.	1,163,730
6,810	Palo Alto Networks, Inc.*	3,791,536
27,563	PayPal Holdings, Inc.*	5,197,831
8,658	salesforce.com, Inc.*	2,200,258
6,268	ServiceNow, Inc.*	4,068,621
759	Snowflake, Inc., Class A*	257,111
16,017	VeriSign, Inc.*	4,065,435
33,250	VMware, Inc., Class A	3,853,010
11,384	Western Union Co. (The)	203,091
		72,390,508
Technology Hardware & Equipment – 7.2%		
125,662	Apple, Inc.	22,313,801
4,576	Corning, Inc.	170,364
26,468	Dell Technologies, Inc., Class C*	1,486,708
36,088	Hewlett Packard Enterprise Co.	569,108
7,508	NetApp, Inc.	690,661
33,242	Western Digital Corp.*	2,167,711
		27,398,353
Telecommunication Services – 0.4%		
19,996	AT&T, Inc.	491,902
30,101	Liberty Global PLC, Class C (United Kingdom)*	845,537
		1,337,439
Transportation – 3.9%		
2,671	AMERCO	1,939,760
122,712	CSX Corp.	4,613,971
15,395	Norfolk Southern Corp.	4,583,246
14,325	Union Pacific Corp.	3,608,897
722	United Parcel Service, Inc., Class B	154,754
		14,900,628
Utilities – 3.3%		
46,903	American Electric Power Co., Inc.	4,172,960
44,713	CMS Energy Corp.	2,908,581
54,776	NextEra Energy, Inc.	5,113,887
10,868	NRG Energy, Inc.	468,193
		12,663,621
TOTAL INVESTMENTS – 99.7% (Cost $280,036,732)		$378,216,713
OTHER ASSETS IN EXCESS OF LIABILITIES – 0.3%		1,100,623
NET ASSETS – 100.0%		$379,317,336

The accompanying notes are an integral part of these financial statements.

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

Investment Abbreviations:
PLC —Public Limited Company
REIT—Real Estate Investment Trust

Statements of Assets and Liabilities

December 31, 2021

	Equity Index Fund	Growth Opportunities Fund	International Equity Insights Fund	Large Cap Value Fund
Assets:				
Investments in unaffiliated issuers, at value (cost $51,632,794, $52,412,741, $96,651,067 and $362,219,381, respectively)[a]	$219,888,586	$76,546,850	$105,521,390	$485,337,266
Investments in affiliated issuers, at value (cost $204,048, $933,690, $0 and $2,751,464, respectively)	711,926	933,690	—	2,751,464
Investments in securities lending reinvestment vehicle, at value which equals cost	—	688,836	—	—
Cash	352,693	58,964	1,302,192	655,925
Foreign currency, at value (cost $—, $—, $601,238 and $—, respectively)	—	—	608,455	—
Receivables:				
Collateral on certain derivative contracts	57,500	—	18,038	—
Dividends	132,536	16,295	129,587	300,280
Reimbursement from investment adviser	20,402	64,853	15,334	24,835
Fund shares sold	13,417	48,981	176,076	154,863
Investments sold	6,501	—	—	—
Securities lending income	—	255	104	—
Foreign tax reclaims	—	—	297,066	—
Other assets	17,884	26,186	10,443	24,226
Total assets	221,201,445	78,384,910	108,078,685	489,248,859
Liabilities:				
Variation margin on futures contracts	3,437	—	1,754	—
Payables:				
Management fees	55,147	56,660	72,143	292,794
Distribution and Service fees and Transfer Agency fees	53,780	18,455	9,511	78,399
Fund shares redeemed	17	487	7,977	1,416,410
Upon return of securities loaned	—	688,836	—	—
Legal fees	—	—	126,403	—
Printing and postage fees	—	—	123,727	—
Accrued expenses	176,770	151,966	186,394	199,180
Total liabilities	289,151	916,404	527,909	1,986,783
Net Assets:				
Paid-in capital	54,685,748	51,626,338	99,106,900	359,134,295
Total distributable earnings	166,226,546	25,842,168	8,443,876	128,127,781
NET ASSETS	$220,912,294	$77,468,506	$107,550,776	$487,262,076
Net Assets:				
Institutional	$ —	$ 482,730	$ 63,178,996	$179,541,336
Service	220,912,294	76,985,776	44,371,780	307,720,740
Total Net Assets	$220,912,294	$77,468,506	$107,550,776	$487,262,076
Shares Outstanding $0.001 par value (unlimited number of shares authorized):				
Institutional	—	36,982	6,896,709	18,003,308
Service	9,779,661	6,311,158	4,821,072	30,841,732
Net asset value and offering price per share:				
Institutional	$—	$13.05	$9.16	$9.97
Service	22.59	12.20	9.20	9.98

(a) Includes loaned securities having a market value of $–, $656,769, $– and $–.

Statements of Assets and Liabilities (continued)

December 31, 2021

	Mid Cap Value Fund	Small Cap Equity Insights Fund	Strategic Growth Fund	U.S. Equity Insights Fund
Assets:				
Investments in unaffiliated issuers, at value (cost $392,122,511, $115,956,688, $178,070,332 and $280,036,732, respectively)[a]	$547,975,739	$128,936,106	$444,821,981	$378,216,713
Investments in affiliated issuers, at value (cost $4,761,405, $—, $4,509,290 and $—, respectively)	4,761,405	—	4,509,290	—
Cash	572,873	2,000,736	1,108,130	3,209,179
Investments in securities lending reinvestment vehicle, at value which equals cost	—	1,845,983	858,041	—
Receivables:				
Dividends	412,301	86,319	81,966	169,014
Reimbursement from investment adviser	20,752	11,405	16,817	20,623
Fund shares sold	15,511	27,581	9,741	136,745
Securities lending income	180	562	1,693	59
Other assets	66,653	1,947	3,225	33,998
Total assets	553,825,414	132,910,639	451,410,884	381,786,331
Liabilities:				
Variation margin on futures contracts	—	1,230	—	—
Payables:				
Fund shares redeemed	452,370	22,251	100,283	2,033,242
Management fees	352,716	76,100	269,955	195,695
Distribution and Service fees and Transfer Agency fees	47,579	7,079	68,410	22,285
Upon return of securities loaned	—	1,845,983	858,041	—
Accrued expenses	375,126	128,055	187,473	217,773
Total liabilities	1,227,791	2,080,698	1,484,162	2,468,995
Net Assets:				
Paid-in capital	380,614,777	117,105,802	176,905,221	280,371,390
Total distributable earnings	171,982,846	13,724,139	273,021,501	98,945,946
NET ASSETS	$552,597,623	$130,829,941	$449,926,722	$379,317,336
Net Assets:				
Institutional	$383,315,080	$108,716,290	$187,144,443	$317,468,228
Service	169,282,543	22,113,651	262,782,279	61,849,108
Total Net Assets	$552,597,623	$130,829,941	$449,926,722	$379,317,336
Shares Outstanding $0.001 par value (unlimited number of shares authorized):				
Institutional	19,629,013	8,309,263	11,256,169	15,824,057
Service	8,581,180	1,710,470	15,873,835	3,056,585
Net asset value and offering price per share:				
Institutional	$19.53	$13.08	$16.63	$20.06
Service	19.73	12.93	16.55	20.23

(a) Includes loaned securities having a market value of $–, $1,741,223, $799,585 and $–.

Statements of Operations

For the Fiscal Year Ended December 31, 2021

	Equity Index Fund	Growth Opportunities Fund	International Equity Insights Fund	Large Cap Value Fund
Investment income:				
Dividends — unaffiliated issuers (net of foreign withholding taxes of $726, $—, $252,803 and $20,034, respectively)	$ 2,813,980	$ 277,766	$ 3,220,971	$ 8,466,618
Securities lending income — affiliated issuer	343	18,822	2,501	—
Dividends — affiliated issuers	4,875	205	—	500
Total investment income	2,819,198	296,793	3,223,472	8,467,118
Expenses:				
Management fees	607,870	698,556	847,876	3,450,732
Distribution and/or Service (12b-1) fees	506,557	200,180	112,989	765,855
Professional fees	107,932	105,485	94,562	105,590
Custody, accounting and administrative services	67,771	71,367	172,907	82,591
Printing and mailing costs	67,176	35,804	58,060	15,079
Transfer Agency fees[a]	40,522	16,058	20,934	95,848
Trustee fees	19,528	19,363	19,307	19,939
Other	28	—	7,758	10,466
Total expenses	1,417,384	1,146,813	1,334,393	4,546,100
Less — expense reductions	(447,223)	(355,402)	(310,436)	(530,610)
Net expenses	970,161	791,411	1,023,957	4,015,490
NET INVESTMENT INCOME (LOSS)	1,849,037	(494,618)	2,199,515	4,451,628
Realized and unrealized gain (loss):				
Net realized gain (loss) from:				
Investments — unaffiliated issuers	11,827,497	13,222,693	14,648,412	71,561,670
Investments — affiliated issuers	34,656	—	—	—
Futures	410,607	—	189,281	—
Foreign currency transactions	—	—	(103,994)	(2)
Net change in unrealized gain (loss) on:				
Investments — unaffiliated issuers	36,423,626	(3,912,879)	(5,269,670)	26,553,599
Investments — affiliated issuers	198,739	—	—	—
Futures	(28,046)	—	(22,567)	—
Foreign currency translations	—	—	(44,008)	1
Net realized and unrealized gain	48,867,079	9,309,814	9,397,454	98,115,268
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$50,716,116	$ 8,815,196	$11,596,969	$102,566,896

(a) Class specific Transfer Agency fees were as follows:

	Transfer Agency Fees	
Fund	Institutional	Service
Equity Index Fund	$ —	$40,522
Growth Opportunities Fund	45	16,013
International Equity Insights Fund	11,277	9,657
Large Cap Value Fund	34,583	61,265

The accompanying notes are an integral part of these financial statements.

Statements of Operations (continued)

For the Fiscal Year Ended December 31, 2021

	Mid Cap Value Fund	Small Cap Equity Insights Fund	Strategic Growth Fund	U.S. Equity Insights Fund
Investment income:				
Dividends — unaffiliated issuers (net of foreign withholding taxes of $—, $3,161, $2,482 and $1,515, respectively)	$ 6,802,472	$ 1,436,021	$ 1,949,249	$ 4,805,998
Securities lending income — affiliated issuer	2,450	10,077	71,582	24,429
Dividends — affiliated issuers	781	350	721	—
Total investment income	6,805,703	1,446,448	2,021,552	4,830,427
Expenses:				
Management fees	4,051,144	881,928	3,119,318	2,199,946
Distribution and/or Service (12b-1) fees	413,782	48,988	652,229	129,058
Custody, accounting and administrative services	76,850	87,222	76,190	78,674
Professional fees	105,678	106,968	109,838	107,038
Transfer Agency fees[a]	105,218	25,196	87,863	70,962
Printing and mailing costs	98,620	46,989	43,491	44,884
Trustee fees	20,002	19,426	19,857	19,736
Other	13,399	1,429	7,431	5,615
Total expenses	4,884,693	1,218,146	4,116,217	2,655,913
Less — expense reductions	(95,715)	(145,882)	(237,970)	(563,643)
Net expenses	4,788,978	1,072,264	3,878,247	2,092,270
NET INVESTMENT INCOME (LOSS)	2,016,725	374,184	(1,856,695)	2,738,157
Realized and unrealized gain (loss):				
Net realized gain (loss) from:				
Investments — unaffiliated issuers	99,516,679	25,941,494	54,667,136	77,080,399
Futures	—	192,178	—	—
Net change in unrealized gain (loss) on:				
Investments — unaffiliated issuers	38,869,211	(1,855,294)	33,677,090	10,800,923
Futures	—	(43,630)	—	—
Net realized and unrealized gain	138,385,890	24,234,748	88,344,226	87,881,322
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$140,402,615	$24,608,932	$86,487,531	$90,619,479

(a) Class specific Transfer Agency fees were as follows:

	Transfer Agency Fees	
Fund	Institutional	Service
Mid Cap Value Fund	$72,117	$33,101
Small Cap Equity Insights Fund	21,277	3,919
Strategic Growth Fund	35,688	52,175
U.S. Equity Insights Fund	59,256	11,706

Statements of Changes in Net Assets

	Equity Index Fund		Growth Opportunities Fund	
	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020
From operations:				
Net investment income (loss)	$ 1,849,037	$ 2,155,109	$ (494,618)	$ (358,175)
Net realized gain	12,272,760	14,732,526	13,222,693	15,934,579
Net change in unrealized gain (loss)	36,594,319	10,894,526	(3,912,879)	10,213,950
Net increase in net assets resulting from operations	50,716,116	27,782,161	8,815,196	25,790,354
Distributions to shareholders:				
From distributable earnings:				
Institutional Shares	—	—	(67,989)	(23,510)
Service Shares	(16,050,234)	(14,476,879)	(13,375,264)	(13,714,506)
Total distributions to shareholders	(16,050,234)	(14,476,879)	(13,443,253)	(13,738,016)
From share transactions:				
Proceeds from sales of shares	8,243,921	2,826,875	3,372,373	8,075,423
Reinvestment of distributions	16,050,234	14,476,879	13,443,253	13,738,016
Cost of shares redeemed	(23,750,642)	(24,448,149)	(17,004,840)	(25,079,859)
Net increase (decrease) in net assets resulting from share transactions	543,513	(7,144,395)	(189,214)	(3,266,420)
TOTAL INCREASE (DECREASE)	35,209,395	6,160,887	(4,817,271)	8,785,918
Net assets:				
Beginning of year	185,702,899	179,542,012	82,285,777	73,499,859
End of year	$220,912,294	$185,702,899	$ 77,468,506	$ 82,285,777

 The accompanying notes are an integral part of these financial statements.

Statements of Changes in Net Assets (continued)

	International Equity Insights Fund		Large Cap Value Fund	
	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020
From operations:				
Net investment income	$ 2,199,515	$ 1,197,265	$ 4,451,628	$ 5,387,194
Net realized gain (loss)	14,733,699	(4,206,523)	71,561,668	(6,988,415)
Net change in unrealized gain (loss)	(5,336,245)	8,183,210	26,553,600	20,107,747
Net increase in net assets resulting from operations	11,596,969	5,173,952	102,566,896	18,506,526
Distributions to shareholders:				
From distributable earnings:				
Institutional Shares	(3,288,959)	(717,721)	(23,694,892)	(4,769,206)
Service Shares	(2,232,384)	(579,185)	(40,039,323)	(8,295,083)
Total distributions to shareholders	(5,521,343)	(1,296,906)	(63,734,215)	(13,064,289)
From share transactions:				
Proceeds from sales of shares	14,541,209	15,760,187	16,916,259	34,531,693
Reinvestment of distributions	5,521,343	1,296,906	63,734,215	13,064,288
Cost of shares redeemed	(16,387,138)	(15,650,946)	(91,861,106)	(63,270,455)
Net increase (decrease) in net assets resulting from share transactions	3,675,414	1,406,147	(11,210,632)	(15,674,474)
TOTAL INCREASE (DECREASE)	9,751,040	5,283,193	27,622,049	(10,232,237)
Net assets:				
Beginning of year	97,799,736	92,516,543	459,640,027	469,872,264
End of year	$107,550,776	$ 97,799,736	$487,262,076	$459,640,027

Statements of Changes in Net Assets (continued)

	Mid Cap Value Fund		Small Cap Equity Insights Fund	
	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020
From operations:				
Net investment income	$ 2,016,725	$ 2,391,622	$ 374,184	$ 350,873
Net realized gain (loss)	99,516,679	(9,440,981)	26,133,672	2,742,391
Net change in unrealized gain (loss)	38,869,211	27,741,103	(1,898,924)	5,323,157
Net increase in net assets resulting from operations	140,402,615	20,691,744	24,608,932	8,416,421
Distributions to shareholders:				
From distributable earnings:				
Institutional Shares	(51,237,122)	(6,463,230)	(23,948,283)	(1,169,326)
Service Shares	(22,180,324)	(2,864,537)	(4,659,058)	(210,446)
Total distributions to shareholders	(73,417,446)	(9,327,767)	(28,607,341)	(1,379,772)
From share transactions:				
Proceeds from sales of shares	13,454,928	104,182,481	30,972,672	12,162,071
Reinvestment of distributions	73,417,446	9,327,767	28,607,341	1,379,772
Cost of shares redeemed	(87,544,935)	(148,714,253)	(26,877,758)	(13,986,049)
Net increase (decrease) in net assets resulting from share transactions	(672,561)	(35,204,005)	32,702,255	(444,206)
TOTAL INCREASE (DECREASE)	66,312,608	(23,840,028)	28,703,846	6,592,443
Net assets:				
Beginning of year	486,285,015	510,125,043	102,126,095	95,533,652
End of year	$552,597,623	$ 486,285,015	$130,829,941	$102,126,095

 The accompanying notes are an integral part of these financial statements.

Statements of Changes in Net Assets (continued)

	Strategic Growth Fund		U.S. Equity Insights Fund	
	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020	For the Fiscal Year Ended December 31, 2021	For the Fiscal Year Ended December 31, 2020
From operations:				
Net investment income (loss)	$ (1,856,695)	$ (559,611)	$ 2,738,157	$ 2,391,184
Net realized gain	54,667,136	39,110,537	77,080,399	17,525,008
Net change in unrealized gain	33,677,090	78,842,415	10,800,923	28,349,314
Net increase in net assets resulting from operations	86,487,531	117,393,341	90,619,479	48,265,506
Distributions to shareholders:				
From distributable earnings:				
Institutional Shares	(22,122,701)	(12,680,432)	(71,715,395)	(12,570,928)
Service Shares	(31,302,896)	(19,462,681)	(13,647,143)	(2,480,325)
Total distributions to shareholders	(53,425,597)	(32,143,113)	(85,362,538)	(15,051,253)
From share transactions:				
Proceeds from sales of shares	14,745,884	82,639,601	24,061,285	13,712,118
Reinvestment of distributions	53,425,597	32,143,113	85,362,538	15,051,253
Cost of shares redeemed	(76,950,698)	(145,449,611)	(57,104,159)	(52,367,727)
Net increase (decrease) in net assets resulting from share transactions	(8,779,217)	(30,666,897)	52,319,664	(23,604,356)
TOTAL INCREASE	24,282,717	54,583,331	57,576,605	9,609,897
Net assets:				
Beginning of year	425,644,005	371,060,674	321,740,731	312,130,834
End of year	$449,926,722	$ 425,644,005	$379,317,336	$321,740,731

Financial Highlights

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Equity Index Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 19.01	$ 17.50	$ 14.43	$ 16.60	$ 14.49
Net investment income[a]	0.20	0.22	0.25	0.25	0.24
Net realized and unrealized gain (loss)	5.14	2.89	4.18	(1.04)	2.85
Total from investment operations	5.34	3.11	4.43	(0.79)	3.09
Distributions to shareholders from net investment income	(0.22)	(0.23)	(0.26)	(0.27)	(0.26)
Distributions to shareholders from net realized gains	(1.54)	(1.37)	(1.10)	(1.11)	(0.72)
Total distributions	(1.76)	(1.60)	(1.36)	(1.38)	(0.98)
Net asset value, end of year	$ 22.59	$ 19.01	$ 17.50	$ 14.43	$ 16.60
Total Return[b]	28.20%	17.84%	30.85%	(4.87)%	21.29%
Net assets, end of period (in 000's)	$220,912	$185,703	$179,542	$155,098	$179,036
Ratio of net expenses to average net assets	0.48%	0.48%	0.50%	0.48%	0.48%
Ratio of total expenses to average net assets	0.70%	0.76%	0.78%	0.72%	0.71%
Ratio of net investment income to average net assets	0.91%	1.28%	1.48%	1.48%	1.53%
Portfolio turnover rate[c]	4%	4%	3%	4%	2%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

The accompanying notes are an integral part of these financial statements.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Growth Opportunities Fund				
	Institutional Shares				
	Year Ended December 31,[a]				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$13.93	$11.50	$10.51	$ 31.13	$27.13
Net investment income (loss)[b]	(0.07)	(0.04)	(0.01)	(0.02)	(0.04)
Net realized and unrealized gain (loss)	1.71	5.06	3.59	(1.30)	7.40
Total from investment operations	1.64	5.02	3.58	(1.32)	7.36
Distributions to shareholders from net realized gains	(2.52)	(2.59)	(2.59)	(19.30)	(3.36)
Net asset value, end of year	$13.05	$13.93	$11.50	$ 10.51	$31.13
Total Return[c]	11.65%	44.33%	34.35%	(4.17)%	27.14%
Net assets, end of period (in 000's)	$ 483	$ 151	$ 94	$ 59	$ 52
Ratio of net expenses to average net assets	0.83%	0.85%	0.88%	0.85%	0.87%
Ratio of total expenses to average net assets	1.33%	1.23%	1.26%	1.20%	1.14%
Ratio of net investment income (loss) to average net assets	(0.47)%	(0.34)%	(0.12)%	(0.08)%	(0.13)%
Portfolio turnover rate[d]	50%	71%	75%	59%	57%

(a) All per share amounts representing data prior to May 17, 2019 have been restated to reflect a 4 to 1 reverse stock split which occurred on that date.
(b) Calculated based on the average shares outstanding methodology.
(c) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(d) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Growth Opportunities Fund				
	Service Shares				
	Year Ended December 31,[a]				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 13.19	$ 11.00	$ 10.15	$ 30.80	$ 26.92
Net investment loss[b]	(0.09)	(0.06)	(0.02)	(0.07)	(0.08)
Net realized and unrealized gain (loss)	1.62	4.84	3.46	(1.28)	7.32
Total from investment operations	1.53	4.78	3.44	(1.35)	7.24
Distributions to shareholders from net realized gains	(2.52)	(2.59)	(2.59)	(19.30)	(3.36)
Net asset value, end of year	$ 12.20	$ 13.19	$ 11.00	$ 10.15	$ 30.80
Total Return[c]	11.48%	44.16%	34.06%	(4.34)%	26.92%
Net assets, end of period (in 000's)	$76,986	$82,134	$73,406	$59,910	$170,785
Ratio of net expenses to average net assets	0.99%	1.01%	1.04%	1.01%	1.02%
Ratio of total expenses to average net assets	1.43%	1.48%	1.51%	1.44%	1.39%
Ratio of net investment loss to average net assets	(0.62)%	(0.50)%	(0.28)%	(0.24)%	(0.26)%
Portfolio turnover rate[d]	50%	71%	75%	59%	57%

(a) All per share amounts representing data prior to May 17, 2019 have been restated to reflect a 4 to 1 reverse stock split which occurred on that date.
(b) Calculated based on the average shares outstanding methodology.
(c) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(d) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs International Equity Insights Fund				
	Institutional Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 8.62	$ 8.19	$ 7.08	$ 10.88	$ 8.75
Net investment income[a]	0.21	0.12	0.17	0.19	0.17
Net realized and unrealized gain (loss)	0.83	0.43	1.14	(1.94)	2.16
Total from investment operations	1.04	0.55	1.31	(1.75)	2.33
Distributions to shareholders from net investment income	(0.27)	(0.12)	(0.20)	(0.21)	(0.20)
Distributions to shareholders from net realized gains	(0.23)	—	—[b]	(1.84)	—
Total distributions	(0.50)	(0.12)	(0.20)	(2.05)	(0.20)
Net asset value, end of year	$ 9.16	$ 8.62	$ 8.19	$ 7.08	$ 10.88
Total Return[c]	12.17%	6.79%	18.45%	(16.28)%	26.60%
Net assets, end of period (in 000's)	$63,179	$50,114	$43,632	$37,829	$41,512
Ratio of net expenses to average net assets	0.85%	0.87%	0.90%	0.87%	0.87%
Ratio of total expenses to average net assets	1.14%	1.37%	1.31%	1.23%	1.02%
Ratio of net investment income to average net assets	2,22%	1.59%	3.21%	1.79%	1.69%
Portfolio turnover rate[d]	167%	175%	146%	156%	23%

(a) Calculated based on the average shares outstanding methodology.
(b) Amount is less than $0.005 per share.
(c) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(d) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Share Data for a Share Outstanding Throughout Each Year

	Goldman Sachs International Equity Insights Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 8.66	$ 8.23	$ 7.11	$ 10.91	$ 8.78
Net investment income (loss)[a]	0.19	0.10	0.15	0.14	0.14
Net realized and unrealized gain (loss)	0.83	0.44	1.15	(1.93)	2.16
Total from investment operations	1.02	0.54	1.30	(1.79)	2.30
Distributions to shareholders from net investment income	(0.25)	(0.11)	(0.18)	(0.17)	(0.17)
Distributions to shareholders from net realized gains	(0.23)	—	—[b]	(1.84)	—
Total distributions	(0.48)	(0.11)	(0.18)	(2.01)	(0.17)
Net asset value, end of year	$ 9.20	$ 8.66	$ 8.23	$ 7.11	$ 10.91
Total Return[c]	11.81%	6.53%	18.23%	(16.55)%	26.21%
Net assets, end of period (in 000's)	$44,372	$47,685	$48,884	$43,923	$123,778
Ratio of net expenses to average net assets	1.10%	1.12%	1.15%	1.12%	1.12%
Ratio of total expenses to average net assets	1.40%	1.61%	1.55%	1.43%	1.27%
Ratio of net investment income (loss) to average net assets	1.97%	1.30%	1.89%	1.30%	1.44%
Portfolio turnover rate[d]	167%	175%	146%	156%	23%

(a) Calculated based on the average shares outstanding methodology.
(b) Amount is less than $0.005 per share.
(c) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(d) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Large Cap Value Fund				
	Institutional Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 9.27	$ 9.19	$ 7.67	$ 9.06	$ 10.16
Net investment income[a]	0.11	0.12	0.13	0.12	0.16
Net realized and unrealized gain (loss)	2.09	0.24	1.86	(0.88)	0.83
Total from investment operations	2.20	0.36	1.99	(0.76)	0.99
Distributions to shareholders from net investment income	(0.13)	(0.12)	(0.14)	(0.12)	(0.18)
Distributions to shareholders from net realized gains	(1.37)	(0.16)	(0.33)	(0.51)	(1.91)
Total distributions	(1.50)	(0.28)	(0.47)	(0.63)	(2.09)
Net asset value, end of year	$ 9.97	$ 9.27	$ 9.19	$ 7.67	$ 9.06
Total Return[b]	24.13%	3.97%	25.93%	(8.46)%	9.85%
Net assets, end of period (in 000's)	$179,541	$160,076	$163,814	$150,963	$188,182
Ratio of net expenses to average net assets	0.69%	0.71%	0.73%	0.71%	0.72%
Ratio of total expenses to average net assets	0.79%	0.81%	0.83%	0.81%	0.81%
Ratio of net investment income to average net assets	1.08%	1.44%	1.46%	1.32%	1.50%
Portfolio turnover rate[c]	54%	58%	58%	125%	127%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Large Cap Value Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 9.27	$ 9.19	$ 7.67	$ 9.06	$ 10.16
Net investment income (loss)[a]	0.09	0.10	0.11	0.10	0.13
Net realized and unrealized gain (loss)	2.09	0.24	1.85	(0.88)	0.83
Total from investment operations	2.18	0.34	1.96	(0.78)	0.96
Distributions to shareholders from net investment income	(0.10)	(0.10)	(0.11)	(0.10)	(0.15)
Distributions to shareholders from net realized gains	(1.37)	(0.16)	(0.33)	(0.51)	(1.91)
Total distributions	(1.47)	(0.26)	(0.44)	(0.61)	(2.06)
Net asset value, end of year	$ 9.98	$ 9.27	$ 9.19	$ 7.67	$ 9.06
Total Return[b]	23.93%	3.73%	25.61%	(8.72)%	9.56%
Net assets, end of period (in 000's)	$307,721	$299,564	$306,058	$282,891	$358,776
Ratio of net expenses to average net assets	0.92%	0.94%	0.98%	0.96%	0.97%
Ratio of total expenses to average net assets	1.04%	1.06%	1.08%	1.06%	1.06%
Ratio of net investment income (loss) to average net assets	0.84%	1.21%	1.21%	1.07%	1.26%
Portfolio turnover rate[c]	54%	58%	58%	125%	127%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Mid Cap Value Fund				
	Institutional Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 17.23	$ 16.22	$ 12.89	$ 16.93	$ 16.23
Net investment income[a]	0.09	0.10	0.13	0.13	0.12
Net realized and unrealized gain (loss)	5.20	1.26	3.93	(1.86)	1.68
Total from investment operations	5.29	1.36	4.06	(1.73)	1.80
Distributions to shareholders from net investment income	(0.10)	(0.10)	(0.13)	(0.23)	(0.13)
Distributions to shareholders from net realized gains	(2.89)	(0.25)	(0.60)	(2.08)	(0.97)
Total distributions	(2.99)	(0.35)	(0.73)	(2.31)	(1.10)
Net asset value, end of year	$ 19.53	$ 17.23	$ 16.22	$ 12.89	$ 16.93
Total Return[b]	30.95%	8.38%	31.53%	(10.46)%	11.07%
Net assets, end of period (in 000's)	$383,315	$327,376	$335,229	$300,056	$388,709
Ratio of net expenses to average net assets	0.83%	0.84%	0.87%	0.84%	0.84%
Ratio of total expenses to average net assets	0.85%	0.90%	0.90%	0.86%	0.87%
Ratio of net investment income to average net assets	0.46%	0.68%	0.85%	0.75%	0.71%
Portfolio turnover rate[c]	63%	111%	89%	109%	134%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Mid Cap Value Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 17.39	$ 16.37	$ 13.01	$ 16.95	$ 16.25
Net investment income (loss)[a]	0.04	0.06	0.10	0.07	0.08
Net realized and unrealized gain (loss)	5.24	1.28	3.95	(1.84)	1.68
Total from investment operations	5.28	1.34	4.05	(1.77)	1.76
Distributions to shareholders from net investment income	(0.05)	(0.07)	(0.09)	(0.09)	(0.09)
Distributions to shareholders from net realized gains	(2.89)	(0.25)	(0.60)	(2.08)	(0.97)
Total distributions	(2.94)	(0.32)	(0.69)	(2.17)	(1.06)
Net asset value, end of year	$ 19.73	$ 17.39	$ 16.37	$ 13.01	$ 16.95
Total Return[b]	30.57%	8.17%	31.17%	(10.70)%	10.85%
Net assets, end of period (in 000's)	$169,283	$158,909	$174,896	$76,835	$381,172
Ratio of net expenses to average net assets	1.08%	1.09%	1.12%	1.09%	1.09%
Ratio of total expenses to average net assets	1.10%	1.14%	1.16%	1.11%	1.12%
Ratio of net investment income (loss) to average net assets	0.21%	0.39%	0.66%	0.42%	0.47%
Portfolio turnover rate[c]	63%	111%	89%	109%	134%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

The accompanying notes are an integral part of these financial statements.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Small Cap Equity Insights Fund				
	Institutional Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 13.51	$ 12.62	$ 10.37	$ 13.66	$ 13.79
Net investment income[a]	0.05[b]	0.05	0.06	0.07[c]	0.08
Net realized and unrealized gain (loss)	3.17	1.03	2.51	(1.21)	1.53
Total from investment operations	3.22	1.08	2.57	(1.14)	1.61
Distributions to shareholders from net investment income	(0.08)	(0.03)	(0.06)	(0.07)	(0.08)
Distributions to shareholders from net realized gains	(3.57)	(0.16)	(0.26)	(2.08)	(1.66)
Total distributions	(3.65)	(0.19)	(0.32)	(2.15)	(1.74)
Net asset value, end of year	$ 13.08	$ 13.51	$ 12.62	$ 10.37	$ 13.66
Total Return[d]	23.79%	8.56%	24.84%	(8.62)%	11.57%
Net assets, end of period (in 000's)	$108,716	$84,887	$79,791	$68,951	$77,815
Ratio of net expenses to average net assets	0.81%	0.81%	0.86%	0.81%	0.81%
Ratio of total expenses to average net assets	0.93%	1.08%	1.05%	0.98%	1.00%
Ratio of net investment income to average net assets	0.34%[b]	0.46%	0.51%	0.46%[c]	0.53%
Portfolio turnover rate[e]	172%	147%	125%	116%	110%

(a) Calculated based on the average shares outstanding methodology.
(b) Reflects income recognized from special dividends which amounted to $0.03 per share and 0.22% of average net assets.
(c) Reflects income recognized from special dividends which amounted to $0.02 per share and 0.17% of average net assets.
(d) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(e) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Small Cap Equity Insights Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 13.39	$ 12.51	$ 10.28	$ 13.55	$ 13.70
Net investment income[a]	0.01[b]	0.02	0.03	0.03[c]	0.04
Net realized and unrealized gain (loss)	3.14	1.02	2.49	(1.19)	1.51
Total from investment operations	3.15	1.04	2.52	(1.16)	1.55
Distributions to shareholders from net investment income	(0.04)	—	(0.03)	(0.03)	(0.04)
Distributions to shareholders from net realized gains	(3.57)	(0.16)	(0.26)	(2.08)	(1.66)
Total distributions	(3.61)	(0.16)	(0.29)	(2.11)	(1.70)
Net asset value, end of year	$ 12.93	$ 13.39	$ 12.51	$ 10.28	$ 13.55
Total Return[d]	23.50%	8.34%	24.53%	(8.82)%	11.22%
Net assets, end of period (in 000's)	$22,114	$17,239	$15,742	$16,537	$20,505
Ratio of net expenses to average net assets	1.06%	1.06%	1.10%	1.06%	1.06%
Ratio of total expenses to average net assets	1.18%	1.33%	1.30%	1.23%	1.25%
Ratio of net investment income to average net assets	0.09%[b]	0.22%	0.27%	0.19%[c]	0.28%
Portfolio turnover rate[e]	172%	147%	125%	116%	110%

(a) Calculated based on the average shares outstanding methodology.
(b) Reflects income recognized from special dividends which amounted to $0.03 per share and 0.22% of average net assets.
(c) Reflects income recognized from special dividends which amounted to $0.02 per share and 0.17% of average net assets.
(d) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(e) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Strategic Growth Fund				
	Institutional Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 15.43	$ 11.90	$ 9.78	$ 19.73	$ 15.83
Net investment income (loss)[a]	(0.05)	—[b]	0.03	0.06	0.09
Net realized and unrealized gain (loss)	3.46	4.79	3.43	(0.18)	4.77
Total from investment operations	3.41	4.79	3.46	(0.12)	4.86
Distributions to shareholders from net investment income	—	(0.01)	(0.04)	(0.10)	(0.10)
Distributions to shareholders from net realized gains	(2.21)	(1.25)	(1.30)	(9.73)	(0.86)
Total distributions	(2.21)	(1.26)	(1.34)	(9.83)	(0.96)
Net asset value, end of year	$ 16.63	$ 15.43	$ 11.90	$ 9.78	$ 19.73
Total Return[c]	21.93%	40.37%	35.53%	(1.04)%	30.66%
Net assets, end of period (in 000's)	$187,144	$167,930	$129,686	$102,199	$115,693
Ratio of net expenses to average net assets	0.73%	0.74%	0.77%	0.74%	0.76%
Ratio of total expenses to average net assets	0.79%	0.81%	0.85%	0.82%	0.82%
Ratio of net investment income (loss) to average net assets	(0.27)%	(0.01)%	0.29%	0.30%	0.48%
Portfolio turnover rate[d]	20%	45%	44%	41%	37%

(a) Calculated based on the average shares outstanding methodology.
(b) Amount is less than $0.005 per share.
(c) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.
(d) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs Strategic Growth Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 15.41	$ 11.91	$ 9.78	$ 19.68	$ 15.79
Net investment income (loss)[a]	(0.09)	(0.03)	0.01	0.01	0.04
Net realized and unrealized gain (loss)	3.44	4.78	3.43	(0.18)	4.76
Total from investment operations	3.35	4.75	3.44	(0.17)	4.80
Distributions to shareholders from net investment income	—	—	(0.01)	—	(0.05)
Distributions to shareholders from net realized gains	(2.21)	(1.25)	(1.30)	(9.73)	(0.86)
Total distributions	(2.21)	(1.25)	(1.31)	(9.73)	(0.91)
Net asset value, end of year	$ 16.55	$ 15.41	$ 11.91	$ 9.78	$ 19.68
Total Return[b]	21.56%	39.98%	35.32%	(1.32)%	30.36%
Net assets, end of period (in 000's)	$262,782	$257,714	$241,375	$139,414	$425,679
Ratio of net expenses to average net assets	0.98%	0.99%	1.02%	0.99%	1.01%
Ratio of total expenses to average net assets	1.04%	1.06%	1.10%	1.07%	1.07%
Ratio of net investment income (loss) to average net assets	(0.52)%	(0.24)%	0.04%	0.04%	0.23%
Portfolio turnover rate[c]	20%	45%	44%	41%	37%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs U.S. Equity Insights Fund				
	Institutional Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 20.08	$ 17.93	$ 15.03	$ 19.41	$ 17.65
Net investment income[a]	0.18	0.15	0.21	0.22	0.28
Net realized and unrealized gain (loss)	5.61	2.98	3.57	(1.38)	3.98
Total from investment operations	5.79	3.13	3.78	(1.16)	4.26
Distributions to shareholders from net investment income	(0.19)	(0.16)	(0.23)	(0.25)	(0.28)
Distributions to shareholders from net realized gains	(5.62)	(0.82)	(0.65)	(2.97)	(2.22)
Total distributions	(5.81)	(0.98)	(0.88)	(3.22)	(2.50)
Net asset value, end of year	$ 20.06	$ 20.08	$ 17.93	$ 15.03	$ 19.41
Total Return[b]	29.41%	17.49%	25.21%	(6.19)%	24.07%
Net assets, end of period (in 000's)	$317,468	$267,592	$256,930	$235,553	$277,952
Ratio of net expenses to average net assets	0.55%	0.56%	0.58%	0.58%	0.62%
Ratio of total expenses to average net assets	0.71%	0.75%	0.76%	0.73%	0.70%
Ratio of net investment income to average net assets	0.81%	0.85%	1.24%	1.12%	1.42%
Portfolio turnover rate[c]	206%	203%	187%	160%	184%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Financial Highlights (continued)

Selected Data for a Share Outstanding Throughout Each Year

	Goldman Sachs U.S. Equity Insights Fund				
	Service Shares				
	Year Ended December 31,				
	2021	2020	2019	2018	2017
Per Share Data					
Net asset value, beginning of year	$ 20.21	$ 18.04	$ 15.12	$ 19.48	$ 17.71
Net investment income[a]	0.14	0.12	0.18	0.18	0.24
Net realized and unrealized gain (loss)	5.64	2.99	3.58	(1.37)	3.99
Total from investment operations	5.78	3.11	3.76	(1.19)	4.23
Distributions to shareholders from net investment income	(0.14)	(0.12)	(0.19)	(0.20)	(0.24)
Distributions to shareholders from net realized gains	(5.62)	(0.82)	(0.65)	(2.97)	(2.22)
Total distributions	(5.76)	(0.94)	(0.84)	(3.17)	(2.46)
Net asset value, end of year	$ 20.23	$ 20.21	$ 18.04	$ 15.12	$ 19.48
Total Return[b]	29.11%	17.27%	24.93%	(6.36)%	23.80%
Net assets, end of period (in 000's)	$61,849	$54,149	$55,201	$53,208	$142,210
Ratio of net expenses to average net assets	0.77%	0.77%	0.79%	0.79%	0.82%
Ratio of total expenses to average net assets	0.93%	1.00%	1.01%	0.97%	0.95%
Ratio of net investment income to average net assets	0.60%	0.63%	1.03%	0.88%	1.21%
Portfolio turnover rate[c]	206%	203%	187%	160%	184%

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the NAV at the beginning of the year, reinvestment of all dividends and distributions, a complete redemption of the investment at the NAV at the end of the year and no sales or redemption charges (if any). Total returns would be reduced if a sales or redemption charge was taken into account. Returns do not reflect the impact of taxes to shareholders relating to Fund distributions or the redemption of Fund shares.

(c) The Fund's portfolio turnover rate is calculated in accordance with regulatory requirements, without regard to transactions involving short term investments. If such transactions were included, the Fund's portfolio turnover rate may be higher.

Notes to Financial Statements

December 31, 2021

1. ORGANIZATION

Goldman Sachs Variable Insurance Trust (the "Trust" or "VIT") is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The following table lists those series of the Trust that are included in this report (collectively, the "Funds" or individually a "Fund"), along with their corresponding share classes and respective diversification status under the Act:

Fund	Share Classes Offered	Diversified/ Non-diversified
Equity Index	Service	Diversified
Growth Opportunities	Institutional and Service	Diversified
International Equity Insights	Institutional and Service	Diversified
Large Cap Value	Institutional and Service	Diversified
Mid Cap Value	Institutional and Service	Diversified
Small Cap Equity Insights	Institutional and Service	Diversified
Strategic Growth	Institutional and Service	Non-Diversified
U.S. Equity Insights	Institutional and Service	Diversified

Shares of the Trust are offered to separate accounts of participating life insurance companies for the purpose of funding variable annuity contracts and variable life insurance policies.

Goldman Sachs Asset Management, L.P. ("GSAM" or the "Investment Adviser"), an affiliate of Goldman Sachs & Co. LLC ("Goldman Sachs"), serves as investment adviser to the Funds pursuant to management agreements (the "Agreements") with the Trust.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and require management to make estimates and assumptions that may affect the reported amounts and disclosures. Actual results may differ from those estimates and assumptions. Each Fund is an investment company under GAAP and follows the accounting and reporting guidance applicable to investment companies.

A. Investment Valuation — The Fund's valuation policy is to value investments at fair value.

B. Investment Income and Investments — Investment income includes interest income, dividend income, and securities lending income, if any. Interest income is accrued daily and adjusted for amortization of premiums and accretion of discounts. Dividend income is recognized on ex-dividend date or, for certain foreign securities, as soon as such information is obtained subsequent to the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the securities received. Investment transactions are reflected on trade date. Realized gains and losses are calculated using identified cost. Investment transactions are recorded on the following business day for daily net asset value ("NAV") calculations. Investment income is recorded net of any foreign withholding taxes, less any amounts reclaimable. The Funds may file withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. Any foreign capital gains tax is accrued daily based upon net unrealized gains, and is payable upon sale of such investments. Distributions received from the Funds' investments in United States ("U.S.") real estate investment trusts ("REITs") may be characterized as ordinary income, net capital gain and/or a return of capital. A return of capital is recorded by the Funds as a reduction to the cost basis of the REIT.

For derivative contracts, realized gains and losses are recorded upon settlement of the contract.

C. Class Allocations and Expenses — Investment income, realized and unrealized gain (loss), if any, and non-class specific expenses of each Fund are allocated daily based upon the proportion of net assets of each class. Non-class specific expenses

Notes to Financial Statements (continued)

December 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

directly incurred by a Fund are charged to that Fund, while such expenses incurred by the Trust are allocated across the applicable Funds on a straight-line and/or pro-rata basis depending upon the nature of the expenses. Class specific expenses, where applicable, are borne by the respective share classes and include Distribution and Service and Transfer Agency fees.

D. Federal Taxes and Distributions to Shareholders — It is each Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), applicable to regulated investment companies and to distribute each year substantially all of its investment company taxable income and capital gains to its shareholders. Accordingly, each Fund is not required to make any provisions for the payment of federal income tax. Distributions to shareholders are recorded on the ex-dividend date. Income and capital gains distributions, if any, are declared and paid at least annually.

Net capital losses, if any, are carried forward to future fiscal years and may be used to the extent allowed by the Code to offset any future capital gains. Losses that are carried forward will retain their character as either short-term or long-term capital losses. Utilization of capital loss carryforwards will reduce the requirement of future capital gains distributions.

The characterization of distributions to shareholders for financial reporting purposes is determined in accordance with federal income tax rules, which may differ from GAAP. The source of each Fund's distributions may be shown in the accompanying financial statements as either from distributable earnings or capital. Certain components of the Funds' net assets on the Statements of Assets and Liabilities reflect permanent GAAP/tax differences based on the appropriate tax character.

E. Foreign Currency Translation — The accounting records and reporting currency of a Fund are maintained in U.S. dollars. Assets and liabilities denominated in foreign currencies are translated into U.S. dollars using the current exchange rates at the close of each business day. The effect of changes in foreign currency exchange rates on investments is included within net realized and unrealized gain (loss) on investments. Changes in the value of other assets and liabilities as a result of fluctuations in foreign exchange rates are included in the Statements of Operations within net change in unrealized gain (loss) on foreign currency translation. Transactions denominated in foreign currencies are translated into U.S. dollars on the date the transaction occurred, the effects of which are included within net realized gain (loss) on foreign currency transactions.

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

U.S. GAAP defines the fair value of a financial instrument as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price); the Funds' policy is to use the market approach. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The level in the fair value hierarchy within which the fair value measurement in its entirety falls shall be determined based on the lowest level input that is significant to the fair value measurement in its entirety. The levels used for classifying investments are not necessarily an indication of the risk associated with investing in these investments. The three levels of the fair value hierarchy are described below:

Level 1 — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
Level 2 — Quoted prices in markets that are not active or financial instruments for which significant inputs are observable (including, but not limited to, quoted prices for similar investments, interest rates, foreign exchange rates, volatility and credit spreads), either directly or indirectly;
Level 3 — Prices or valuations that require significant unobservable inputs (including GSAM's assumptions in determining fair value measurement).

The Board of Trustees ("Trustees") has approved Valuation Procedures that govern the valuation of the portfolio investments held by the Funds, including investments for which market quotations are not readily available. The Trustees have delegated to GSAM day-to-day responsibility for implementing and maintaining internal controls and procedures related to the valuation of the Funds' investments. To assess the continuing appropriateness of pricing sources and methodologies, GSAM regularly performs price

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

verification procedures and issues challenges as necessary to third party pricing vendors or brokers, and any differences are reviewed in accordance with the Valuation Procedures.

A. Level 1 and Level 2 Fair Value Investments — The valuation techniques and significant inputs used in determining the fair values for investments classified as Level 1 and Level 2 are as follows:

Equity Securities — Equity securities traded on a U.S. securities exchange or the NASDAQ system, or those located on certain foreign exchanges, including but not limited to the Americas, are valued daily at their last sale price or official closing price on the principal exchange or system on which they are traded. If there is no sale or official closing price or such price is believed by GSAM to not represent fair value, equity securities will be valued at the valid closing bid price for long positions and at the valid closing ask price for short positions (i.e. where there is sufficient volume, during normal exchange trading hours). If no valid bid/ask price is available, the equity security will be valued pursuant to the Valuation Procedures approved by the Trustees and consistent with applicable regulatory guidance. To the extent these investments are actively traded, they are classified as Level 1 of the fair value hierarchy, otherwise they are generally classified as Level 2. Certain equity securities containing unique attributes may be classified as Level 2.

Unlisted equity securities for which market quotations are available are valued at the last sale price on the valuation date, or if no sale occurs, at the last bid price for long positions or the last ask price for short positions, and are generally classified as Level 2. Securities traded on certain foreign securities exchanges are valued daily at fair value determined by an independent fair value service (if available) under Fair Valuation Procedures approved by the Trustees and consistent with applicable regulatory guidance. The independent fair value service takes into account multiple factors including, but not limited to, movements in the securities markets, certain depositary receipts, futures contracts and foreign currency exchange rates that have occurred subsequent to the close of the foreign securities exchange. These investments are generally classified as Level 2 of the fair value hierarchy.

Money Market Funds — Investments in the Goldman Sachs Financial Square Government Fund ("Underlying Fund") are valued at the NAV per share of the Institutional Share class on the day of valuation. These investments are generally classified as Level 1 of the fair value hierarchy. For information regarding the Underlying Fund's accounting policies and investment holdings, please see the Underlying Fund's shareholder report.

Derivative Contracts — A derivative is an instrument whose value is derived from underlying assets, indices, reference rates or a combination of these factors. A Fund enters into derivative transactions to hedge against changes in interest rates, securities prices, and/or currency exchange rates, to increase total return, or to gain access to certain markets or attain exposure to other underliers. For financial reporting purposes, cash collateral that has been pledged to cover obligations of a Fund and cash collateral received, if any, is reported separately on the Statements of Assets and Liabilities as receivables/payables for collateral on certain derivatives contracts. Non-cash collateral pledged by a Fund, if any, is noted in the Schedules of Investments.

Exchange-traded derivatives, including futures and options contracts, are generally valued at the last sale or settlement price on the exchange where they are principally traded. Exchange-traded options without settlement prices are generally valued at the midpoint of the bid and ask prices on the exchange where they are principally traded (or, in the absence of two-way trading, at the last bid price for long positions and the last ask price for short positions). Exchange-traded derivatives typically fall within Level 1 of the fair value hierarchy. Over-the-counter ("OTC") and centrally cleared derivatives are valued using market transactions and other market evidence, including market-based inputs to models, calibration to market-clearing transactions, broker or dealer quotations, or other alternative pricing sources. Where models are used, the selection of a particular model to value OTC and centrally cleared derivatives depends upon the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit curves, measures of volatility, voluntary and involuntary prepayment rates, loss severity rates and correlations of such inputs. For OTC and centrally cleared derivatives that trade in liquid markets, model inputs can generally be verified and model selection does not involve significant management judgment. OTC and centrally cleared derivatives are classified within Level 2 of the fair value hierarchy when significant inputs are corroborated by market evidence.

Notes to Financial Statements (continued)

December 31, 2021

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

i. Futures Contracts — Futures contracts are contracts to buy or sell a standardized quantity of a specified commodity or security. Upon entering into a futures contract, a Fund deposits cash or securities in an account on behalf of the broker in an amount sufficient to meet the initial margin requirement. Subsequent payments are made or received by a Fund equal to the daily change in the contract value and are recorded as variation margin receivable or payable with a corresponding offset to unrealized gains or losses.

B. Level 3 Fair Value Investments — To the extent that significant inputs to valuation models and other alternative pricing sources are unobservable, or if quotations are not readily available, or if GSAM believes that such quotations do not accurately reflect fair value, the fair value of a Fund's investments may be determined under Valuation Procedures approved by the Trustees. GSAM, consistent with its procedures and applicable regulatory guidance, may make an adjustment to the most recent valuation prices of either domestic or foreign securities in light of significant events to reflect what it believes to be the fair value of the securities at the time of determining a Fund's NAV. To the extent investments are valued using single source broker quotations obtained directly from the broker or passed through from third party pricing vendors, such investments are classified as Level 3 investments.

C. Fair Value Hierarchy — The following is a summary of the Funds' investments and derivatives classified in the fair value hierarchy as of December 31, 2021:

EQUITY INDEX FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Asia	$ 326,864	$—	$—
Europe	975,201	—	—
North America	219,298,447	—	—
Total	$220,600,512	$—	$—
Derivative Type			
Assets[b]			
Futures Contracts	$ 13,903	$—	$—

GROWTH OPPORTUNITIES FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Europe	$ 1,481,810	$—	$—
North America	74,667,775	—	—
South America	397,265	—	—
Investment Company	933,690	—	—
Securities Lending Reinvestment Vehicle	688,836	—	—
Total	$ 78,169,376	$—	$—

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

INTERNATIONAL EQUITY INSIGHTS FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Africa	$ —	$ 1,011,073	$—
Asia	47,127	31,045,170	—
Europe	2,320,278	57,792,496	—
North America	—	3,088,815	—
Oceania	1,176,136	9,040,295	—
Total	$ 3,543,541	$101,977,849	$—

Derivative Type			
Assets[b]			
Futures Contracts	$ 2,788	$ —	$—

LARGE CAP VALUE FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Europe	$ 10,354,344	$ —	$—
North America	474,982,922	—	—
Investment Company	2,751,464	—	—
Total	$488,088,730	$ —	$—

MID CAP VALUE FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Europe	$ 12,539,163	$ —	$—
North America	535,436,576	—	—
Investment Company	4,761,405	—	—
Total	$552,737,144	$ —	$—

SMALL CAP EQUITY INSIGHTS FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Africa	$ 100,994	$ —	$—
Asia	937,750	—	—
Europe	591,542	—	—
North America	127,305,820	—	—
Securities Lending Reinvestment Vehicle	1,845,983	—	—
Total	$130,782,089	$ —	$—

Notes to Financial Statements (continued)

December 31, 2021

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

SMALL CAP EQUITY INSIGHTS FUND (continued)

Derivative Type	Level 1	Level 2	Level 3
Assets[b]			
Futures Contracts	$ 10,175	$—	$—

STRATEGIC GROWTH FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Europe	$ 6,514,692	$—	$—
North America	437,184,267	—	—
South America	1,123,022	—	—
Investment Company	4,509,290	—	—
Securities Lending Reinvestment Vehicle	858,041	—	—
Total	$450,189,312	$—	$—

U.S. EQUITY INSIGHTS FUND

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments[a]			
Asia	$ 537,076	$—	$—
Europe	845,537	—	—
North America	376,834,100	—	—
Total	$378,216,713	$—	$—

(a) Amounts are disclosed by continent to highlight the impact of time zone differences between local market close and the calculation of NAV. Security valuations are based on the principal exchange or system on which they are traded, which may differ from country of domicile noted in table. The Fund utilizes fair value model prices provided by an independent third-party (fair value) service for certain international equity securities resulting in a Level 2 classification.
(b) Amount shown represents unrealized gain at fiscal year end.

For further information regarding security characteristics, see the Schedules of Investments.

4. INVESTMENTS IN DERIVATIVES

The following table sets forth, by certain risk types, the gross value of derivative contracts (not considered to be hedging instruments for accounting disclosure purposes) as of December 31, 2021. These instruments were used as part of the Funds' investment strategies and to obtain and/or manage exposure related to the risks below. The values in the tables below exclude the effects of cash collateral received or posted pursuant to these derivative contracts, and therefore are not representative of the Funds' net exposure.

Fund	Risk	Statements of Assets and Liabilities	Assets[a]	Statements of Assets and Liabilities	Liabilities[a]
Equity Index	Equity	Variation margin on futures contracts	$13,903	—	$—
International Equity Insights	Equity	Variation margin on futures contracts	2,788	—	—
Small Cap Equity Insights	Equity	Variation margin on futures contracts	10,175	—	—

(a) Includes unrealized gain (loss) on futures contracts described in the Additional Investment Information sections of the Schedules of Investments. Only the variation margin as of December 31, 2021 is reported within the Statements of Assets and Liabilities.

4. INVESTMENTS IN DERIVATIVES (continued)

The following tables set forth, by certain risk types, the Funds' gains (losses) related to these derivatives and their indicative volumes for the year ended December 31, 2021. These gains (losses) should be considered in the context that these derivative contracts may have been executed to create investment opportunities and/or economically hedge certain investments, and accordingly, certain gains (losses) on such derivative contracts may offset certain (losses) gains attributable to investments. These gains (losses) are included in "Net realized gain (loss)" or "Net change in unrealized gain (loss)" on the Statements of Operations:

Equity Index

Risk	Statement of Operations	Net Realized Gain (Loss)	Net Change in Unrealized Gain (Loss)
Equity	Net realized gain (loss) from futures contracts/Net change in unrealized gain (loss) on futures contracts	$410,607	$(28,046)

International Equity Insights

Risk	Statement of Operations	Net Realized Gain (Loss)	Net Change in Unrealized Gain (Loss)
Equity	Net realized gain (loss) from futures contracts/Net change in unrealized gain (loss) on futures contracts	$189,281	$(22,567)

Small Cap Equity Insights

Risk	Statement of Operations	Net Realized Gain (Loss)	Net Change in Unrealized Gain (Loss)
Equity	Net realized gain (loss) from futures contracts/Net change in unrealized gain (loss) on futures contracts	$192,178	$(43,630)

For the year ended December 31, 2021, the relevant values for each derivative type were as follows:

Fund	Average Number of Contracts[1] Futures Contracts
Equity Index	7
International Equity Insights	20
Small Cap Equity Insights	17

(1) Amounts disclosed represent average number of contracts for futures contracts, based on absolute values, which is indicative of volume of this derivative type, for the months that the Fund held such derivatives during the fiscal year ended December 31, 2021.

5. AGREEMENTS AND AFFILIATED TRANSACTIONS

A. Management Agreement — Under the Agreement, GSAM manages the Funds, subject to the general supervision of the Trustees.

As compensation for the services rendered pursuant to the Agreement, the assumption of the expenses related thereto and administration of the Funds' business affairs, including providing facilities, GSAM is entitled to a management fee, accrued daily and paid monthly, equal to an annual percentage rate of each Fund's average daily net assets.

Notes to Financial Statements (continued)

December 31, 2021

5. AGREEMENTS AND AFFILIATED TRANSACTIONS (continued)

For the year ended December 31, 2021, contractual and effective net management fees with GSAM were at the following rates:

	Contractual Management Rate						
Fund	First $1 billion	Next $1 billion	Next $3 billion	Next $3 billion	Over $8 billion	Effective Rate	Effective Net Management Rate^
Growth Opportunities	0.87%	0.87%	0.78%	0.74%	0.73%	0.87%	0.82%*
International Equity Insights	0.81	0.73	0.69	0.68	0.67	0.81	0.81
Large Cap Value	0.72	0.65	0.62	0.60	0.59	0.72	0.68*
Mid Cap Value	0.77	0.77	0.69	0.66	0.65	0.77	0.77
Small Cap Equity Insights	0.70	0.70	0.63	0.60	0.59	0.70	0.70
Strategic Growth	0.71	0.64	0.61	0.59	0.58	0.71	0.71
U.S. Equity Insights	0.62	0.59	0.56	0.55	0.54	0.62	0.54*

^ Effective Net Management Rate includes the impact of management fee waivers of affiliated Underlying Funds, if any. The Effective Net Management Rate may not correlate to the Contractual Management Rate as a result of management fee waivers that may be in effect from time to time.

* GSAM agreed to waive a portion of its management fee in order to achieve an effective net management rate as defined in the Funds' most recent prospectus. This waiver will remain in effect through at least April 30, 2022, and prior to such date GSAM may not terminate the arrangement without approval of the Trustees.

The Growth Opportunities, International Equity Insights, Large Cap Value, Mid Cap Value, Small Cap Equity Insights, Strategic Growth and U.S. Equity Insights Funds invest in Institutional Shares of the Goldman Sachs Financial Square Government Fund, which is an affiliated Underlying Fund. GSAM has agreed to waive a portion of its management fee payable by the Funds in an amount equal to the management fee it earns as an investment adviser to the affiliated Underlying Fund in which the Funds invest, except those management fees it earns from the Funds' investments of cash collateral received in connection with securities lending transactions in the Goldman Sachs Financial Square Government Fund. For the year ended December 31, 2021, with respect to the Funds' investments in an affiliated Underlying Fund GSAM waived $479, $3, $1,469, $2,221, $849, $2,084 and $17 of the Growth Opportunities, International Equity Insights, Large Cap Value, Mid Cap Value, Small Cap Equity Insights, Strategic Growth and U.S. Equity Insights Funds' management fees, respectively.

The Agreement for the Equity Index Fund provides for a contractual management fee at an annual rate equal to 0.30% of the Fund's average daily net assets. The Investment Adviser has agreed to waive a portion of the management fee equal to 0.09% of the annual contractual rate applicable to the Equity Index Fund's average daily net assets between $0 and $400 million and 0.10% of the annual contractual rate applicable to the Fund's average daily net assets in excess of $400 million. This management fee waiver will remain in effect through at least April 30, 2022, and prior to such date the Investment Adviser may not terminate the arrangement without the approval of the Board of Trustees. For the year ended December 31, 2021, the Fund paid GSAM an Effective Net Management Rate of 0.21%.

As authorized by the Agreement for the Equity Index Fund, GSAM has entered into a Sub-advisory Agreement with SSgA Funds Management, Inc. ("SSgA") which serves as the sub-adviser to the Fund and provides the day-to-day advice regarding the Fund's portfolio transactions. As compensation for its services, SSgA is entitled to a fee, accrued daily and paid monthly by GSAM, at the following annual rates of the Fund's average daily net assets: 0.03% on the first $50 million, 0.02% on the next $200 million, 0.01% on the next $750 million and 0.008% over $1 billion. The effective Sub-advisory fee was 0.02% for the year ended December 31, 2021.

B. Distribution and Service (12b-1) Plans — The Trust, on behalf of Service Shares of each Fund, has adopted a Distribution and Service Plan subject to Rule 12b-1 under the Act. Under the Distribution and Service Plan, Goldman Sachs, which serves as distributor (the "Distributor"), is entitled to a fee accrued daily and paid monthly for distribution services and personal and account maintenance services, which may then be paid by Goldman Sachs to authorized dealers, equal to, on an annual basis, 0.25% of the

5. AGREEMENTS AND AFFILIATED TRANSACTIONS (continued)

Funds' average daily net assets attributable to Service Shares. For the fiscal year ended December 31, 2021 for the U.S. Equity Insights Fund, Goldman Sachs agreed to waive distribution and services fees so as not to exceed an annual rate of 0.21% of average daily net assets of the Fund. For the period from April 30, 2021 to December 31, 2021 for the Growth Opportunities Fund, Goldman Sachs agreed to waive distribution and services fees so as not to exceed an annual rate of 0.15% of average daily net assets of the Fund. These distribution and service fee waivers will remain in place through at least April 30, 2022, and prior to such date Goldman Sachs may not terminate the arrangement without the approval of the Trustees. Prior to April 30, 2021, Goldman Sachs had agreed to waive distribution and service fees so as not to exceed an annual rate of 0.16% of average daily net assets of the Growth Opportunities Fund.

C. Transfer Agency Agreement — Goldman Sachs also serves as the transfer agent of the Funds for a fee pursuant to the Transfer Agency Agreement. The fees charged for such transfer agency services are accrued daily and paid monthly at an annual rate of 0.02% of the average daily net assets of Institutional and Service Shares. Goldman Sachs has agreed to waive its transfer agency fee attributable to the Service Shares of the Large Cap Value Fund. This arrangement will remain in place through at least April 30, 2022, and prior to such date Goldman Sachs may not terminate the arrangement without approval of the Board of Trustees.

D. Other Expense Agreements and Affiliated Transactions — GSAM has agreed to reduce or limit certain "Other Expenses" of the Funds (excluding acquired fund fees and expenses, transfer agency fees and expenses, service fees and shareholder administration fees (as applicable), taxes, interest, brokerage fees, expenses of shareholder meetings, litigation and indemnification, and extraordinary expenses) to the extent such expenses exceed, on an annual basis, a percentage rate of the average daily net assets of each Fund. Such Other Expense reimbursements, if any, are accrued daily and paid monthly. In addition, the Funds are not obligated to reimburse GSAM for prior fiscal year expense reimbursements, if any. The Other Expense limitations as an annual percentage rate of average daily net assets for the Equity Index, Growth Opportunities, International Equity Insights, Large Cap Value, Mid Cap Value, Small Cap Equity Insights, Strategic Growth and U.S. Equity Insights Funds are 0.004%, 0.004%, 0.044%, 0.004%, 0.054%, 0.094%, 0.014% and 0.004%, respectively. These Other Expense limitations will remain in place through at least April 30, 2022, and prior to such date GSAM may not terminate the arrangements without the approval of the Trustees. In addition, the Funds have entered into certain offset arrangements with the custodian and the transfer agent, which may result in a reduction of the Funds' expenses and are received irrespective of the application of the "Other Expense" limitations described above.

For the fiscal year ended December 31, 2021, these expense reductions, including any fee waivers and Other Expense reimbursements, were as follows:

Fund	Management Fee Waiver	Distribution and Service Fee Waiver	Transfer Agency Waiver/Credits	Other Expense Reimbursement	Total Expense Reductions
Equity Index	$182,363	$ —	$ —	$264,860	$447,223
Growth Opportunities	43,361	76,788	—	235,253	355,402
International Equity Insights	3	—	—	310,433	310,436
Large Cap Value	193,178	—	46,366	291,066	530,610
Mid Cap Value	2,221	93,494	—	—	95,715
Small Cap Equity Insights	849	—	—	145,033	145,882
Strategic Growth	2,084	—	—	235,886	237,970
U.S. Equity Insights	283,883	5,882	—	273,878	563,643

Notes to Financial Statements (continued)

December 31, 2021

5. AGREEMENTS AND AFFILIATED TRANSACTIONS (continued)

G. Line of Credit Facility — As of December 31, 2021, the Funds participated in a $1,000,000,000 committed, unsecured revolving line of credit facility (the "facility") together with other funds of the Trust and certain registered investment companies having management agreements with GSAM or its affiliates. This facility is to be used for temporary emergency purposes, or to allow for an orderly liquidation of securities to meet redemption requests. The interest rate on borrowings is based on the federal funds rate. The facility also requires a fee to be paid by the Funds based on the amount of the commitment that has not been utilized. For the fiscal year ended December 31, 2021, the Fund did not have any borrowings under the facility. Prior to April 26, 2021, the facility was $700,000,000.

H. Other Transactions with Affiliates — For the fiscal year ended December 31, 2021, Goldman Sachs earned $64, $39, $436 and $919 in brokerage commissions from portfolio transactions, including futures transactions executed with Goldman Sachs as the Futures Commission Merchant, on behalf of the Growth Opportunities, Large Cap Value, Mid Cap Value and Strategic Growth Funds, respectively.

The following table provides information about the investment in shares of issuers of which a Fund is an affiliate as of and for the fiscal year ended December 31, 2021:

Fund	Name of Affiliated Issuer	Beginning Value as of December 31, 2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Ending Value as of December 31, 2021	Shares as of December 31, 2021	Dividend Income
Equity Index	Goldman Sachs Group, Inc. (The)	$527,684	$14,700	$(63,853)	$34,656	$198,739	$711,926	1,861	$4,875

The following table provides information about the Funds' investment in the Goldman Sachs Financial Square Government Fund as of and for the fiscal year ended December 31, 2021:

Fund	Beginning Value as of December 31, 2020	Purchases at Cost	Proceeds from Sales	Ending Value as of December 31, 2021	Shares as of December 31, 2021	Dividend Income
Growth Opportunities	$ 739,866	$ 20,063,016	$ (19,869,192)	$ 933,690	933,690	$205
International Equity Insights	—	1,442,826	(1,442,826)	—	—	—
Large Cap Value	396,415	73,360,661	(71,005,612)	2,751,464	2,751,464	500
Mid Cap Value	1,803,152	105,437,489	(102,479,236)	4,761,405	4,761,405	781
Small Cap Equity Insights	1,017,248	22,009,119	(23,026,367)	—	—	350
Strategic Growth	3,315,576	69,153,518	(67,959,804)	4,509,290	4,509,290	721

As of December 31, 2021, The Goldman Sachs Group, Inc. was the beneficial owner of approximately 18% of the Institutional Shares of the Growth Opportunities Fund.

6. PORTFOLIO SECURITIES TRANSACTION

The cost of purchases and proceeds from sales and maturities of long-term securities for the fiscal year ended December 31, 2021, were as follows:

Fund	Purchases	Sales and Maturities
Equity Index	$ 8,044,741	$ 19,478,100
Growth Opportunities	39,698,813	54,080,568
International Equity Insights	168,615,872	167,995,322
Large Cap Value	255,424,116	327,340,597
Mid Cap Value	325,962,341	400,426,786
Small Cap Equity Insights	213,405,302	207,905,116
Strategic Growth	87,126,395	152,617,642
U.S. Equity Insights	719,749,524	749,657,479

7. SECURITIES LENDING

The Growth Opportunities, Large Cap Value, Mid Cap Value and Strategic Growth Funds may lend their securities through a securities lending agent, the Bank of New York Mellon ("BNYM"), to certain qualified borrowers. Pursuant to exemptive relief granted by the Securities and Exchange Commission ("SEC") and the terms and conditions contained therein, the Equity Index, International Equity Insights, Small Cap Equity Insights and U. S. Equity Insights Funds may lend their securities through a securities lending agent, Goldman Sachs Agency Lending ("GSAL"), a wholly-owned subsidiary of Goldman Sachs, to certain qualified borrowers including Goldman Sachs and affiliates. In accordance with the Funds' securities lending procedures, the Funds receive cash collateral at least equal to the market value of the securities on loan. The market value of the loaned securities is determined at the close of business of the Funds, at their last sale price or official closing price on the principal exchange or system on which they are traded, and any additional required collateral is delivered to the Funds on the next business day. As with other extensions of credit, the Funds may experience delay in the recovery of their securities or incur a loss should the borrower of the securities breach its agreement with the Funds or become insolvent at a time when the collateral is insufficient to cover the cost of repurchasing securities on loan. Dividend income received from securities on loan may not be subject to withholding taxes and therefore withholding taxes paid may differ from the amounts listed in the Statements of Operations. Loans of securities are terminable at any time and as such 1) the remaining contractual maturities of the outstanding securities lending transactions are considered to be overnight and continuous and 2) the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

The Equity Index, Growth Opportunities, International Equity Insights, Large Cap Value, Mid Cap Value, Small Cap Equity Insights, Strategic Growth and U.S. Equity Insights Funds invest the cash collateral received in connection with securities lending transactions in the Goldman Sachs Financial Square Government Fund ("Government Money Market Fund"), an affiliated series of the Goldman Sachs Trust. The Government Money Market Fund is registered under the Act as an open end investment company, is subject to Rule 2a-7 under the Act, and is managed by GSAM, for which GSAM may receive a management fee of up to 0.16% on an annualized basis of the average daily net assets of the Government Money Market Fund.

In the event of a default by a borrower with respect to any loan, GSAL will, and BNYM may, exercise any and all remedies provided under the applicable borrower agreement to make the Funds whole. These remedies include purchasing replacement securities by applying the collateral held from the defaulting broker against the purchase cost of the replacement securities. If GSAL or BNYM are unable to purchase replacement securities, GSAL and/or BNYM will indemnify the Funds by paying the

Notes to Financial Statements (continued)

December 31, 2021

7. SECURITIES LENDING (continued)

Funds an amount equal to the market value of the securities loaned minus the value of cash collateral received from the borrower for the loan, subject to an exclusion for any shortfalls resulting from a loss of value in such cash collateral due to reinvestment risk. The Funds' master netting agreements with certain borrowers provide the right, in the event of a default (including bankruptcy or insolvency), for the non-defaulting party to liquidate the collateral and calculate net exposure to the defaulting party or request additional collateral. However, in the event of a default by a borrower, a resolution authority could determine that such rights are not enforceable due to the restrictions or prohibitions against the right of set-off that may be imposed in accordance with a particular jurisdiction's bankruptcy or insolvency laws. The Funds' loaned securities were all subject to enforceable Securities Lending Agreements and the value of the collateral was at least equal to the value of the cash received. The amounts of the Funds' overnight and continuous agreements, which represent the gross amounts of recognized liabilities for securities lending transactions outstanding as of December 31, 2021, are disclosed as "Payable upon return of securities loaned" on the Statements of Assets and Liabilities, where applicable. The Large Cap Value and Mid Cap Value Funds did not have securities on loan as of December 31, 2021.

Each of the Funds, GSAL and BNYM received compensation relating to the lending of the Funds' securities. The amounts earned, if any, by the Funds' for the fiscal year ended December 31, 2021, are reported under Investment Income on the Statements of Operations.

The table below details securities lending activity with affiliates of Goldman Sachs:

	For the fiscal year ended December 31, 2021		
Fund	Earnings of GSAL Relating to Securities Loaned	Amounts Received by the Funds from Lending to Goldman Sachs	Amounts payable to Goldman Sachs Upon Return of Securities Loaned as of December 31, 2021
Equity Index	$ 38	$ 276	$ —
International Equity Insights	278	13	—
Small Cap Equity Insights	1,123	2,690	22,375
U.S. Equity Insights	2,714	2,986	—

The following table provides information about the Funds' investment in the Government Money Market Fund for the fiscal year ended December 31, 2021:

Fund	Beginning Value as of December 31, 2020	Purchases at Cost	Proceeds from Sales	Ending Value as of December 31, 2021
Equity Index	$ 107,700	$ 213,250	$ (320,950)	$ —
Growth Opportunities	1,380,662	20,107,612	(20,799,438)	688,836
International Equity Insights	—	13,823,115	(13,823,115)	—
Mid Cap Value	1,354,889	8,846,086	(10,200,975)	—
Small Cap Equity Insights	639,178	21,614,950	(20,408,145)	1,845,983
Strategic Growth	4,259,666	53,864,832	(57,266,457)	858,041
U.S. Equity Insights	—	16,141,370	(16,141,370)	—

8. TAX INFORMATION

The tax character of distributions paid during the fiscal year ended December 31, 2021 was as follows:

	Equity Index	Growth Opportunities	International Equity Insights	Large Cap Value
Distributions paid from:				
Ordinary income	$ 2,333,133	$ 4,251,002	$3,833,918	$26,797,602
Net long-term capital gains	13,717,101	9,192,251	1,687,425	36,936,613
Total taxable distributions	$16,050,234	$13,443,253	$5,521,343	$63,734,215

	Mid Cap Value	Small Cap Equity Insights	Strategic Growth	U.S. Equity Insights
Distributions paid from:				
Ordinary income	$44,797,367	$18,532,560	$13,427,087	$50,715,107
Net long-term capital gains	28,620,079	10,074,781	39,998,510	34,647,431
Total taxable distributions	$73,417,446	$28,607,341	$53,425,597	$85,362,538

The tax character of distributions paid during the fiscal year ended December 31, 2020 was as follows:

	Equity Index	Growth Opportunities	International Equity Insights	Large Cap Value
Distributions paid from:				
Ordinary income	$ 2,165,597	$ 2,063,191	$1,296,906	$ 5,259,550
Net long-term capital gains	12,311,282	11,674,825	—	7,804,739
Total taxable distributions	$14,476,879	$13,738,016	$1,296,906	$13,064,289

	Mid Cap Value	Small Cap Equity Insights	Strategic Growth	U.S. Equity Insights
Distributions paid from:				
Ordinary income	$5,574,669	$ 161,993	$ 6,087,164	$ 2,652,858
Net long-term capital gains	3,753,098	1,217,779	26,055,949	12,398,395
Total taxable distributions	$9,327,767	$1,379,772	$32,143,113	$15,051,253

As of December 31, 2021, the components of accumulated earnings (losses) on a tax-basis were as follows:

	Equity Index	Growth Opportunities	International Equity Insights	Large Cap Value
Undistributed ordinary income — net	$ 226,579	$ 55,910	$ 261,130	$ 1,695,119
Undistributed long-term capital gains	1,176,981	1,887,519	—	4,937,117
Total undistributed earnings	$ 1,403,560	$ 1,943,429	$ 261,130	$ 6,632,236
Timing differences (Real Estate Investment Trusts, late year ordinary loss deferral, post October loss deferral, and straddle loss deferrals)	$ 4,736	$ 2,663	$ (215,504)	$ 53,518
Unrealized gains — net	164,818,250	23,896,076	8,398,250	121,442,027
Total accumulated earnings (losses) — net	$166,226,546	$25,842,168	$8,443,876	$128,127,781

Notes to Financial Statements (continued)

December 31, 2021

8. TAX INFORMATION (continued)

	Mid Cap Value	Small Cap Equity Insights	Strategic Growth	U.S. Equity Insights
Undistributed ordinary income — net	$ 4,011,844	$ 60,618	$ 2,117,812	$ 229,536
Undistributed long-term capital gains	17,932,677	1,182,352	5,739,907	1,589,748
Total undistributed earnings	$ 21,944,521	$ 1,242,970	$ 7,857,719	$ 1,819,284
Timing differences (Real Estate Investment Trusts, late year ordinary loss deferral, post October loss deferral, and straddle loss deferrals)	$ 122,921	$ (229,579)	$ —	$ 4,020
Unrealized gains — net	149,915,404	12,710,748	265,163,783	97,122,642
Total accumulated earnings (losses) — net	$171,982,846	$13,724,139	$273,021,502	$98,945,946

As of December 31, 2021, the Funds' aggregate security unrealized gains and losses based on cost for U.S. federal income tax purposes were as follows:

	Equity Index	Growth Opportunities	International Equity Insights	Large Cap Value
Tax cost	$ 55,735,384	$54,273,300	$97,139,188	$366,646,704
Gross unrealized gain	166,434,896	26,387,114	12,520,893	128,821,719
Gross unrealized loss	(1,616,646)	(2,491,038)	(4,122,643)	(7,379,692)
Net unrealized gain (loss)	$164,818,250	$23,896,076	$ 8,398,250	$121,442,027

	Mid Cap Value	Small Cap Equity Insights	Strategic Growth	U.S. Equity Insights
Tax cost	$402,821,740	$118,081,516	$185,025,529	$281,094,071
Gross unrealized gain	156,969,714	19,687,022	274,698,581	102,936,521
Gross unrealized loss	(7,054,310)	(6,976,274)	(9,534,798)	(5,813,879)
Net unrealized gain (loss)	$149,915,404	$ 12,710,748	$265,163,783	$ 97,122,642

The difference between GAAP-basis and tax-basis unrealized gains (losses) is attributable primarily to wash sales, net mark to market gains (losses) on regulated futures and foreign currency contracts, and differences in the tax treatment of real estate investment trust investments and passive foreign investment company investments.

GSAM has reviewed the Funds' tax positions for all open tax years (the current and prior three years, as applicable) and has concluded that no provision for income tax is required in the Funds' financial statements. Such open tax years remain subject to examination and adjustment by tax authorities.

9. OTHER RISKS

The Funds' risks include, but are not limited to, the following:

Derivatives Risk — A Fund's use of derivatives may result in loss. Derivative instruments, which may pose risks in addition to and greater than those associated with investing directly in securities, currencies or other instruments, may be illiquid or less liquid, volatile, difficult to price and leveraged so that small changes in the value of the underlying instruments may produce disproportionate losses to the Funds. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. The use of derivatives is a highly specialized activity that involves investment

9. OTHER RISKS (continued)

techniques and risks different from those associated with investments in more traditional securities and instruments. Losses from derivatives can also result from a lack of correlation between changes in the value of derivative instruments and the portfolio assets (if any) being hedged.

Foreign and Emerging Countries Risk — Investing in foreign markets may involve special risks and considerations not typically associated with investing in the U.S. Foreign securities may be subject to risk of loss because of more or less foreign government regulation, less public information and less economic, political and social stability in the countries in which a Fund invests. The imposition of exchange controls (including repatriation restrictions), confiscation of assets and property, trade restrictions (including tariffs) and other government restrictions by the U.S. or other governments, or problems with registration, settlement or custody, may also result in losses. Foreign risk also involves the risk of negative foreign currency rate fluctuations, which may cause the value of securities denominated in such foreign currency (or other instruments through which a Fund has exposure to foreign currencies) to decline in value. Currency exchange rates may fluctuate significantly over short periods of time. To the extent that a Fund also invests in securities of issuers located in emerging markets, these risks may be more pronounced.

Foreign Custody Risk — A Fund invests in foreign securities, and as such the Fund may hold such securities and cash with foreign banks, agents, and securities depositories appointed by the Fund's custodian (each a "Foreign Custodian"). Some foreign custodians may be recently organized or new to the foreign custody business. In some countries, Foreign Custodians may be subject to little or no regulatory oversight over, or independent evaluation of, their operations. Further, the laws of certain countries may place limitations on a Fund's ability to recover its assets if a Foreign Custodian enters bankruptcy. Investments in emerging markets may be subject to even greater custody risks than investments in more developed markets. Custody services in emerging market countries are very often undeveloped and may be considerably less well regulated than in more developed countries, and thus may not afford the same level of investor protection as would apply in developed countries.

Investments in Other Investment Companies Risk — As a shareholder of another investment company, a Fund will indirectly bear its proportionate share of any net management fees and other expenses paid by such other investment companies, in addition to the fees and expenses regularly borne by the Fund.

Large Shareholder Transactions Risk — A Fund may experience adverse effects when certain large shareholders, such as other funds, participating insurance companies, accounts and Goldman Sachs affiliates, purchase or redeem large amounts of shares of the Fund. Such large shareholder redemptions, which may occur rapidly or unexpectedly, may cause a Fund to sell portfolio securities at times when it would not otherwise do so, which may negatively impact a Fund's NAV and liquidity. These transactions may also accelerate the realization of taxable income to shareholders if such sales of investments resulted in gains, and may also increase transaction costs. In addition, a large redemption could result in a Fund's current expenses being allocated over a smaller asset base, leading to an increase in the Fund's expense ratio. Similarly, large Fund share purchases may adversely affect a Fund's performance to the extent that the Fund is delayed in investing new cash or otherwise maintains a larger cash position than it ordinarily would.

Liquidity Risk — A Fund may make investments that are illiquid or that may become less liquid in response to market developments or adverse investor perceptions. Illiquid investments may be more difficult to value. Liquidity risk may also refer to the risk that a Fund will not be able to pay redemption proceeds within the allowable time period or without significant dilution to remaining investors' interests because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. To meet redemption requests, a Fund may be forced to sell investments at an unfavorable time and/or under unfavorable conditions. If a Fund is forced to sell securities at an unfavorable time and/or under unfavorable conditions, such sales may adversely affect the Fund's NAV and dilute remaining investors' interests. These risks may be more pronounced in connection with a Fund`s investments in securities of issuers located in emerging market countries. Redemptions by large shareholders may have a negative impact on a Fund's liquidity.

Market and Credit Risks — In the normal course of business, a Fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk). The value of the securities in which a

Notes to Financial Statements (continued)

December 31, 2021

9. OTHER RISKS (continued)

Fund invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world due to increasingly interconnected global economies and financial markets. Events such as war, acts of terrorism, social unrest, natural disasters, the spread of infectious illness or other public health threats could also significantly impact a Fund and its investments. Additionally, a Fund may also be exposed to credit risk in the event that an issuer or guarantor fails to perform or that an institution or entity with which the Fund has unsettled or open transactions defaults.

Non-Diversification Risk — The Strategic Growth Fund is non-diversified, meaning that it is permitted to invest a larger percentage of its assets in one or more issuers or in fewer issuers than diversified mutual funds. Thus, the Fund may be more susceptible to adverse developments affecting any single issuer held in its portfolio, and may be more susceptible to greater losses because of these developments.

10. INDEMNIFICATIONS

Under the Trust's organizational documents, its Trustees, officers, employees and agents are indemnified, to the extent permitted by the Act and state law, against certain liabilities that may arise out of performance of their duties to the Funds. Additionally, in the course of business, the Funds enter into contracts that contain a variety of indemnification clauses. The Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, GSAM believes the risk of loss under these arrangements to be remote.

11. SUBSEQUENT EVENTS

Upon the recommendation of GSAM, the Board of Trustees of the Goldman Sachs Variable Insurance Trust recently approved changes to the Goldman Sachs Growth Opportunities Fund's name and principal investment strategy. The Fund's name will change to the "Goldman Sachs Mid Cap Growth Fund." These changes are not expected to materially affect the Fund's current portfolio holdings. These changes will become effective after the close of business on April 29, 2022.

Subsequent events after the Statements of Assets and Liabilities date, other than the above, have been evaluated, and GSAM has concluded that there is no impact requiring adjustment or disclosure in the financial statements.

12. SUMMARY OF SHARE TRANSACTIONS

Share activity is as follows:

	Equity Index Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Service Shares				
Shares sold	361,708	$ 8,243,921	172,523	$ 2,826,875
Reinvestment of distributions	720,711	16,050,234	772,925	14,476,879
Shares redeemed	(1,070,042)	(23,750,642)	(1,436,368)	(24,448,149)
	12,377	$ 543,513	(490,920)	$ (7,144,395)

12. SUMMARY OF SHARE TRANSACTIONS (continued)

	Growth Opportunities Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	20,939	$ 308,042	935	$ 11,972
Reinvestment of distributions	5,182	67,989	1,747	23,510
Shares redeemed	—	—	—	—
	26,121	376,031	2,682	35,482
Service Shares				
Shares sold	231,649	3,064,331	704,687	8,063,451
Reinvestment of distributions	1,090,968	13,375,264	1,075,647	13,714,506
Shares redeemed	(1,240,070)	(17,004,840)	(2,222,571)	(25,079,859)
	82,547	(565,245)	(442,237)	(3,301,902)
NET DECREASE	108,668	$ (189,214)	(439,555)	$ (3,266,420)

	International Equity Insights Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	1,279,391	$ 12,019,024	1,077,909	$ 8,130,619
Reinvestment of distributions	363,020	3,288,959	85,749	717,721
Shares redeemed	(559,940)	(5,229,023)	(674,822)	(4,959,840)
	1,082,471	10,078,960	488,836	3,888,500
Service Shares				
Shares sold	272,671	2,522,185	1,003,024	7,629,568
Reinvestment of distributions	245,317	2,232,384	68,869	579,185
Shares redeemed	(1,206,056)	(11,158,115)	(1,502,901)	(10,691,106)
	(688,068)	(6,403,546)	(431,008)	(2,482,353)
NET DECREASE	394,403	$ 3,675,414	57,828	$ 1,406,147

Notes to Financial Statements (continued)

December 31, 2021

12. SUMMARY OF SHARE TRANSACTIONS (continued)

	Large Cap Value Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	1,017,136	$ 10,601,007	1,674,921	$ 12,636,325
Reinvestment of distributions	2,432,740	23,694,892	522,367	4,769,205
Shares redeemed	(2,709,781)	(28,139,387)	(2,756,893)	(22,865,975)
	740,095	6,156,512	(559,605)	(5,460,445)
Service Shares				
Shares sold	603,933	6,315,252	2,896,787	21,895,368
Reinvestment of distributions	4,106,597	40,039,323	908,552	8,295,083
Shares redeemed	(6,168,949)	(63,721,719)	(4,795,612)	(40,404,480)
	(1,458,419)	(17,367,144)	(990,273)	(10,214,029)
NET DECREASE	(718,324)	$(11,210,632)	(1,549,878)	$(15,674,474)

	Mid Cap Value Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	543,557	$ 10,751,501	1,072,386	$ 14,111,808
Reinvestment of distributions	2,669,991	51,237,122	384,030	6,463,230
Shares redeemed	(2,580,959)	(51,043,863)	(3,123,869)	(45,649,614)
	632,589	10,944,760	(1,667,453)	(25,074,576)
Service Shares				
Shares sold	135,902	2,703,427	6,051,187	90,070,673
Reinvestment of distributions	1,143,905	22,180,324	168,701	2,864,537
Shares redeemed	(1,838,658)	(36,501,072)	(7,760,547)	(103,064,639)
	(558,851)	(11,617,321)	(1,540,659)	(10,129,429)
NET DECREASE	73,738	$ (672,561)	(3,208,112)	$ (35,204,005)

12. SUMMARY OF SHARE TRANSACTIONS (continued)

	Small Cap Equity Insights Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	1,618,659	$ 25,450,651	936,953	$ 10,144,169
Reinvestment of distributions	1,829,510	23,948,283	88,719	1,169,326
Shares redeemed	(1,420,214)	(22,244,412)	(1,067,788)	(11,796,332)
	2,027,955	27,154,522	(42,116)	(482,837)
Service Shares				
Shares sold	362,412	5,522,021	204,098	2,017,902
Reinvestment of distributions	360,051	4,659,058	16,114	210,446
Shares redeemed	(299,332)	(4,633,346)	(191,110)	(2,189,717)
	423,131	5,547,733	29,102	38,631
NET DECREASE	2,451,086	$ 32,702,255	(13,014)	$ (444,206)

	Strategic Growth Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	481,598	$ 7,976,739	604,593	$ 7,949,713
Reinvestment of distributions	1,313,700	22,122,701	843,114	12,680,432
Shares redeemed	(1,421,500)	(24,042,181)	(1,460,048)	(19,161,362)
	373,798	6,057,259	(12,341)	1,468,783
Service Shares				
Shares sold	406,058	6,769,145	6,377,786	74,689,888
Reinvestment of distributions	1,866,601	31,302,896	1,295,784	19,462,681
Shares redeemed	(3,121,407)	(52,908,517)	(11,218,495)	(126,288,249)
	(848,748)	(14,836,476)	(3,544,925)	(32,135,680)
NET DECREASE	(474,950)	$ (8,779,217)	(3,557,266)	$ (30,666,897)

Notes to Financial Statements (continued)

December 31, 2021

12. SUMMARY OF SHARE TRANSACTIONS (continued)

	U.S. Equity Insights Fund			
	For the Fiscal Year Ended December 31, 2021		For the Fiscal Year Ended December 31, 2020	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	887,900	$ 20,340,436	635,655	$ 11,594,488
Reinvestment of distributions	3,644,075	71,715,395	632,341	12,570,928
Shares redeemed	(2,036,401)	(46,216,943)	(2,268,793)	(41,014,558)
	2,495,574	45,838,888	(1,000,797)	(16,849,142)
Service Shares				
Shares sold	163,388	3,720,849	116,235	2,117,630
Reinvestment of distributions	687,514	13,647,143	123,954	2,480,325
Shares redeemed	(474,227)	(10,887,216)	(619,902)	(11,353,169)
	376,675	6,480,776	(379,713)	(6,755,214)
NET DECREASE	2,872,249	$ 52,319,664	(1,380,510)	$(23,604,356)

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Goldman Sachs Variable Insurance Trust and Shareholders of Goldman Sachs Equity Index Fund, Goldman Sachs Growth Opportunities Fund, Goldman Sachs International Equity Insights Fund, Goldman Sachs Large Cap Value Fund, Goldman Sachs Mid Cap Value Fund, Goldman Sachs Small Cap Equity Insights Fund, Goldman Sachs Strategic Growth Fund, and Goldman Sachs U.S. Equity Insights Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Goldman Sachs Equity Index Fund, Goldman Sachs Growth Opportunities Fund, Goldman Sachs International Equity Insights Fund, Goldman Sachs Large Cap Value Fund, Goldman Sachs Mid Cap Value Fund, Goldman Sachs Small Cap Equity Insights Fund, Goldman Sachs Strategic Growth Fund, and Goldman Sachs U.S. Equity Insights Fund (eight of the Funds constituting Goldman Sachs Variable Insurance Trust, referred to hereafter as the "Funds") as of December 31, 2021, the related statements of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2021, the results of each of their operations for the year then ended, the changes in their net assets for each of the two years in the period ended December 31, 2021 and each of the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements 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 Funds 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
February 23, 2022

We have served as the auditor of one or more investment companies in the Goldman Sachs fund complex since 2000.

Voting Results of Special Meeting of Shareholders (Unaudited)

A Special Meeting of the Goldman Sachs Variable Insurance Trust was held on January 8, 2021 to consider and act upon a proposal to approve a change to the Goldman Sachs Strategic Growth Fund's sub-classification under the Investment Company Act of 1940 from "diversified" to "non-diversified" and eliminate the Fund's related fundamental investment restriction.

The shareholders voted as follows:

Proposal 1	For	Against/Withhold	Abstain
To approve a change to each respective Fund's sub-classification under the Investment Company Act of 1940 from "diversified" to "non-diversified" and to eliminate any related fundamental investment restriction for the Fund.	21,360,462.737	1,890,396.988	2,070,989.714

Fund Expenses — Six Month Period Ended December 31, 2021 (Unaudited)

As a shareholder of Institutional or Service Shares of the Funds, you incur ongoing costs, including management fees, distribution and/or service (12b-1) fees (with respect to Service Shares) and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Institutional Shares and Service Shares of the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period from July 1, 2021 through December 31, 2021, which represents a period of 184 days of a 365 day year.

Actual Expenses — The first line under each share class in the table below provides information about actual account values and actual expenses. You may use the informationinthis line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000=8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes — The second line under each share class in the table below provides information about hypothetical account values and hypothetical expenses based on the Funds' actual net expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' 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 Funds and other funds. To do so, compare this 5% hypothetical example 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. As a shareholder of the Funds you do not incur any transaction costs, such as sales charges, redemption fees, or exchange fees, but shareholders of other funds may incur such costs. The second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds whose shareholders may incur transaction costs.

	Equity Index Fund			Growth Opportunities Fund			International Equity Insights Fund			Large Cap Value Fund		
Share Class	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*
Institutional												
Actual	N/A	N/A	N/A	$1,000.00	$1,050.87	$4.60	$1,000.00	$1,011.41	$4.41	$1,000.00	$1,086.60	$3.68
Hypothetical 5% return	N/A	N/A	N/A	1,000.00	1,020.72+	4.53	1,000.00	1,020.82+	4.43	1,000.00	1,021.68+	3.57
Service												
Actual	1,000.00	$1,114.32	$2.56	1,000.00	1,051.04	5.38	1,000.00	1,010.72	5.68	1,000.00	1,085.84	4.94
Hypothetical 5% return	1,000.00	1,022.79+	2.45	1,000.00	1,019.96+	5.30	1,000.00	1,019.56+	5.70	1,000.00	1,020.47+	4.79

+ Hypothetical expenses are based on each Fund's actual annualized net expense ratios and an assumed rate of return of 5% per year before expenses.

* Expenses are calculated using each Fund's annualized net expense ratio for each class, which represents the ongoing expenses as a percentage of net assets for the six months ended December 31, 2021. Expenses are calculated by multiplying the annualized net expense ratio by the average account value for the period; then multiplying the result by the number of days in the most recent fiscal half year; and then dividing that result by the number of days in the fiscal year. The annualized net expense ratios for the period were as follows:

Fund	Institutional Shares	Service Shares
Equity Index Fund	N/A	0.48%
Growth Opportunities Fund	0.89%	1.04
International Equity Insights Fund	0.87	1.12
Large Cap Value Fund	0.70	0.94

Fund Expenses — Six Month Period Ended December 31, 2021 (Unaudited) (continued)

As a shareholder of Institutional or Service Shares of the Funds, you incur ongoing costs, including management fees, distribution and/or service (12b-1) fees (with respect to Service and Advisor Shares) and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Institutional Shares and Service Shares of the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period from July 1, 2021 through December 31, 2021, which represents a period of 184 days of a 365 day year.

Actual Expenses — The first line under each share class in the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000=8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes — The second line under each share class in the table below provides information about hypothetical account values and hypothetical expenses based on the Funds' actual net expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' 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 Funds and other funds. To do so, compare this 5% hypothetical example 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. As a shareholder of the Funds you do not incur any transaction costs, such as sales charges, redemption fees, or exchange fees, but shareholders of other funds may incur such costs. The second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds whose shareholders may incur transaction costs.

	Mid Cap Value Fund			Small Cap Equity Insights Fund			Strategic Growth Fund			U.S. Equity Insights Fund		
Share Class	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*	Beginning Account Value 7/1/21	Ending Account Value 12/31/21	Expenses Paid for the 6 months ended 12/31/2021*
Institutional												
Actual	$1,000.00	$1,118.62	$4.49	$1,000.00	$1,013.57	$4.11	$1,000.00	$1,091.88	$3.90	$1,000.00	$1,109.98	$2.98
Hypothetical 5% return	1,000.00	1,020.97+	4.28	1,000.00	1,021.12+	4.13	1,000.00	1,021.48+	3.77	1,000.00	1,022.38+	2.85
Service												
Actual	1,000.00	1,116.89	5.82	1,000.00	1,012.63	5.38	1,000.00	1,090.32	5.22	1,000.00	1,108.94	4.09
Hypothetical 5% return	1,000.00	1,019.71+	5.55	1,000.00	1,019.86+	5.40	1,000.00	1,020.21+	5.04	1,000.00	1,021.32+	3.92

+ Hypothetical expenses are based on each Fund's actual annualized net expense ratios and an assumed rate of return of 5% per year before expenses.

* Expenses are calculated using each Fund's annualized net expense ratio for each class, which represents the ongoing expenses as a percentage of net assets for the six months ended December 31, 2021. Expenses are calculated by multiplying the annualized net expense ratio by the average account value for the period; then multiplying the result by the number of days in the most recent fiscal half year; and then dividing that result by the number of days in the fiscal year. The annualized net expense ratios for the period were as follows:

Fund	Institutional Shares	Service Shares
Mid Cap Value Fund	0.84%	1.09%
Small Cap Equity Insights Fund	0.81	1.06
Strategic Growth Fund	0.74	0.99
U.S. Equity Insights Fund	0.56	0.77

Trustees and Officers (Unaudited)
Independent Trustees

Name, Address and Age[1]	Position(s) Held with the Trust	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee[3]	Other Directorships Held by Trustee[4]
Jessica Palmer Age: 72	Chair of the Board of Trustees	Since 2018 (Trustee since 2007)	Ms. Palmer is retired. She was formerly Consultant, Citigroup Human Resources Department (2007-2008); Managing Director, Citigroup Corporate and Investment Banking (previously, Salomon Smith Barney/Salomon Brothers) (1984-2006). Ms. Palmer was a Member of the Board of Trustees of Indian Mountain School (private elementary and secondary school) (2004-2009). Chair of the Board of Trustees — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	None
Dwight L. Bush Age: 64	Trustee	Since 2020	Ambassador Bush is President and CEO of D.L. Bush & Associates (a financial advisory and private investment firm) (2002-2014 and 2017-present); Director of MoneyLion Inc. (an operator of a data drive, digital financial platform (2021-present); and was formerly U.S. Ambassador to the Kingdom of Morocco (2014-2017) and a Member of the Board of Directors of Santander Bank, N.A. (2018-2019). Previously, Ambassador Bush served as an Advisory Board Member of Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust (October 2019-January 2020). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	None
Kathryn A. Cassidy Age: 67	Trustee	Since 2015	Ms. Cassidy is retired. Formerly, she was Advisor to the Chairman (May 2014-December 2014); and Senior Vice President and Treasurer (2008-2014), General Electric Company & General Electric Capital Corporation (technology and financial services companies). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	None
Diana M. Daniels Age: 72	Trustee	Since 2007	Ms. Daniels is retired. Formerly, she was Vice President, General Counsel and Secretary, The Washington Post Company (1991-2006). Ms. Daniels is a Trustee Emeritus and serves as a Presidential Councillor of Cornell University (2013-Present); former Member of the Legal Advisory Board, New York Stock Exchange (2003-2006) and of the Corporate Advisory Board, Standish Mellon Management Advisors (2006-2007). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	None
Joaquin Delgado Age: 61	Trustee	Since 2020	Dr. Delgado is retired. He is Director, Hexion Inc. (a specialty chemical manufacturer) (2019-present); and Director, Stepan Company (a specialty chemical manufacturer) (2011-present); and was formerly Executive Vice President, Consumer Business Group of 3M Company (July 2016-July 2019); and Executive Vice President, Health Care Business Group of 3M Company (October 2012-July 2016). Previously, Dr. Delgado served as an Advisory Board Member of Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust (October 2019-January 2020). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	Hexion Inc. (a specialty chemical manufacturer); Stepan Company (a specialty chemical manufacturer)
Eileen H. Dowling Age: 59	Trustee	Since 2021	Ms. Dowling is retired. Formerly, she was Senior Advisor (April 2021- September 2021); and Managing Director (2013-2021), BlackRock, Inc. (a financial services firm). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	None

Trustees and Officers (Unaudited) (continued)
Independent Trustees (continued)

Name, Address and Age[1]	Position(s) Held with the Trust	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee[3]	Other Directorships Held by Trustee[4]
Roy W. Templin Age: 61	Trustee	Since 2013	Mr. Templin is retired. He is Director, Armstrong World Industries, Inc. (a designer and manufacturer of ceiling and wall systems) (2016-Present); and was formerly Chairman of the Board of Directors, Con- Way Incorporated (a transportation, logistics and supply chain management service company) (2014-2015); Executive Vice President and Chief Financial Officer, Whirlpool Corporation (an appliance manufacturer and marketer) (2004-2012). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	Armstrong World Industries, Inc. (a ceiling and wall systems manufacturer)
Gregory G. Weaver Age: 70	Trustee	Since 2015	Mr. Weaver is retired. He is Director, Verizon Communications Inc. (2015-Present); and was formerly Chairman and Chief Executive Officer, Deloitte & Touche LLP (a professional services firm) (2001-2005 and 2012-2014); and Member of the Board of Directors, Deloitte & Touche LLP (2006-2012). Trustee — Goldman Sachs Trust and Goldman Sachs Variable Insurance Trust.	109	Verizon Communications Inc.

Interested Trustee*

Name, Address and Age[1]	Position(s) Held with the Trust	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee[3]	Other Directorships Held by Trustee[4]
James A. McNamara Age: 59	President and Trustee	Since 2007	Advisory Director, Goldman Sachs (January 2018-Present); Managing Director, Goldman Sachs (January 2000-December 2017); Director of Institutional Fund Sales, GSAM (April 1998-December 2000); and Senior Vice President and Manager, Dreyfus Institutional Service Corporation (January 1993-April 1998). President and Trustee — Goldman Sachs Trust; Goldman Sachs Variable Insurance Trust; Goldman Sachs Trust II; Goldman Sachs ETF Trust; Goldman Sachs ETF Trust II; Goldman Sachs MLP and Energy Renaissance Fund; Goldman Sachs Credit Income Fund; and Goldman Sachs Real Estate Diversified Income Fund.	170	None

* *Mr. McNamara is considered to be an "Interested Trustee" because he holds positions with Goldman Sachs and owns securities issued by The Goldman Sachs Group, Inc. Mr. McNamara holds comparable positions with certain other companies of which Goldman Sachs, GSAM or an affiliate thereof is the investment adviser, administrator and/or distributor.*

[1] *Each Trustee may be contacted by writing to the Trustee, c/o Goldman Sachs, 200 West Street, New York, New York, 10282, Attn: Caroline Kraus. Information is provided as of December 31, 2021.*

[2] *Subject to such policies as may be adopted by the Board from time-to-time, each Trustee holds office for an indefinite term, until the earliest of: (a) the election of his or her successor; (b) the date the Trustee resigns or is removed by the Board or shareholders, in accordance with the Trust's Declaration of Trust; or (c) the termination of the Trust. The Board has adopted policies which provide that each Independent Trustee shall retire as of December 31st of the calendar year in which he or she reaches (a) his or her 75th birthday or (b) the 15th anniversary of the date he or she became a Trustee, whichever is earlier, unless a waiver of such requirements shall have been adopted by a majority of the other Trustees. These policies may be changed by the Trustees without shareholder vote.*

[3] *The Goldman Sachs Fund Complex includes certain other companies listed above for each respective Trustee. As of December 31, 2021, Goldman Sachs Trust consisted of 92 portfolios (90 of which offered shares to the public); Goldman Sachs Variable Insurance Trust consisted of 17 portfolios (13 of which offered shares to the public); Goldman Sachs Trust II consisted of 18 portfolios (16 of which offered shares to the public); Goldman Sachs ETF Trust consisted of 39 portfolios (26 of which offered shares to the public); and Goldman Sachs ETF Trust II, Goldman Sachs MLP and Energy Renaissance Fund, Goldman Sachs Credit Income Fund and Goldman Sachs Real Estate Diversified Income Fund each consisted of one portfolio. Goldman Sachs ETF Trust II and Goldman Sachs Credit Income Fund did not offer shares to the public.*

[4] *This column includes only directorships of companies required to report to the Securities and Exchange Commission under the Securities Exchange Act of 1934 (i.e., "public companies") or other investment companies registered under the Act.*

Additional information about the Trustees is available in the Funds' Statement of Additional Information, which can be obtained from Goldman Sachs free of charge by calling this toll-free number (in the United States of America): 1-800-526-7384.

Trustees and Officers (Unaudited) (continued)
Officers of the Trust*

Name, Address and Age[1]	Positions Held with the Trust	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past 5 Years
James A. McNamara 200 West Street New York, NY 10282 Age: 59	Trustee and President	Since 2007	Advisory Director, Goldman Sachs (January 2018-Present); Managing Director, Goldman Sachs (January 2000-December 2017); Director of Institutional Fund Sales, GSAM (April 1998-December 2000); and Senior Vice President and Manager, Dreyfus Institutional Service Corporation (January 1993-April 1998). President and Trustee — Goldman Sachs Trust; Goldman Sachs Variable Insurance Trust; Goldman Sachs Trust II; Goldman Sachs ETF Trust; Goldman Sachs ETF Trust II; Goldman Sachs MLP and Energy Renaissance Fund; Goldman Sachs Credit Income Fund; and Goldman Sachs Real Estate Diversified Income Fund.
Caroline L. Kraus 200 West Street New York, NY 10282 Age: 44	Secretary	Since 2012	Managing Director, Goldman Sachs (January 2016-Present); Vice President, Goldman Sachs (August 2006-December 2015); Senior Counsel, Goldman Sachs (January 2020–Present); Associate General Counsel, Goldman Sachs (2012-December 2019); Assistant General Counsel, Goldman Sachs (August 2006-December 2011); and Associate, Weil, Gotshal & Manges, LLP (2002-2006). Secretary — Goldman Sachs Trust (previously Assistant Secretary (2012)); Goldman Sachs Variable Insurance Trust (previously Assistant Secretary (2012)); Goldman Sachs Trust II; Goldman Sachs BDC, Inc.; Goldman Sachs Private Middle Market Credit LLC; Goldman Sachs Private Middle Market Credit II LLC; Goldman Sachs Middle Market Lending Corp.; Goldman Sachs MLP and Energy Renaissance Fund; Goldman Sachs ETF Trust; Goldman Sachs ETF Trust II; Goldman Sachs Credit Income Fund; and Goldman Sachs Real Estate Diversified Income Fund.
Joseph F. DiMaria 30 Hudson Street Jersey City, NJ 07302 Age: 53	Treasurer, Principal Financial Officer and Principal Accounting Officer	Since 2017 (Treasurer and Principal Financial Officer since 2019)	Managing Director, Goldman Sachs (November 2015-Present) and Vice President — Mutual Fund Administration, Columbia Management Investment Advisers, LLC (May 2010- October 2015). Treasurer, Principal Financial Officer and Principal Accounting Officer — Goldman Sachs Trust (previously Assistant Treasurer (2016)); Goldman Sachs Variable Insurance Trust (previously Assistant Treasurer (2016)); Goldman Sachs Trust II (previously Assistant Treasurer (2017)); Goldman Sachs MLP and Energy Renaissance Fund (previously Assistant Treasurer (2017)); Goldman Sachs ETF Trust (previously Assistant Treasurer (2017)); Goldman Sachs ETF Trust II; Goldman Sachs Credit Income Fund; and Goldman Sachs Real Estate Diversified Income Fund

* *Represents a partial list of officers of the Trust. Additional information about all the officers is available in the Funds' Statement of Additional Information, which can be obtained from Goldman Sachs free of charge by calling this toll-free number (in the United States): 1-800-526-7384.*

[1] *Information is provided as of December 31, 2021.*

[2] *Officers hold office at the pleasure of the Board of Trustees or until their successors are duly elected and qualified. Each officer holds comparable positions with certain other companies of which Goldman Sachs, GSAM or an affiliate thereof is the investment adviser, administrator and/or distributor.*

Goldman Sachs Variable Insurance Trust – Tax Information (Unaudited)

For the year ended December 31, 2021, 100%, 12.37%, 8.32%, 28.95%, 10.09%, 16.73% and 11.34% of the dividends paid from net investment company taxable income by the Equity Index, Mid Cap Value, Growth Opportunities, Large Cap Value, Small Cap Equity Insights, Strategic Growth and U.S. Equity Insights Funds, respectively, qualify for the dividends received deduction available to corporations.

Pursuant to Section 852 of the Internal Revenue Code, the Equity Index, Mid Cap Value, Growth Opportunities, International Equity Insights, Large Cap Value, Small Cap Equity Insights, Strategic Growth and U.S. Equity Insights Funds designate $13,717,101, $28,620,079, $9,192,251, $1,687,425, $36,936,613, $10,074,781, $39,998,510 and $34,647,431 respectively, or if different, the maximum amount allowable, as capital gain dividends paid during the fiscal year ended December 31, 2021.

For the year end December 31, 2021, the International Equity Insights Fund has elected to pass through a credit for taxes paid to foreign jurisdictions. The total amount of income received by the International Equity Insights Fund from sources within foreign countries and possessions of the United States was $0.2408 per share, all of which is attributable to qualified passive income. The percentage of net investment income dividends paid by the Fund during the year ended December 31, 2021 from foreign sources was 70.68%. The total amount of foreign taxes paid by the Fund was $0.0215 per share.

TRUSTEES
Jessica Palmer, *Chair*
Dwight L. Bush
Kathryn A. Cassidy
Diana M. Daniels
Joaquin Delgado
Eileen H. Dowling
James A. McNamara
Roy W. Templin
Gregory G. Weaver

OFFICERS
James A. McNamara, *President*
Joseph F. DiMaria, *Principal Financial Officer, Principal Accounting Officer and Treasurer*
Caroline L. Kraus, *Secretary*

GOLDMAN SACHS & CO. LLC
Distributor and Transfer Agent

GOLDMAN SACHS ASSET MANAGEMENT, L.P.
Investment Adviser
200 West Street, New York
New York 10282

Visit our web site at www.GSAMFUNDS.com to obtain the most recent month-end returns.

The reports concerning the Fund included in this shareholder report may contain certain forward-looking statements about the factors that may affect the performance of the Fund in the future. These statements are based on Fund management's predictions and expectations concerning certain future events and their expected impact on the Fund, such as performance of the economy as a whole and of specific industry sectors, changes in the levels of interest rates, the impact of developing world events, and other factors that may influence the future performance of the Fund. Management believes these forward-looking statements to be reasonable, although they are inherently uncertain and difficult to predict. Actual events may cause adjustments in portfolio management strategies from those currently expected to be employed.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available (i) without charge, upon request by calling 1-800-621-2550; and (ii) on the Securities and Exchange Commission ("SEC") web site at *http://www.sec.gov*.

The Fund will file its portfolio holdings information for each month in a fiscal quarter within 60 days after the end of the relevant fiscal quarter on Form N-PORT. Portfolio holdings information for the third month of each fiscal quarter will be made available on the SEC's web site at http://www.sec.gov. Portfolio holdings information may be obtained upon request and without charge by calling 1-800-526-7384 (for Retail Shareholders) or 1-800-621-2550 (for Institutional Shareholders).

Views and opinions expressed are for informational purposes only and do not constitute a recommendation by GSAM to buy, sell, or hold any security. Views and opinions are current as of the date of this presentation and may be subject to change, they should not be construed as investment advice.

Goldman Sachs & Co. LLC ("Goldman Sachs") does not provide legal, tax or accounting advice. Any statement contained in this communication (including any attachments) concerning U.S. tax matters was not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code, and was written to support the promotion or marketing of transaction or matter addressed. Clients of Goldman Sachs should obtain their own independent tax advice based on their particular circumstances.

The website links provided are for your convenience only and are not an endorsement or recommendation by GSAM of any of these websites or the products or services offered. GSAM is not responsible for the accuracy and validity of the content of these websites.

Economic and market forecasts presented herein reflect our judgment as of the date of this presentation and are subject to change without notice. These forecasts do not take into account the specific investment objectives, restrictions, tax and financial situation or other needs of any specific client. Actual data will vary and may not be reflected here. These forecasts are subject to high levels of uncertainty that may affect actual performance. Accordingly, these forecasts should be viewed as merely representative of a broad range of possible outcomes. These forecasts are estimated, based on assumptions, and are subject to significant revision and may change materially as economic and market conditions change. Goldman Sachs has no obligation to provide updates or changes to these forecasts. Case studies and examples are for illustrative purposes only.

Fund holdings and allocations shown are as of December 31, 2021 and may not be representative of future investments. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities. Current and future holdings are subject to risk.

References to indices, benchmarks or other measures of relative market performance over a specified period of time are provided for your information only and do not imply that the portfolio will achieve similar results. The index composition may not reflect the manner in which a portfolio is constructed. While an adviser seeks to design a portfolio which reflects appropriate risk and return features, portfolio characteristics may deviate from those of the benchmark.

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The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

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This material is not authorized for distribution to prospective investors unless preceded or accompanied by a current prospectus or summary prospectus, if applicable. Investors should consider the Fund's objective, risks, and charges and expenses, and read the summary prospectus, if available, and/or the prospectus carefully before investing or sending money. The summary prospectus, if available, and the prospectus contain this and other information about the Fund and may be obtained from your authorized dealer or from Goldman Sachs & Co. LLC by calling 1-800-621-2550

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ANNUAL REPORT
December 31, 2021

Janus Henderson VIT Balanced Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
INVESTORS

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Janus Henderson VIT Balanced Portfolio

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Janus Henderson VIT Balanced Portfolio (unaudited)

PORTFOLIO SNAPSHOT

For 25+ years, the Balanced Portfolio has delivered our equity and fixed income expertise in a one-stop core solution. The portfolio managers make dynamic asset allocation decisions based on their view of overall market risk and careful examination of valuations across equity and fixed income markets. The end result is a diversified multi-asset, core holding portfolio offering the potential for long-term capital appreciation with a focus on security selection while maintaining the flexibility to navigate uncertain and volatile markets.



Jeremiah Buckley
co-portfolio manager

Greg Wilensky
co-portfolio manager

Michael Keough
co-portfolio manager

PERFORMANCE OVERVIEW

For the 12-month period ended December 31, 2021, the Janus Henderson VIT Balanced Portfolio's Institutional Shares and Service Shares returned 17.20% and 16.91%, respectively, compared with 14.32% for the Balanced Index, an internally calculated benchmark that combines the total returns from the S&P 500® Index (55%) and the Bloomberg U.S. Aggregate Bond Index (45%). The S&P 500 Index returned 28.71% and the Bloomberg U.S. Aggregate Bond Index returned -1.54%.

INVESTMENT ENVIRONMENT

The period began with many economically damaging social distancing measures still in place to mitigate the spread of COVID-19. However, U.S. equity markets continued to gain as significant monetary and fiscal stimulus supported markets, and vaccine developments created optimism around the potential for an economic reopening. Indeed, vaccines were distributed at a faster-than-expected rate, contributing to strong economic growth. Equities finished the period with robust gains, but performance across sectors varied significantly. Energy was the top-performing sector, benefiting from the strong rebound in oil prices. Real estate stocks, which were pummeled amid 2020's lockdown phase, rebounded strongly alongside the broader economic reopening. Traditionally defensive sectors such as utilities and consumer staples lagged, though they still generated double-digit returns.

Amid the economic recovery, the yield on the 10-year Treasury note ended December at 1.51%, up from 0.93% one year ago. The recovery, as is typical, brought both higher inflation expectations and the realization that the U.S. Federal Reserve (Fed) would reduce monetary stimulus and eventually increase policy rates. Despite intra-period volatility, corporate credit spreads (the difference in yield over Treasuries) ultimately tightened with the improving economic outlook. However, investment-grade corporates were negatively impacted by rising interest rates and ended the period with negative total returns. Mortgage-backed securities (MBS) similarly outperformed U.S. Treasuries but generated negative total returns. Treasury Inflation-Protected Securities (TIPS) and high-yield corporates generated positive total returns – the former aided by increasing inflation expectations, the latter aided by their improving fundamental outlook (i.e., expectations for low credit defaults) and investors' continued quest for yield.

PERFORMANCE DISCUSSION

The Portfolio's ability to dynamically adjust its allocation with changing market conditions proved beneficial given the portfolio managers' decision to overweight equities as the economic recovery continued. On average, 64% of the Portfolio was invested in stocks throughout the period (based on month-end data). Asset class allocations may vary based on market conditions, and positioning near the mandated maximum equity exposure reflected the portfolio managers' belief that equities offered greater risk-adjusted opportunities versus fixed income throughout the year.

The equity allocation outperformed the S&P 500 Index. Stock selection drove the relative outperformance, particularly in the information technology, health care and consumer staples sectors. Technology company Nvidia was the largest individual equity contributor. As large technology platform companies continued to increase capital spending on network data centers and infrastructure, Nvidia – a leading producer of graphics processing units – benefited. The company's products are

also critical to virtual and augmented reality platforms, which are growing in popularity. Semiconductor company Lam Research was another relative contributor. Demand forecasts for wafer fabrication equipment increased during the period alongside the continued proliferation of semiconductors across industries, and the company benefited near year-end from a stabilization of memory prices.

Detracting from relative results was sector positioning, including a lack of exposure to energy – the best-performing benchmark sector during the period – and an underweight to the strong-performing real estate sector. Credit card service provider Mastercard was the top individual equity detractor. The Delta and Omicron variants of COVID-19 dashed investor optimism that cross-border travel spending would see a sizable recovery during the period. Concerns around the introduction of new payment methods also weighed on the stock. While we are monitoring potential disruptors to the credit card network, we believe Mastercard has demonstrated an ability to be resilient and we think its growth outlook remains positive. Comcast was another detractor given concerns around slowing subscriber growth for high-speed cable Internet in 2021 versus the year prior, as well as the potential for increased competition from fiber-optic and 5G providers.

The fixed income allocation outperformed the Bloomberg U.S. Aggregate Bond Index. Our asset allocation decisions benefited relative performance versus the Bloomberg U.S. Aggregate Bond Index. The Portfolio's out-of-index allocation to high-yield corporate bonds performed well as the economic outlook continued to improve and investors' demand for yield remained intact. Out-of-index exposure to TIPS was also a strong contributor as we adjusted positioning with the ebb and flow of inflation expectations. An underweight to MBS and strong security selection further benefited relative performance. The Portfolio's positioning relative to the U.S. Treasury yield curve and a lack of exposure to government-related securities detracted.

Although we consistently trimmed the Portfolio's allocation to corporate bonds during the period, our overall favorable view on the U.S. economy led us to maintain the Portfolio's overweight exposure to corporates (including high-yield) and securitized credit such as asset-backed securities (ABS) and commercial mortgage-backed securities (CMBS). We maintained underweight exposures to U.S. Treasuries and MBS.

Our decision to reduce corporate credit exposure was primarily due to credit spreads narrowing as the period progressed. Corporate bond sales were focused on the investment-grade market given our view that the relatively tight level of spreads diminished their attractiveness on a risk-adjusted basis compared to high yield, particularly with rates set to rise. Within high yield, we adjusted positions, emphasizing names believed to have the potential to be "rising stars" – securities that could see sufficient rating improvement to push them into the investment-grade market. We added floating rate products such as bank loans as well as high-quality (AAA/AA) collateralized loan obligations (CLOs) for the first time, believing the underlying bank loans had attractive valuations and their securitization into CLOs added additional value. In our efforts to diversify sources of both yield and risk, we also added to our ABS and CMBS exposure, focusing on relative-value opportunities identified through individual security analysis. Lastly, we were active in the TIPS market, adding early on the expectation that inflation expectations would increase and adjusting the allocation throughout the year as expectations shifted.

OUTLOOK

Although we expect to see continued heightened inflation in 2022, other key economic indicators such as unemployment, labor force participation and retail sales continue to trend in a constructive direction and should provide a positive backdrop for equity markets going forward. It is our belief that high levels of consumer savings, significant appreciation in the equity and housing markets and stronger employment growth will allow consumers to drive robust spending in the upcoming quarters. Ongoing vaccination and the development of additional medical advancements to treat COVID-19 should result in more people continuing to rejoin the workforce, which should help alleviate supply chain constraints and help ease certain drivers of inflation. Corporate and consumer balance sheets also remain strong, which should keep credit losses low, and we expect robust capital spending on digitization and automation to further help supply chains recover.

As 2021 was drawing to a close, the Fed began to aggressively reassess the pace at which it would be removing the extraordinary monetary policy accommodation it has been providing as it acknowledged that inflation is projected to remain above target for longer than was expected. As we navigate a period with the potential for heightened volatility brought on by this shift

in policy outlook, we continue to believe in the importance of finding companies that are providing meaningful economic value to their customers while continuing to generate consistent free cash flow and allocating capital successfully. We think these companies will be better positioned for long-term growth regardless of any shorter-term changes in the investment environment. In particular, we continue to emphasize companies participating in many of the long-term growth themes that were in motion prior to the pandemic — and have accelerated as a result of it. These include the shift to e-commerce and related acceleration in e-payments as well as the growth of cloud computing and Software as a Service applications. Health care technology is another meaningful theme. Better data analysis from the digitization of procedures and treatments will likely lead to better outcomes for patients and strong growth for medical technology companies.

While navigating a shift in central bank policy is never straightforward, we see continued opportunities to add value in the bond portfolio in the coming quarters while maintaining the traditional role as a diversifier in volatile times. We do believe real yields (the yield paid after taking into account expected inflation) are too low for the kind of economic growth and inflation we are forecasting and expect upward pressure on Treasury yields. However, longer-dated Treasuries are likely to remain attractive relative to other developed markets' government bonds, and we expect continued demand from outside the U.S. to be a stabilizer in times of volatility. Similarly, we believe credit sectors can perform well in the early phases of a tightening cycle – fundamentals are still improving, credit ratings are being upgraded, access to credit remains plentiful and defaults are expected to remain scarce. Ultimately, we think 2022 may play to the active fixed income manager's strengths; in our opinion, opportunities to add incremental returns to a bond portfolio are more likely to come from relative-value opportunities, nuanced sector allocation, shorter-term dislocations and individual security selection.

As always, we will dynamically adjust each of the equity and fixed income allocations, as well as the Portfolio's overall mix between equities and fixed income, as we analyze the risks and opportunities in each market.

Thank you for your investment in Janus Henderson VIT Balanced Portfolio.

Janus Henderson VIT Balanced Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Top Contributors - Equity Sleeve Holdings

	Average Weight	Relative Contribution
NVIDIA Corp	2.27%	0.74%
Microsoft Corp	8.22%	0.56%
Eli Lilly & Co	2.00%	0.50%
Lam Research Corp	2.52%	0.50%
Home Depot Inc	2.55%	0.43%

5 Top Detractors - Equity Sleeve Holdings

	Average Weight	Relative Contribution
Mastercard Inc	3.62%	-0.87%
Activision Blizzard Inc	0.78%	-0.47%
Comcast Corp	2.09%	-0.46%
Honeywell International Inc	1.72%	-0.41%
Merck & Co Inc	1.46%	-0.33%

5 Top Contributors - Equity Sleeve Sectors*

	Relative Contribution	Equity Sleeve Average Weight	S&P 500 Index Average Weight
Information Technology	1.15%	32.34%	27.58%
Health Care	0.72%	14.95%	13.12%
Consumer Staples	0.54%	6.39%	5.91%
Utilities	0.30%	0.00%	2.54%
Communication Services	0.22%	10.13%	10.97%

5 Top Detractors - Equity Sleeve Sectors*

	Relative Contribution	Equity Sleeve Average Weight	S&P 500 Index Average Weight
Consumer Discretionary	-1.02%	16.53%	12.44%
Energy	-0.59%	0.00%	2.71%
Financials	-0.26%	9.83%	11.20%
Real Estate	-0.24%	0.55%	2.55%
Industrials	-0.14%	8.57%	8.36%

Relative contribution reflects how the portolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown. For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, excluding fixed income securities, gross of advisory fees, may exclude certain derivatives and will differ from actual performance. Performance attribution reflects returns gross of advisory fees and may differ from actual returns as they are based on end of day holdings. Attribution is calculated by geometrically linking daily returns for the portfolio and index.

* Based on sector classification according to the Global Industry Classification Standard ("GICS") codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.

Janus Henderson VIT Balanced Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Largest Equity Holdings - (% of Net Assets)

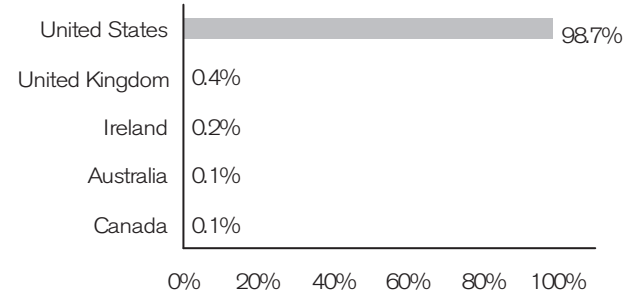
Microsoft Corp	
Software	5.8%
Apple Inc	
Technology Hardware, Storage & Peripherals	3.9%
Alphabet Inc - Class C	
Interactive Media & Services	3.7%
Amazon.com Inc	
Internet & Direct Marketing Retail	2.9%
UnitedHealth Group Inc	
Health Care Providers & Services	2.4%
	18.7%

Asset Allocation - (% of Net Assets)

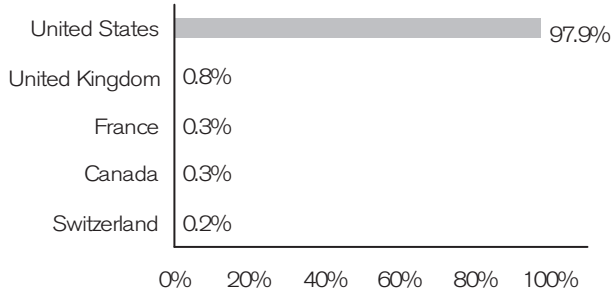
Common Stocks	64.5%
United States Treasury	
Notes/Bonds	12.5%
Corporate Bonds	10.2%
Asset-Backed/Commercial	
Mortgage-Backed Securities	6.0%
Mortgage-Backed Securities	4.6%
Investment Companies	4.0%
Bank Loans and Mezzanine Loans	0.9%
Inflation-Indexed Bonds	0.2%
Other	(2.9)%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

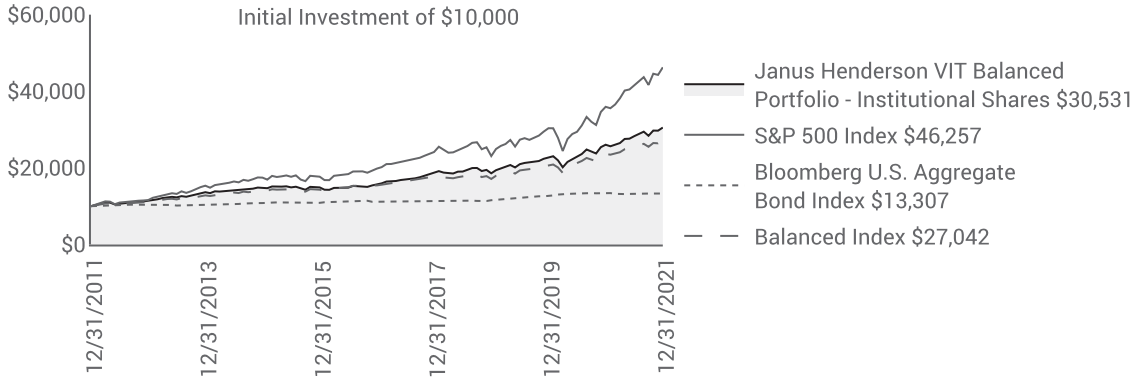
As of December 31, 2021



As of December 31, 2020



Janus Henderson VIT Balanced Portfolio (unaudited)
Performance



Average Annual Total Return - for the periods ended December 31, 2021					Prospectus Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses‡
Institutional Shares	17.20%	14.39%	11.81%	10.42%	0.62%
Service Shares	16.91%	14.10%	11.53%	10.23%	0.87%
S&P 500 Index	28.71%	18.47%	16.55%	10.73%	
Bloomberg U.S. Aggregate Bond Index	-1.54%	3.57%	2.90%	4.99%	
Balanced Index	14.32%	11.87%	10.46%	8.39%	
Morningstar Quartile - Institutional Shares	1st	1st	1st	1st	
Morningstar Ranking - based on total returns for Allocation - 50% to 70% Equity Funds	90/714	26/662	26/552	9/204	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), Environmental, Social and Governance (ESG) factors, non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See important disclosures on the next page.

Janus Henderson VIT Balanced Portfolio (unaudited)
Performance

See "Useful Information About Your Portfolio Report."

*The Portfolio's inception date – September 13, 1993

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Balanced Portfolio (unaudited)
Expense Examples

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; 12b-1 distribution and shareholder servicing fees (applicable to Service Shares only); transfer agent fees and expenses payable pursuant to the Transfer Agency Agreement; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of $1,000 invested at the beginning of the period and held for the six-months indicated, unless noted otherwise in the table and footnotes below.

Actual Expenses
The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the appropriate column for your share class under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes
The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based upon the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's 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 Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Additionally, for an analysis of the fees associated with an investment in either share class or other similar funds, please visit www.finra.org/fundanalyzer.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as any charges at the separate account level or contract level. These fees are fully described in the Portfolio's prospectuses. Therefore, the hypothetical examples 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 transaction costs were included, your costs would have been higher.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Net Annualized Expense Ratio (7/1/21 - 12/31/21)
Institutional Shares	$1,000.00	$1,079.50	$3.25	$1,000.00	$1,022.08	$3.16	0.62%
Service Shares	$1,000.00	$1,078.00	$4.56	$1,000.00	$1,020.82	$4.43	0.87%

†Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Balanced Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Asset-Backed/Commercial Mortgage-Backed Securities– 6.0%		
208 Park Avenue Mortgage Trust 2017-280P, ICE LIBOR USD 1 Month + 0.8800%, 0.9898%, 9/15/34 (144A)‡	$3,072,117	$3,069,451
Affirm Asset Securitization Trust 2021-B A, 1.0300%, 8/17/26 (144A)	3,492,000	3,465,135
Angel Oak Mortgage Trust I LLC 2019-5, 2.5930%, 10/25/49 (144A)‡	983,070	982,462
Angel Oak Mortgage Trust I LLC 2019-6, ICE LIBOR USD 12 Month + 0.9500%, 2.6200%, 11/25/59 (144A)‡	763,272	763,272
Angel Oak Mortgage Trust I LLC 2020-3, ICE LIBOR USD 12 Month + 1.0000%, 2.4100%, 4/25/65 (144A)‡	1,493,992	1,496,262
Aqua Finance Trust 2021-A A, 1.5400%, 7/17/46 (144A)	2,330,189	2,305,339
Arbys Funding LLC 2020-1A, 3.2370%, 7/30/50 (144A)	8,135,025	8,309,001
Barclays Comercial Mortgage Securities LLC 2015-SRCH, 4.1970%, 8/10/35 (144A)	2,528,000	2,793,485
Barclays Comercial Mortgage Securities LLC 2017-DELC, ICE LIBOR USD 1 Month + 0.8500%, 0.9598%, 8/15/36 (144A)‡	2,087,000	2,086,414
BVRT Financing Trust 2021-2F M1, 1.6000%, 1/10/32‡	444,502	445,258
BVRT Financing Trust 2021-CRT1 M2, 2.3514%, 1/10/33‡	725,484	727,298
BVRT Financing Trust 2021-CRT2 M1, 1.8514%, 11/10/32‡	181,074	181,074
BX Commercial Mortgage Trust 2019-OC11, 3.2020%, 12/9/41 (144A)	2,230,000	2,350,737
BX Commercial Mortgage Trust 2019-OC11, 3.6050%, 12/9/41 (144A)	1,121,000	1,182,231
BX Commercial Mortgage Trust 2019-OC11, 3.8560%, 12/9/41 (144A)	2,229,000	2,295,238
BX Commercial Mortgage Trust 2019-XL, ICE LIBOR USD 1 Month + 0.9200%, 1.0300%, 10/15/36 (144A)‡	3,733,213	3,732,178
BX Commercial Mortgage Trust 2019-XL, ICE LIBOR USD 1 Month + 1.0800%, 1.1900%, 10/15/36 (144A)‡	617,100	616,492
BX Commercial Mortgage Trust 2020-FOX A, ICE LIBOR USD 1 Month + 1.0000%, 1.1100%, 11/15/32 (144A)‡	6,010,033	6,008,627
BX Commercial Mortgage Trust 2020-FOX B, ICE LIBOR USD 1 Month + 1.3500%, 1.4600%, 11/15/32 (144A)‡	1,061,933	1,060,996
BX Commercial Mortgage Trust 2020-FOX C, ICE LIBOR USD 1 Month + 1.5500%, 1.6600%, 11/15/32 (144A)‡	968,381	964,486
BX Commercial Mortgage Trust 2021-LBA AJV, ICE LIBOR USD 1 Month + 0.8000%, 0.9100%, 2/15/36 (144A)‡	4,525,000	4,507,886
BX Commercial Mortgage Trust 2021-LBA AV, ICE LIBOR USD 1 Month + 0.8000%, 0.9100%, 2/15/36 (144A)‡	5,146,000	5,126,536
BX Commercial Mortgage Trust 2021-VOLT A, ICE LIBOR USD 1 Month + 0.7000%, 0.8098%, 9/15/36 (144A)‡	2,265,000	2,257,962
BX Commercial Mortgage Trust 2021-VOLT B, ICE LIBOR USD 1 Month + 0.9500%, 1.0598%, 9/15/36 (144A)‡	4,636,000	4,594,008
BX Commercial Mortgage Trust 2021-VOLT D, ICE LIBOR USD 1 Month + 1.6500%, 1.7598%, 9/15/36 (144A)‡	4,869,000	4,826,417
BXP Trust 2017-GM, 3.3790%, 6/13/39 (144A)	1,140,000	1,214,657
Carvana Auto Receivables Trust 2021-P4 A2, 0.8200%, 4/10/25	3,949,000	3,947,316
CBAM CLO Management 2019-11RA A1, ICE LIBOR USD 3 Month + 1.1800%, 1.3049%, 1/20/35 (144A)‡	7,871,000	7,880,414
CBAM CLO Management 2019-11RA B, ICE LIBOR USD 3 Month + 1.7500%, 1.8749%, 1/20/35 (144A)‡	4,014,000	4,014,666
CF Hippolyta Issuer LLC 2021-1A A1, 1.5300%, 3/15/61 (144A)	4,486,879	4,406,009
CF Hippolyta Issuer LLC 2021-1A B1, 1.9800%, 3/15/61 (144A)	1,694,636	1,669,632
Chase Auto Credit Linked Notes 2021-1 B, 0.8750%, 9/25/28 (144A)	1,767,766	1,764,483
Chase Auto Credit Linked Notes 2021-2 B, 0.8890%, 12/26/28 (144A)	4,053,118	4,031,053
Chase Mortgage Finance Corp 2021-CL1 M1, US 30 Day Average SOFR + 1.2000%, 1.2497%, 2/25/50 (144A)‡	5,716,654	5,731,527
CIFC Funding Ltd 2016-1A BRR, ICE LIBOR USD 3 Month + 1.7000%, 0%, 10/21/31 (144A)‡	3,275,000	3,235,415
CIFC Funding Ltd 2021-7A A1, ICE LIBOR USD 3 Month + 1.1300%, 1.2584%, 1/23/35 (144A)‡	5,709,000	5,705,563
CIFC Funding Ltd 2021-7A B, ICE LIBOR USD 3 Month + 1.6000%, 1.7284%, 1/23/35 (144A)‡	3,244,000	3,219,738
CIM Trust 2021-NR1 A1, 2.5690%, 7/25/55 (144A)◊	3,601,377	3,595,922

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Asset-Backed/Commercial Mortgage-Backed Securities– (continued)		
Cold Storage Trust 2020-ICE5 A, ICE LIBOR USD 1 Month + 0.9000%, 1.0098%, 11/15/37 (144A)‡	$6,622,407	$6,615,563
Cold Storage Trust 2020-ICE5 B, ICE LIBOR USD 1 Month + 1.3000%, 1.4098%, 11/15/37 (144A)‡	2,944,057	2,937,957
Cold Storage Trust 2020-ICE5 C, ICE LIBOR USD 1 Month + 1.6500%, 1.7598%, 11/15/37 (144A)‡	2,955,853	2,944,531
COLT Funding LLC 2020-2, ICE LIBOR USD 12 Month + 1.5000%, 1.8530%, 3/25/65 (144A)‡	524,323	525,919
COLT Funding LLC 2020-3, ICE LIBOR USD 12 Month + 1.2000%, 1.5060%, 4/27/65 (144A)‡	610,081	610,643
Conn Funding II LP 2021-A A, 1.0500%, 5/15/26 (144A)	4,708,880	4,705,109
Connecticut Avenue Securities Trust 2014-C04, ICE LIBOR USD 1 Month + 4.9000%, 5.0028%, 11/25/24‡	249,286	258,585
Connecticut Avenue Securities Trust 2015-C01 1M2, ICE LIBOR USD 1 Month + 4.3000%, 4.4028%, 2/25/25‡	2,014,665	2,050,206
Connecticut Avenue Securities Trust 2016-C06 1M2, ICE LIBOR USD 1 Month + 4.2500%, 4.3528%, 4/25/29‡	1,812,136	1,868,346
Connecticut Avenue Securities Trust 2017-C01, ICE LIBOR USD 1 Month + 3.5500%, 3.6528%, 7/25/29‡	2,080,164	2,126,759
Connecticut Avenue Securities Trust 2018-R07, ICE LIBOR USD 1 Month + 2.4000%, 2.5019%, 4/25/31 (144A)‡	1,135,790	1,139,890
Connecticut Avenue Securities Trust 2019-R02, ICE LIBOR USD 1 Month + 2.3000%, 2.4028%, 8/25/31 (144A)‡	591,974	594,189
Connecticut Avenue Securities Trust 2019-R03, ICE LIBOR USD 1 Month + 2.1500%, 2.2528%, 9/25/31 (144A)‡	875,795	878,576
Connecticut Avenue Securities Trust 2019-R04, ICE LIBOR USD 1 Month + 2.1000%, 2.2019%, 6/25/39 (144A)‡	455,383	455,383
Connecticut Avenue Securities Trust 2019-R05, ICE LIBOR USD 1 Month + 2.0000%, 2.1028%, 7/25/39 (144A)‡	407,501	407,500
Connecticut Avenue Securities Trust 2019-R07, ICE LIBOR USD 1 Month + 2.1000%, 2.2028%, 10/25/39 (144A)‡	1,053,566	1,055,574
Connecticut Avenue Securities Trust 2020-R02, ICE LIBOR USD 1 Month + 2.0000%, 2.1028%, 1/25/40 (144A)‡	2,270,509	2,274,769
Connecticut Avenue Securities Trust 2021-R02 2M2, US 30 Day Average SOFR + 2.0000%, 2.0500%, 11/25/41 (144A)‡	9,573,000	9,578,965
Connecticut Avenue Securities Trust 2021-R03 1M2, US 30 Day Average SOFR + 1.6500%, 1.7000%, 12/25/41 (144A)‡	3,124,000	3,128,738
Cosmopolitan Hotel Trust 2017, ICE LIBOR USD 1 Month + 0.9300%, 1.0398%, 11/15/36 (144A)‡	2,618,339	2,617,269
Credit Suisse Commercial Mortgage Trust 2019-ICE4, ICE LIBOR USD 1 Month + 0.9800%, 1.0900%, 5/15/36 (144A)‡	7,812,000	7,809,896
Credit Suisse Commercial Mortgage Trust 2019-ICE4 C, ICE LIBOR USD 1 Month + 1.4300%, 1.5400%, 5/15/36 (144A)‡	1,486,000	1,479,290
Credit Suisse Commercial Mortgage Trust 2020-UNFI, ICE LIBOR USD 1 Month + 3.6682%, 4.1682%, 12/15/22 (144A)‡	2,312,000	2,308,948
Credit Suisse Commercial Mortgage Trust 2021-WEHO A, ICE LIBOR USD 1 Month + 3.9693%, 4.0791%, 4/15/23 (144A)‡	3,913,233	3,895,293
DB Master Finance LLC 2019-1A A23, 4.3520%, 5/20/49 (144A)	1,282,480	1,358,612
DB Master Finance LLC 2019-1A A2II, 4.0210%, 5/20/49 (144A)	1,009,758	1,045,127
Diamond Infrastructure Funding LLC 2021-1A A, 1.7600%, 4/15/49 (144A)	4,917,000	4,806,947
Domino's Pizza Master Issuer LLC, 4.1180%, 7/25/47 (144A)	906,675	950,252
Domino's Pizza Master Issuer LLC, 4.1160%, 7/25/48 (144A)	3,331,950	3,404,919
Domino's Pizza Master Issuer LLC, 4.3280%, 7/25/48 (144A)	2,004,990	2,103,137
Domino's Pizza Master Issuer LLC, 3.6680%, 10/25/49 (144A)	6,404,918	6,742,780
Drive Auto Receivables Trust 2017-3, 3.5300%, 12/15/23 (144A)	26,478	26,498
Exeter Automobile Receivables Trust 2019-1, 5.2000%, 1/15/26 (144A)	2,365,000	2,485,854
Exeter Automobile Receivables Trust 2021-1A C, 0.7400%, 1/15/26	965,000	961,586
Exeter Automobile Receivables Trust 2021-1A D, 1.0800%, 11/16/26	3,089,000	3,070,331
Extended Stay America Trust 2021-ESH A, ICE LIBOR USD 1 Month + 1.0800%, 1.1900%, 7/15/38 (144A)‡	6,082,357	6,083,675

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Asset-Backed/Commercial Mortgage-Backed Securities– (continued)		
Extended Stay America Trust 2021-ESH B, ICE LIBOR USD 1 Month + 1.3800%, 1.4900%, 7/15/38 (144A)‡	$1,654,393	$1,656,648
Fannie Mae Connecticut Avenue Securities, ICE LIBOR USD 1 Month + 5.0000%, 5.1028%, 7/25/25‡	1,289,040	1,320,525
Fannie Mae Connecticut Avenue Securities, ICE LIBOR USD 1 Month + 5.7000%, 5.8028%, 4/25/28‡	1,307,588	1,376,885
Fannie Mae REMICS, 3.0000%, 5/25/48	3,018,622	3,140,254
Fannie Mae REMICS, 3.0000%, 11/25/49	3,852,394	4,005,140
Flagstar Mortgage Trust 2021-13IN A2, 3.0000%, 12/30/51 (144A)‡	10,470,942	10,654,183
Freddie Mac Structured Agency Credit Risk Debt Notes 2016-DNA1 M3, ICE LIBOR USD 1 Month + 5.5500%, 5.6528%, 7/25/28‡	1,256,469	1,302,890
Freddie Mac Structured Agency Credit Risk Debt Notes 2019-DNA4 M2, ICE LIBOR USD 1 Month + 1.9500%, 2.0528%, 10/25/49 (144A)‡	340,136	341,056
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-DNA6 M2, US 30 Day Average SOFR + 2.0000%, 2.0497%, 12/25/50 (144A)‡	4,640,000	4,662,176
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-HQA2 M2, ICE LIBOR USD 1 Month + 3.1000%, 3.2028%, 3/25/50 (144A)‡	2,054,689	2,077,746
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-HQA4 M2, ICE LIBOR USD 1 Month + 3.1500%, 3.2528%, 9/25/50 (144A)‡	774,380	776,017
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-HQA5 M2, US 30 Day Average SOFR + 2.6000%, 2.6497%, 11/25/50 (144A)‡	6,802,128	6,866,365
Freddie Mac Structured Agency Credit Risk Debt Notes 2021-DNA2 M2, US 30 Day Average SOFR + 2.3000%, 2.3497%, 8/25/33 (144A)‡	1,710,000	1,736,976
Freddie Mac Structured Agency Credit Risk Debt Notes 2021-HQA1 M2, US 30 Day Average SOFR + 2.2500%, 2.2997%, 8/25/33 (144A)‡	6,600,000	6,639,113
Great Wolf Trust, ICE LIBOR USD 1 Month + 1.0340%, 1.1440%, 12/15/36 (144A)‡	1,067,000	1,065,387
Great Wolf Trust, ICE LIBOR USD 1 Month + 1.3340%, 1.4440%, 12/15/36 (144A)‡	1,195,000	1,191,098
Great Wolf Trust, ICE LIBOR USD 1 Month + 1.6330%, 1.7430%, 12/15/36 (144A)‡	1,332,000	1,324,389
Highbridge Loan Management Ltd 2021-16A A1, ICE LIBOR USD 3 Month + 1.1400%, 1.3953%, 1/23/35 (144A)‡	8,740,000	8,734,730
Highbridge Loan Management Ltd 2021-16A B, ICE LIBOR USD 3 Month + 1.7000%, 1.9553%, 1/23/35 (144A)‡	3,105,000	3,102,668
Jack in the Box Funding LLC 2019-1A A23, 4.9700%, 8/25/49 (144A)	3,528,338	3,767,228
Jack in the Box Funding LLC 2019-1A A2I, 3.9820%, 8/25/49 (144A)	3,528,338	3,541,745
Jack in the Box Funding LLC 2019-1A A2II, 4.4760%, 8/25/49 (144A)	4,962,500	5,133,161
JP Morgan Mortgage Trust 2021-11 A11, US 30 Day Average SOFR + 0.8500%, 0.8997%, 1/25/52 (144A)‡	3,663,716	3,662,178
JP Morgan Mortgage Trust 2021-12 A11, US 30 Day Average SOFR + 0.8500%, 0.8997%, 2/25/52 (144A)‡	2,276,675	2,276,675
LAD Auto Receivables Trust 2021-1A A, 1.3000%, 8/17/26 (144A)	4,124,374	4,109,494
Life Financial Services Trust 2021-BMR A, ICE LIBOR USD 1 Month + 0.7000%, 0.8100%, 3/15/38 (144A)‡	8,608,000	8,582,717
Life Financial Services Trust 2021-BMR C, ICE LIBOR USD 1 Month + 1.1000%, 1.2100%, 3/15/38 (144A)‡	4,272,000	4,223,858
Logan CLO II Ltd 2021-2A A, ICE LIBOR USD 3 Month + 1.1500%, 1.3974%, 1/20/35 (144A)‡	7,871,000	7,866,175
Logan CLO II Ltd 2021-2A B, ICE LIBOR USD 3 Month + 1.7000%, 1.9474%, 1/20/35 (144A)‡	3,156,000	3,153,567
LUXE Commercial Mortgage Trust 2021-TRIP A, ICE LIBOR USD 1 Month + 1.0500%, 1.1600%, 10/15/38 (144A)‡	9,803,000	9,826,895
MED Trust 2021-MDLN C, ICE LIBOR USD 1 Month + 1.8000%, 1.9100%, 11/15/38 (144A)‡	1,406,000	1,401,317
MED Trust 2021-MDLN D, ICE LIBOR USD 1 Month + 2.0000%, 2.1100%, 11/15/38 (144A)‡	1,427,000	1,421,905
MED Trust 2021-MDLN E, ICE LIBOR USD 1 Month + 3.1500%, 3.2600%, 11/15/38 (144A)‡	6,334,000	6,284,306

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MED Trust 2021-MDLN F, ICE LIBOR USD 1 Month + 4.0000%, 4.1100%, 11/15/38 (144A)‡	$3,985,000	$3,955,114
Mello Mortgage Capital Acceptance Trust 2021-INV2 A11, US 30 Day Average SOFR + 0.9500%, 0.9997%, 8/25/51 (144A)‡	3,454,570	3,521,201
Mello Mortgage Capital Acceptance Trust 2021-INV3 A11, US 30 Day Average SOFR + 0.9500%, 0.9997%, 10/25/51 (144A)‡	4,420,074	4,429,263
Mello Mortgage Capital Acceptance Trust 2021-INV4 A3, 2.5000%, 12/25/51 (144A)‡	3,083,365	3,082,903
Mercury Financial Credit Card Master Trust 2021-1A A, 1.5400%, 3/20/26 (144A)	3,873,000	3,874,923
MHC Commercial Mortgage Trust 2021-MHC A, ICE LIBOR USD 1 Month + 0.8010%, 0.9107%, 4/15/38 (144A)‡	9,039,888	9,005,202
MHC Commercial Mortgage Trust 2021-MHC C, ICE LIBOR USD 1 Month + 1.3510%, 1.4607%, 4/15/38 (144A)‡	4,357,691	4,335,011
MRA Issuance Trust 2021-NA1 A1X, ICE LIBOR USD 1 Month + 1.5000%, 1.5993%, 3/8/22 (144A)‡	7,199,000	7,200,490
New Residential Mortgage Loan Trust 2018-2, ICE LIBOR USD 6 Month + 0.6800%, 4.5000%, 2/25/58 (144A)‡	583,974	622,245
Newday Funding Master Issuer PLC 2021-1A A2, SOFR + 1.1000%, 1.1500%, 3/15/29 (144A)‡	3,636,000	3,661,496
Newday Funding Master Issuer PLC 2021-2A A2, SOFR + 0.9500%, 1.0000%, 7/15/29 (144A)‡	2,161,000	2,160,467
NRZ Excess Spread Collateralized Notes 2020-PLS1 A, 3.8440%, 12/25/25 (144A)	1,516,266	1,522,726
NRZ Excess Spread Collateralized Notes 2021-FHT1 A, 3.1040%, 7/25/26 (144A)	3,649,553	3,636,797
Oak Street Investment Grade Net Lease Fund 2020-1A A1, 1.8500%, 11/20/50 (144A)	3,689,946	3,651,517
Oceanview Mortgage Trust 2021-5 AF, US 30 Day Average SOFR + 0.8500%, 0.8980%, 11/25/51 (144A)‡	5,096,744	5,086,181
Octagon Investment Partners 48 Ltd 2020-3A AR, ICE LIBOR USD 3 Month + 1.1500%, 1.2769%, 10/20/34 (144A)‡	5,682,000	5,675,324
Octagon Investment Partners 48 Ltd 2020-3A BR, ICE LIBOR USD 3 Month + 1.6000%, 1.7269%, 10/20/34 (144A)‡	1,276,000	1,266,499
OneMain Direct Auto Receivables Trust 2018-1, 3.8500%, 10/14/25 (144A)	570,000	570,519
OneMain Direct Auto Receivables Trust 2018-1, 4.4000%, 1/14/28 (144A)	566,000	566,586
Onslow Bay Financial LLC 2021-INV3 A3, 2.5000%, 10/25/51 (144A)‡	3,853,077	3,852,153
Planet Fitness Master Issuer LLC 2018-1A, 4.2620%, 9/5/48 (144A)	2,639,340	2,639,340
Planet Fitness Master Issuer LLC 2019-1A, 3.8580%, 12/5/49 (144A)	3,338,860	3,420,523
Preston Ridge Partners Mortgage Trust 2020-4 A1, 2.9510%, 10/25/25 (144A)ç	3,116,913	3,113,353
Preston Ridge Partners Mortgage Trust 2021-10 A1, 2.4870%, 10/25/26 (144A)ç	5,743,635	5,729,036
Preston Ridge Partners Mortgage Trust 2021-9 A1, 2.3630%, 10/25/26 (144A)‡	5,083,174	5,054,399
Regatta XXIII Funding Ltd 2021-4A A1, ICE LIBOR USD 3 Month + 1.1500%, 1.2604%, 1/20/35 (144A)‡	8,604,370	8,599,164
Regatta XXIII Funding Ltd 2021-4A B, ICE LIBOR USD 3 Month + 1.7000%, 1.8104%, 1/20/35 (144A)‡	3,466,000	3,463,387
Santander Bank Auto Credit-Linked Notes 2021-1A B, 1.8330%, 12/15/31 (144A)	2,023,000	2,021,133
Santander Drive Auto Receivables Trust 2020-3 D, 1.6400%, 11/16/26	7,470,000	7,523,380
Sequoia Mortgage Trust 2013-5, 2.5000%, 5/25/43 (144A)‡	805,846	816,790
Sequoia Mortgage Trust 2020-2, 3.5000%, 3/25/50 (144A)‡	336,908	339,454
Spruce Hill Mortgage Loan Trust 2020-SH1 A1, ICE LIBOR USD 12 Month + 0.9500%, 2.5210%, 1/28/50 (144A)‡	146,604	169,087
Spruce Hill Mortgage Loan Trust 2020-SH1 A2, ICE LIBOR USD 12 Month + 1.0500%, 2.6240%, 1/28/50 (144A)‡	766,471	883,565
Spruce Hill Mortgage Loan Trust 2020-SH2, 3.4070%, 6/25/55 (144A)‡	446,410	448,446
Taco Bell Funding LLC 2016-1A A23, 4.9700%, 5/25/46 (144A)	2,240,430	2,337,755
Taco Bell Funding LLC 2018-1A A2II, 4.9400%, 11/25/48 (144A)	3,755,840	4,082,253
Taco Bell Funding LLC 2021-1A A2I, 1.9460%, 8/25/51 (144A)	3,153,000	3,050,828
Taco Bell Funding LLC 2021-1A A2II, 2.2940%, 8/25/51 (144A)	3,790,000	3,684,761
Tesla Auto Lease Trust 2021-B A3, 0.6000%, 9/22/25 (144A)	2,492,000	2,461,218
Tesla Auto Lease Trust 2021-B B, 0.9100%, 9/22/25 (144A)	1,278,000	1,259,843

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Asset-Backed/Commercial Mortgage-Backed Securities– (continued)		
Theorem Funding Trust 2021-1A A, 1.2100%, 12/15/27 (144A)	$2,828,134	$2,822,469
United Wholesale Mortgage LLC 2021-INV1 A9,		
US 30 Day Average SOFR + 0.9000%, 0.9497%, 8/25/51 (144A)‡	4,185,686	4,185,684
United Wholesale Mortgage LLC 2021-INV4 A3, 2.5000%, 12/25/51 (144A)‡	2,410,211	2,407,010
Upstart Securitization Trust 2021-4 A, 0.8400%, 9/20/31 (144A)	3,849,232	3,813,678
Upstart Securitization Trust 2021-5 A, 1.3100%, 11/20/31 (144A)	2,480,000	2,468,586
Vantage Data Centers LLC 2020-1A A2, 1.6450%, 9/15/45 (144A)	7,100,000	6,908,831
Vantage Data Centers LLC 2020-2A A2, 1.9920%, 9/15/45 (144A)	3,097,000	3,016,414
VASA Trust 2021-VASA A,		
ICE LIBOR USD 1 Month + 0.9000%, 1.0100%, 7/15/39 (144A)‡	2,382,000	2,366,498
VCAT Asset Securitization LLC 2021-NPL1 A1, 2.2891%, 12/26/50 (144A)	1,434,510	1,429,632
VMC Finance LLC 2021-HT1 A,		
ICE LIBOR USD 1 Month + 1.6500%, 1.7400%, 1/18/37 (144A)‡	4,053,000	4,055,544
Wells Fargo Commercial Mortgage Trust 2021-SAVE A,		
ICE LIBOR USD 1 Month + 1.1500%, 1.2600%, 2/15/40 (144A)‡	2,281,645	2,281,765
Wendy's Funding LLC, 3.8840%, 3/15/48 (144A)	320,640	331,823
Wendy's Funding LLC, 3.7830%, 6/15/49 (144A)	1,969,720	2,034,308
Wendy's Funding LLC 2021-1A A2II, 2.7750%, 6/15/51 (144A)	2,462,625	2,445,110
Westlake Automobile Receivable Trust 2020-1A D, 2.8000%, 6/16/25 (144A)	3,399,000	3,463,718
Wingstop Funding LLC 2020-1A A2, 2.8410%, 12/5/50 (144A)	3,605,880	3,647,062
Woodward Capital Management 2021-3 A21,		
US 30 Day Average SOFR + 0.8000%, 0.8497%, 7/25/51 (144A)‡	3,223,159	3,216,372
Zaxby's Funding LLC 2021-1A A2, 3.2380%, 7/30/51 (144A)	2,953,598	2,981,214
Total Asset-Backed/Commercial Mortgage-Backed Securities (cost $525,250,233)		525,747,773
Bank Loans and Mezzanine Loans– 0.9%		
Basic Industry – 0.1%		
Alpha 3 BV, ICE LIBOR USD 1 Month + 2.5000%, 3.0000%, 3/18/28‡	4,303,375	4,303,402
Diamond BC BV, ICE LIBOR USD 3 Month + 3.0000%, 3.5000%, 9/29/28‡	8,020,000	7,982,386
		12,285,788
Capital Goods – 0.2%		
Madison IAQ LLC, ICE LIBOR USD 3 Month + 3.2500%, 3.7500%, 6/21/28‡	10,329,443	10,339,552
Standard Industries Inc,		
ICE LIBOR USD 3 Month + 2.5000%, 3.0000%, 9/22/28[f],‡	3,734,745	5,803,103
		16,142,655
Consumer Non-Cyclical – 0.3%		
Elanco Animal Health Inc,		
ICE LIBOR USD 1 Month + 1.7500%, 1.8493%, 8/1/27[f],‡	10,649,568	10,527,048
ICON Luxembourg Sarl, ICE LIBOR USD 3 Month + 2.2500%, 2.7500%, 7/3/28‡	8,524,025	8,520,445
Indigo Merger Sub Inc, ICE LIBOR USD 3 Month + 2.2500%, 2.7500%, 7/3/28‡	2,123,766	2,122,874
Mozart Borrower LP, ICE LIBOR USD 1 Month + 3.2500%, 3.7500%, 10/23/28‡	5,809,816	5,807,259
		26,977,626
Finance Companies – 0.1%		
Castlelake Aviation Ltd,		
ICE LIBOR USD 3 Month + 2.7500%, 3.2500%, 10/22/26‡	8,809,944	8,763,163
Financial Institutions – 0.1%		
Trans Union LLC, ICE LIBOR USD 3 Month + 2.2500%, 2.7500%, 12/1/28[f],‡	9,277,000	9,246,850
Technology – 0.1%		
MKS Instruments Inc, ICE LIBOR USD 3 Month + 2.2500%, 2.7500%, 10/20/28[f],‡	6,317,000	6,299,628
Total Bank Loans and Mezzanine Loans (cost $77,641,163)		79,715,710
Corporate Bonds– 10.2%		
Banking – 2.4%		
Bank of America Corp, ICE LIBOR USD 3 Month + 1.5120%, 3.7050%, 4/24/28‡	3,293,000	3,573,669
Bank of America Corp, ICE LIBOR USD 3 Month + 1.0700%, 3.9700%, 3/5/29‡	3,294,000	3,604,383
Bank of America Corp, SOFR + 1.0600%, 2.0870%, 6/14/29‡	7,305,000	7,253,654
Bank of America Corp, SOFR + 2.1500%, 2.5920%, 4/29/31‡	15,594,000	15,752,667
Bank of America Corp, ICE LIBOR USD 3 Month + 3.7050%, 6.2500%‡,µ	7,229,000	7,780,211
Bank of America Corp, ICE LIBOR USD 3 Month + 3.1350%, 5.2000%‡,µ	2,002,000	2,067,065
Bank of New York Mellon Corp,		
US Treasury Yield Curve Rate 5 Year + 4.3580%, 4.7000%‡,µ	9,976,000	10,641,898

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Corporate Bonds– (continued)		
Banking– (continued)		
BNP Paribas SA,		
US Treasury Yield Curve Rate 5 Year + 2.0500%, 2.5880%, 8/12/35 (144A)‡	$7,787,000	$7,460,054
Citigroup Inc, ICE LIBOR USD 3 Month + 1.5630%, 3.8870%, 1/10/28‡	11,561,000	12,534,080
Citigroup Inc, SOFR + 3.9140%, 4.4120%, 3/31/31‡	6,795,000	7,760,295
Citigroup Inc, ICE LIBOR USD 3 Month + 4.0680%, 5.9500%‡,µ	3,565,000	3,671,950
Citigroup Inc, ICE LIBOR USD 3 Month + 3.4660%, 5.3500%‡,µ	2,436,000	2,481,675
Citigroup Inc, ICE LIBOR USD 3 Month + 3.9050%, 5.9500%‡,µ	2,339,000	2,502,730
Citigroup Inc, ICE LIBOR USD 3 Month + 3.4230%, 6.3000%‡,µ	555,000	581,712
First Republic Bank/CA, 4.6250%, 2/13/47	1,653,000	2,047,529
Goldman Sachs Group Inc, 3.5000%, 4/1/25	12,173,000	12,872,142
Goldman Sachs Group Inc,		
US Treasury Yield Curve Rate 5 Year + 3.2240%, 4.9500%‡,µ	1,666,000	1,728,475
JPMorgan Chase & Co, SOFR + 1.8500%, 2.0830%, 4/22/26‡	4,098,000	4,159,342
JPMorgan Chase & Co, ICE LIBOR USD 3 Month + 1.2450%, 3.9600%, 1/29/27‡	6,655,000	7,190,638
JPMorgan Chase & Co, SOFR + 2.5150%, 2.9560%, 5/13/31‡	6,345,000	6,569,446
JPMorgan Chase & Co, SOFR + 3.3800%, 5.0000%‡,µ	2,000,000	2,055,000
JPMorgan Chase & Co, SOFR + 3.1250%, 4.6000%‡,µ	2,111,000	2,166,414
Morgan Stanley, SOFR + 1.9900%, 2.1880%, 4/28/26‡	8,296,000	8,458,742
Morgan Stanley, 4.3500%, 9/8/26	3,985,000	4,404,772
Morgan Stanley, 3.9500%, 4/23/27	6,273,000	6,905,823
Morgan Stanley, SOFR + 0.8790%, 1.5930%, 5/4/27‡	3,223,000	3,191,228
Morgan Stanley, SOFR + 1.0340%, 1.7940%, 2/13/32‡	5,529,000	5,233,447
Morgan Stanley, SOFR + 1.1780%, 2.2390%, 7/21/32‡	9,178,000	8,976,767
Morgan Stanley, SOFR + 1.3600%, 2.4840%, 9/16/36‡	11,051,000	10,641,559
National Australia Bank Ltd, 2.9900%, 5/21/31 (144A)	8,080,000	8,103,462
SVB Financial Group,		
US Treasury Yield Curve Rate 5 Year + 3.0740%, 4.2500%‡,µ	12,155,000	12,325,170
SVB Financial Group,		
US Treasury Yield Curve Rate 10 Year + 3.0640%, 4.1000%‡,µ	6,329,000	6,259,381
US Bancorp,		
US Treasury Yield Curve Rate 5 Year + 0.9500%, 2.4910%, 11/3/36‡	7,286,000	7,257,980
Westpac Banking Corp,		
US Treasury Yield Curve Rate 5 Year + 1.7500%, 2.6680%, 11/15/35‡	5,490,000	5,348,070
		213,561,430
Basic Industry – 0.3%		
Allegheny Technologies Inc, 5.8750%, 12/1/27	4,100,000	4,274,250
Axalta Coating Systems Ltd, 3.3750%, 2/15/29 (144A)	7,654,000	7,405,245
CF Industries Inc, 5.1500%, 3/15/34	382,000	461,452
CF Industries Inc, 4.9500%, 6/1/43	3,693,000	4,457,975
CF Industries Inc, 5.3750%, 3/15/44	826,000	1,041,669
Element Solutions Inc, 3.8750%, 9/1/28 (144A)	5,787,000	5,815,935
Reliance Steel & Aluminum Co, 4.5000%, 4/15/23	2,242,000	2,320,705
		25,777,231
Brokerage – 0.3%		
Charles Schwab Corp,		
US Treasury Yield Curve Rate 10 Year + 3.0790%, 4.0000%‡,µ	3,606,000	3,642,060
Charles Schwab Corp,		
US Treasury Yield Curve Rate 5 Year + 4.9710%, 5.3750%‡,µ	16,729,000	18,234,610
		21,876,670
Capital Goods – 0.3%		
Boeing Co, 4.8750%, 5/1/25	1,957,000	2,141,096
Boeing Co, 2.1960%, 2/4/26	1,978,000	1,977,529
Boeing Co, 3.2500%, 2/1/28	2,110,000	2,198,598
Boeing Co, 3.6250%, 2/1/31	3,010,000	3,209,818
Boeing Co, 3.9500%, 8/1/59	2,752,000	2,858,527
General Dynamics Corp, 3.5000%, 4/1/27	2,033,000	2,213,252
Standard Industries Inc/NJ, 4.3750%, 7/15/30 (144A)	1,731,000	1,766,494
TransDigm Inc, 4.6250%, 1/15/29	3,915,000	3,902,002

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

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	Shares or Principal Amounts	*Value*
Corporate Bonds– (continued)		
Capital Goods– (continued)		
Wabtec Corp, 4.9500%, 9/15/28	$3,028,000	$3,441,960
		23,709,276
Communications – 0.8%		
AT&T Inc, 3.8000%, 12/1/57	3,657,000	3,807,163
AT&T Inc, 3.6500%, 9/15/59	604,000	609,973
CCO Holdings LLC / CCO Holdings Capital Corp, 4.2500%, 2/1/31 (144A)	6,601,000	6,658,957
CCO Holdings LLC / CCO Holdings Capital Corp, 4.5000%, 5/1/32	11,382,000	11,709,232
CenturyLink Inc, 5.8000%, 3/15/22	1,479,000	1,490,093
Charter Communications Operating LLC / Charter Communications Operating Capital, 2.8000%, 4/1/31	4,500,000	4,452,715
Charter Communications Operating LLC / Charter Communications Operating Capital, 6.4840%, 10/23/45	936,000	1,278,190
Charter Communications Operating LLC / Charter Communications Operating Capital, 4.8000%, 3/1/50	2,585,000	2,894,254
Comcast Corp, 3.7500%, 4/1/40	1,775,000	1,987,159
CSC Holdings LLC, 4.1250%, 12/1/30 (144A)	5,750,000	5,613,438
CSC Holdings LLC, 4.6250%, 12/1/30 (144A)	1,620,000	1,532,925
CSC Holdings LLC, 3.3750%, 2/15/31 (144A)	4,001,000	3,745,936
CSC Holdings LLC, 5.0000%, 11/15/31 (144A)	2,768,000	2,667,660
Fox Corp, 4.0300%, 1/25/24	2,592,000	2,737,389
GCI LLC, 4.7500%, 10/15/28 (144A)	11,044,000	11,333,905
T-Mobile USA Inc, 3.5000%, 4/15/25	3,170,000	3,358,533
T-Mobile USA Inc, 3.7500%, 4/15/27	4,405,000	4,770,176
		70,647,698
Consumer Cyclical – 0.5%		
1011778 BC ULC / New Red Finance Inc, 4.0000%, 10/15/30 (144A)	12,071,000	11,859,757
Dollar General Corp, 4.1250%, 4/3/50	3,153,000	3,639,294
Ford Motor Co, 3.2500%, 2/12/32	7,781,000	7,967,744
GLP Capital LP / GLP Financing II Inc, 5.2500%, 6/1/25	1,284,000	1,406,304
GLP Capital LP / GLP Financing II Inc, 5.3750%, 4/15/26	2,597,000	2,891,941
GLP Capital LP / GLP Financing II Inc, 5.3000%, 1/15/29	344,000	390,509
GLP Capital LP / GLP Financing II Inc, 3.2500%, 1/15/32	5,845,000	5,876,505
IHS Markit Ltd, 4.7500%, 2/15/25 (144A)	2,588,000	2,817,685
Lithia Motors Inc, 3.8750%, 6/1/29 (144A)	8,746,000	8,928,791
MGM Resorts International, 7.7500%, 3/15/22	544,000	550,800
		46,329,330
Consumer Non-Cyclical – 1.8%		
Anheuser-Busch Cos LLC / Anheuser-Busch InBev Worldwide Inc, 4.9000%, 2/1/46	4,540,000	5,738,264
Aramark Services Inc, 6.3750%, 5/1/25 (144A)	7,110,000	7,429,950
CVS Health Corp, 5.0500%, 3/25/48	2,563,000	3,350,963
DaVita Inc, 4.6250%, 6/1/30 (144A)	4,493,000	4,599,709
DaVita Inc, 3.7500%, 2/15/31 (144A)	6,903,000	6,725,800
Diageo Capital PLC, 1.3750%, 9/29/25	3,173,000	3,155,434
Diageo Capital PLC, 2.0000%, 4/29/30	2,989,000	2,957,423
Diageo Capital PLC, 2.1250%, 4/29/32	2,398,000	2,378,475
Elanco Animal Health Inc, 5.2720%, 8/28/23	5,460,000	5,809,522
Hasbro Inc, 3.9000%, 11/19/29	7,182,000	7,918,415
Hasbro Inc, 6.3500%, 3/15/40	1,921,000	2,650,437
Hasbro Inc, 5.1000%, 5/15/44	1,097,000	1,365,384
HCA Inc, 4.7500%, 5/1/23	3,958,000	4,145,493
HCA Inc, 5.3750%, 2/1/25	2,189,000	2,405,711
HCA Inc, 5.8750%, 2/15/26	1,152,000	1,299,318
HCA Inc, 5.3750%, 9/1/26	883,000	992,271
HCA Inc, 5.6250%, 9/1/28	2,351,000	2,747,120
HCA Inc, 5.8750%, 2/1/29	1,902,000	2,266,328
HCA Inc, 3.5000%, 9/1/30	11,391,000	12,038,863
HCA Inc, 5.5000%, 6/15/47	1,035,000	1,354,340
HCA Inc, 5.2500%, 6/15/49	1,552,000	1,993,265

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	Shares or Principal Amounts	*Value*
Corporate Bonds– (continued)		
Consumer Non-Cyclical– (continued)		
HCA Inc, 3.5000%, 7/15/51	$5,333,000	$5,436,843
JBS Finance Luxembourg Sarl, 3.6250%, 1/15/32 (144A)	3,765,000	3,779,156
JBS USA LUX SA / JBS USA Finance Inc, 6.7500%, 2/15/28 (144A)	2,573,000	2,775,649
JBS USA LUX SA / JBS USA Food Co / JBS USA Finance Inc, 6.5000%, 4/15/29 (144A)	7,364,000	8,100,474
JBS USA LUX SA / JBS USA Food Co / JBS USA Finance Inc, 5.5000%, 1/15/30 (144A)	5,277,000	5,738,738
JBS USA LUX SA / JBS USA Food Co / JBS USA Finance Inc, 3.7500%, 12/1/31 (144A)	4,947,000	5,021,205
JBS USA LUX SA / JBS USA Food Co / JBS USA Finance Inc, 3.0000%, 5/15/32 (144A)	4,058,000	4,058,000
Kraft Heinz Foods Co, 3.8750%, 5/15/27	4,757,000	5,138,235
Kraft Heinz Foods Co, 5.0000%, 6/4/42	2,892,000	3,597,525
Kraft Heinz Foods Co, 4.3750%, 6/1/46	833,000	975,443
Kraft Heinz Foods Co, 4.8750%, 10/1/49	1,946,000	2,444,064
Mondelez International Inc, 2.7500%, 4/13/30	720,000	741,962
Performance Food Group Inc, 4.2500%, 8/1/29 (144A)	9,063,000	8,991,040
Pilgrim's Pride Corp, 3.5000%, 3/1/32 (144A)	6,263,000	6,325,630
Royalty Pharma PLC, 2.1500%, 9/2/31	4,601,000	4,346,375
Royalty Pharma PLC, 3.5500%, 9/2/50	3,923,000	3,889,533
Royalty Pharma PLC, 3.3500%, 9/2/51	2,294,000	2,194,295
Teva Pharmaceutical Industries Ltd, 4.7500%, 5/9/27	2,039,000	2,020,384
Teva Pharmaceutical Industries Ltd, 5.1250%, 5/9/29	2,603,000	2,551,747
		161,448,783
Electric – 0.3%		
Dominion Energy Inc, US Treasury Yield Curve Rate 5 Year + 3.1950%, 4.3500%[‡,µ]	3,643,000	3,761,398
Duquesne Light Holdings Inc, 2.7750%, 1/7/32 (144A)	4,842,000	4,784,118
NextEra Energy Capital Holdings Inc, 1.8750%, 1/15/27	8,152,000	8,200,340
NextEra Energy Capital Holdings Inc, 2.4400%, 1/15/32	2,422,000	2,427,409
NRG Energy Inc, 6.6250%, 1/15/27	1,450,000	1,507,326
NRG Energy Inc, 3.3750%, 2/15/29 (144A)	4,783,000	4,686,862
NRG Energy Inc, 3.6250%, 2/15/31 (144A)	5,400,000	5,265,000
		30,632,453
Energy – 0.3%		
Cheniere Energy Partners LP, 4.0000%, 3/1/31	3,621,000	3,798,248
Cheniere Energy Partners LP, 3.2500%, 1/31/32 (144A)	4,751,000	4,798,510
Continental Resources Inc, 5.7500%, 1/15/31 (144A)	5,520,000	6,500,462
Energy Transfer Operating LP, 4.9500%, 6/15/28	184,000	206,982
Hess Midstream Operations LP, 5.1250%, 6/15/28 (144A)	6,466,000	6,732,722
Hess Midstream Operations LP, 4.2500%, 2/15/30 (144A)	1,709,000	1,696,183
Southwestern Energy Co, 4.7500%, 2/1/32	4,565,000	4,807,424
		28,540,531
Finance Companies – 0.6%		
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.6250%, 10/15/27	5,280,000	5,840,769
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 3.0000%, 10/29/28	3,808,000	3,861,829
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 3.3000%, 1/30/32	3,904,000	3,977,285
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 3.4000%, 10/29/33	2,863,000	2,914,861
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 3.8500%, 10/29/41	2,175,000	2,265,563
Air Lease Corp, 1.8750%, 8/15/26	4,823,000	4,743,166
Air Lease Corp, 3.0000%, 2/1/30	2,435,000	2,430,369
Quicken Loans LLC, 3.6250%, 3/1/29 (144A)	4,435,000	4,451,631
Quicken Loans LLC, 3.8750%, 3/1/31 (144A)	7,994,000	8,113,910
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Inc, 2.8750%, 10/15/26 (144A)	5,605,000	5,562,963

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Corporate Bonds– (continued)		
Finance Companies– (continued)		
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Inc, 4.0000%, 10/15/33 (144A)	$5,733,000	$5,806,841
		49,969,187
Industrial Conglomerates – 0.1%		
General Electric Co, ICE LIBOR USD 3 Month + 3.3300%, 3.5328%‡,µ	5,540,000	5,484,600
Insurance – 0.7%		
Athene Global Funding, 1.7300%, 10/2/26 (144A)	9,932,000	9,748,115
Athene Global Funding, 2.6460%, 10/4/31 (144A)	9,596,000	9,467,780
Centene Corp, 4.2500%, 12/15/27	6,807,000	7,096,298
Centene Corp, 2.4500%, 7/15/28	4,942,000	4,867,870
Centene Corp, 3.0000%, 10/15/30	5,197,000	5,282,802
Centene Corp, 2.5000%, 3/1/31	1,618,000	1,575,147
Centene Corp, 2.6250%, 8/1/31	2,178,000	2,134,440
Molina Healthcare Inc, 4.3750%, 6/15/28 (144A)	13,333,000	13,732,990
Prudential Financial Inc, US Treasury Yield Curve Rate 5 Year + 3.0350%, 3.7000%, 10/1/50‡	7,720,000	7,809,457
		61,714,899
Real Estate Investment Trusts (REITs) – 0.4%		
Agree LP, 2.0000%, 6/15/28	3,231,000	3,165,096
Agree LP, 2.9000%, 10/1/30	2,058,000	2,090,756
Agree LP, 2.6000%, 6/15/33	2,424,000	2,377,421
Invitation Homes Inc, 2.0000%, 8/15/31	5,620,000	5,292,322
MPT Operating Partnership LP / MPT Finance Corp, 3.5000%, 3/15/31	5,909,000	5,975,476
Rexford Industrial Realty Inc, 2.1500%, 9/1/31	6,560,000	6,193,959
Sun Communities Inc, 2.7000%, 7/15/31	6,161,000	6,110,866
		31,205,896
Technology – 1.3%		
Analog Devices Inc, 2.9500%, 4/1/25	2,815,000	2,956,065
Broadcom Inc, 4.3000%, 11/15/32	5,505,000	6,186,387
Broadcom Inc, 3.4190%, 4/15/33 (144A)	5,082,000	5,327,471
Broadcom Inc, 3.4690%, 4/15/34 (144A)	8,000,000	8,373,357
Broadridge Financial Solutions Inc, 2.6000%, 5/1/31	5,341,000	5,360,973
Equinix Inc, 2.1500%, 7/15/30	2,665,000	2,590,624
Global Payments Inc, 2.1500%, 1/15/27	3,318,000	3,331,199
Global Payments Inc, 2.9000%, 11/15/31	4,978,000	5,049,112
Iron Mountain Information Management Services Inc, 5.0000%, 7/15/32 (144A)	10,436,000	10,680,933
Marvell Technology Inc, 1.6500%, 4/15/26	3,675,000	3,631,562
Marvell Technology Inc, 4.8750%, 6/22/28	4,065,000	4,655,802
Microchip Technology Inc, 2.6700%, 9/1/23	6,452,000	6,589,394
Micron Technology Inc, 2.7030%, 4/15/32	4,283,000	4,287,840
MSCI Inc, 4.0000%, 11/15/29 (144A)	422,000	440,990
MSCI Inc, 3.6250%, 9/1/30 (144A)	8,577,000	8,769,982
MSCI Inc, 3.8750%, 2/15/31 (144A)	6,019,000	6,267,284
PayPal Holdings Inc, 1.6500%, 6/1/25	2,243,000	2,270,412
Seagate HDD Cayman, 4.8750%, 6/1/27	212,000	231,080
Seagate HDD Cayman, 4.0910%, 6/1/29	2,360,000	2,443,509
Seagate HDD Cayman, 3.1250%, 7/15/29	988,000	964,777
Seagate HDD Cayman, 4.1250%, 1/15/31	5,407,000	5,625,443
SK Hynix Inc, 1.5000%, 1/19/26 (144A)	6,233,000	6,096,446
SK Hynix Inc, 2.3750%, 1/19/31 (144A)	3,075,000	2,959,268
Total System Services Inc, 4.8000%, 4/1/26	3,189,000	3,540,308
Trimble Inc, 4.7500%, 12/1/24	5,510,000	5,973,334
Trimble Inc, 4.9000%, 6/15/28	3,194,000	3,632,593
		118,236,145
Transportation – 0.1%		
GXO Logistics inc, 1.6500%, 7/15/26 (144A)	4,255,000	4,151,774
GXO Logistics inc, 2.6500%, 7/15/31 (144A)	2,815,000	2,780,263
		6,932,037
Total Corporate Bonds (cost $878,454,072)		896,066,166

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Inflation-Indexed Bonds– 0.2%		
United States Treasury Inflation Indexed Bonds, 0.1250%, 7/15/31[QQ] (cost $14,575,640)	$12,977,043	$14,585,818
Mortgage-Backed Securities– 4.6%		
Fannie Mae:		
1.5000%, TBA, 15 Year Maturity	1,180,441	1,184,360
2.0000%, TBA, 15 Year Maturity	10,750,785	11,013,857
2.5000%, TBA, 15 Year Maturity	8,099,200	8,378,217
2.0000%, TBA, 30 Year Maturity	75,237,260	75,016,965
2.5000%, TBA, 30 Year Maturity	63,485,042	64,809,975
3.0000%, TBA, 30 Year Maturity	57,903,911	59,992,505
3.5000%, TBA, 30 Year Maturity	20,048,900	21,086,631
		241,482,510
Fannie Mae Pool:		
3.0000%, 10/1/34	449,053	472,099
2.5000%, 11/1/34	299,107	311,475
3.0000%, 11/1/34	163,177	172,343
3.0000%, 12/1/34	185,957	196,179
6.0000%, 2/1/37	73,897	85,350
4.5000%, 11/1/42	377,239	415,578
3.0000%, 1/1/43	212,860	224,255
3.0000%, 2/1/43	53,808	56,851
3.0000%, 5/1/43	483,297	510,951
5.0000%, 7/1/44	46,946	52,402
4.5000%, 10/1/44	949,583	1,058,743
4.5000%, 3/1/45	1,412,461	1,574,831
4.5000%, 6/1/45	777,919	860,145
3.5000%, 12/1/45	539,614	576,203
3.0000%, 1/1/46	71,485	75,090
4.5000%, 2/1/46	1,683,460	1,854,553
3.5000%, 7/1/46	954,805	1,030,204
3.0000%, 9/1/46	4,856,811	5,113,433
3.0000%, 2/1/47	15,387,175	16,304,229
3.0000%, 3/1/47	1,698,732	1,790,693
3.5000%, 3/1/47	460,487	491,711
3.5000%, 7/1/47	405,050	432,515
3.5000%, 8/1/47	310,348	328,883
3.5000%, 8/1/47	306,483	334,914
3.5000%, 12/1/47	157,202	171,785
3.5000%, 12/1/47	87,087	95,165
3.5000%, 1/1/48	985,527	1,057,834
4.0000%, 1/1/48	3,420,405	3,710,871
4.0000%, 1/1/48	3,410,902	3,712,705
3.0000%, 2/1/48	864,279	914,640
3.5000%, 3/1/48	128,668	140,381
4.0000%, 3/1/48	1,138,964	1,238,160
4.5000%, 3/1/48	39,720	42,527
5.0000%, 5/1/48	1,016,964	1,105,841
3.5000%, 7/1/48	10,755,711	11,461,770
4.5000%, 8/1/48	25,627	27,431
4.0000%, 2/1/49	523,393	561,247
3.0000%, 8/1/49	1,007,777	1,064,020
3.0000%, 9/1/49	198,763	207,992
2.5000%, 1/1/50	564,147	578,382
2.5000%, 10/1/50	905,587	924,728
2.5000%, 1/1/51	1,972,055	2,013,738
2.5000%, 8/1/51	168,175	171,924
3.5000%, 8/1/56	3,501,423	3,805,517
3.0000%, 2/1/57	3,463,434	3,673,920
3.0000%, 6/1/57	64,889	68,831
		71,073,039

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Mortgage-Backed Securities– (continued)		
Freddie Mac Gold Pool:		
3.5000%, 1/1/47	$313,967	$338,497
Freddie Mac Pool:		
3.0000%, 5/1/31	4,137,309	4,343,688
3.0000%, 9/1/32	847,598	890,600
3.0000%, 10/1/32	413,764	433,856
3.0000%, 1/1/33	538,990	566,335
2.5000%, 12/1/33	4,135,324	4,287,480
3.0000%, 10/1/34	962,216	1,013,090
3.0000%, 10/1/34	382,383	402,024
2.5000%, 11/1/34	1,325,935	1,380,821
2.5000%, 11/1/34	272,778	284,070
6.0000%, 4/1/40	1,108,997	1,287,057
3.5000%, 7/1/42	166,783	179,776
3.5000%, 8/1/42	211,030	227,469
3.5000%, 8/1/42	188,841	203,552
3.5000%, 2/1/43	557,167	601,093
3.0000%, 3/1/43	1,773,894	1,867,954
3.0000%, 6/1/43	79,528	82,740
3.5000%, 2/1/44	610,472	658,600
4.5000%, 5/1/44	311,449	344,386
3.5000%, 12/1/44	3,649,538	3,916,063
3.0000%, 1/1/45	891,011	936,402
3.0000%, 1/1/46	158,271	168,417
3.5000%, 7/1/46	769,682	827,692
3.0000%, 10/1/46	1,923,254	2,018,913
4.0000%, 3/1/47	380,289	411,326
3.0000%, 4/1/47	383,247	401,230
3.5000%, 4/1/47	152,088	164,166
3.5000%, 9/1/47	1,271,266	1,347,303
3.5000%, 12/1/47	2,104,852	2,267,464
3.5000%, 2/1/48	735,089	786,181
4.0000%, 3/1/48	979,919	1,065,277
4.5000%, 3/1/48	40,719	43,596
4.0000%, 4/1/48	967,565	1,029,981
4.0000%, 4/1/48	804,202	871,511
4.0000%, 5/1/48	1,337,966	1,426,015
4.5000%, 7/1/48	247,324	264,860
5.0000%, 9/1/48	43,643	47,675
4.5000%, 12/1/48	765,526	831,754
3.0000%, 8/1/49	797,860	834,621
3.0000%, 8/1/49	337,970	356,851
3.0000%, 12/1/49	430,173	446,121
3.0000%, 12/1/49	413,334	428,658
2.5000%, 1/1/50	230,821	236,658
3.0000%, 3/1/50	488,540	506,054
3.5000%, 3/1/50	151,764	160,025
2.5000%, 8/1/51	1,562,946	1,596,641
		42,446,046
Ginnie Mae:		
2.0000%, TBA, 30 Year Maturity	18,286,722	18,451,120
2.5000%, TBA, 30 Year Maturity	19,221,190	19,696,338
		38,147,458
Ginnie Mae I Pool:		
4.0000%, 1/15/45	3,549,280	3,876,640
4.5000%, 8/15/46	3,715,278	4,204,614
4.0000%, 7/15/47	803,309	863,399
4.0000%, 8/15/47	120,855	129,895
4.0000%, 11/15/47	175,437	188,560

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Mortgage-Backed Securities– (continued)		
Ginnie Mae I Pool– (continued)		
4.0000%, 12/15/47	$305,805	$328,680
		9,591,788
Ginnie Mae II Pool:		
4.0000%, 8/20/47	406,988	434,512
4.0000%, 8/20/47	78,629	84,365
4.0000%, 8/20/47	61,536	65,697
4.5000%, 2/20/48	417,858	448,970
4.0000%, 5/20/48	198,579	210,240
4.5000%, 5/20/48	920,442	982,929
4.5000%, 5/20/48	143,149	152,867
4.0000%, 6/20/48	1,984,295	2,100,196
5.0000%, 8/20/48	1,543,502	1,645,605
		6,125,381
Total Mortgage-Backed Securities (cost $404,894,191)		409,204,719
United States Treasury Notes/Bonds– 12.5%		
0.1250%, 2/28/23	59,371,000	59,127,486
0.1250%, 4/30/23	88,954,000	88,477,957
0.1250%, 6/30/23	16,884,000	16,769,901
0.1250%, 8/31/23	35,321,000	35,010,562
0.3750%, 10/31/23	15,438,000	15,346,940
0.2500%, 5/15/24	9,749,000	9,616,094
0.3750%, 9/15/24	12,481,000	12,304,511
0.3750%, 1/31/26	46,025,100	44,525,689
0.5000%, 2/28/26	86,943,000	84,473,954
0.7500%, 4/30/26	45,243,000	44,346,976
0.8750%, 6/30/26	66,485,000	65,430,589
0.6250%, 7/31/26	23,639,000	22,986,157
0.7500%, 8/31/26	4,926,400	4,816,133
0.8750%, 9/30/26	60,828,700	59,742,813
1.2500%, 11/30/26	40,908,000	40,882,432
1.2500%, 4/30/28	2,498,600	2,475,859
1.2500%, 6/30/28	4,867,000	4,817,189
1.1250%, 8/31/28	56,803,600	55,703,030
1.3750%, 11/15/31	144,392,000	142,564,539
1.3750%, 11/15/40	13,566,000	12,363,077
1.7500%, 8/15/41	92,820,000	89,991,891
2.0000%, 11/15/41	7,102,000	7,183,007
2.7500%, 8/15/42	29,504,500	33,616,690
1.3750%, 8/15/50	46,677,000	40,887,958
1.6250%, 11/15/50	63,839,100	59,477,593
1.8750%, 2/15/51	19,445,900	19,239,287
2.3750%, 5/15/51	9,637,000	10,644,368
2.0000%, 8/15/51	12,465,000	12,706,509
Total United States Treasury Notes/Bonds (cost $1,098,492,355)		1,095,529,191
Common Stocks– 64.5%		
Aerospace & Defense – 1.0%		
General Dynamics Corp	272,019	56,707,801
L3Harris Technologies Inc	157,398	33,563,550
		90,271,351
Air Freight & Logistics – 1.1%		
United Parcel Service Inc	465,152	99,700,680
Airlines – 0.2%		
Southwest Airlines Co*	439,291	18,819,226
Auto Components – 0.4%		
Aptiv PLC*	198,179	32,689,626
Banks – 1.4%		
Bank of America Corp	2,809,483	124,993,899

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– (continued)		
Beverages – 1.1%		
Constellation Brands Inc	99,748	$25,033,756
Monster Beverage Corp*	732,591	70,358,040
		95,391,796
Biotechnology – 0.8%		
AbbVie Inc	548,775	74,304,135
Capital Markets – 2.9%		
Charles Schwab Corp	461,311	38,796,255
CME Group Inc	315,551	72,090,781
Morgan Stanley	1,235,231	121,250,275
S&P Global Inc	43,204	20,389,264
		252,526,575
Chemicals – 0.5%		
Sherwin-Williams Co	120,361	42,386,330
Communications Equipment – 0.5%		
Motorola Solutions Inc	154,283	41,918,691
Consumer Finance – 1.0%		
American Express Co	537,461	87,928,620
Electrical Equipment – 0.5%		
Rockwell Automation Inc	116,047	40,482,996
Electronic Equipment, Instruments & Components – 0.3%		
Corning Inc	690,718	25,715,431
Entertainment – 1.4%		
Activision Blizzard Inc	429,062	28,545,495
Netflix Inc*	46,643	28,099,609
Walt Disney Co*	453,781	70,286,139
		126,931,243
Food & Staples Retailing – 1.8%		
Costco Wholesale Corp	229,661	130,378,550
Sysco Corp	359,651	28,250,586
		158,629,136
Food Products – 0.5%		
Hershey Co	211,868	40,990,102
Health Care Equipment & Supplies – 2.8%		
Abbott Laboratories	607,246	85,463,802
Align Technology Inc*	41,978	27,587,102
Edwards Lifesciences Corp*	350,248	45,374,628
Intuitive Surgical Inc*	81,327	29,220,791
Medtronic PLC	269,534	27,883,292
Stryker Corp	116,749	31,221,018
		246,750,633
Health Care Providers & Services – 2.4%		
UnitedHealth Group Inc	414,857	208,316,294
Hotels, Restaurants & Leisure – 2.7%		
Hilton Worldwide Holdings Inc*	385,351	60,110,902
McDonald's Corp	442,410	118,596,849
Starbucks Corp	505,019	59,072,072
		237,779,823
Household Products – 1.0%		
Procter & Gamble Co	520,525	85,147,479
Industrial Conglomerates – 0.9%		
Honeywell International Inc	394,421	82,240,723
Information Technology Services – 3.2%		
Accenture PLC	175,338	72,686,368
Fidelity National Information Services Inc	253,687	27,689,936
Mastercard Inc	508,867	182,846,090
		283,222,394
Insurance – 1.0%		
Progressive Corp	887,646	91,116,862

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– (continued)		
Interactive Media & Services – 3.7%		
Alphabet Inc - Class C*	111,719	$323,268,981
Internet & Direct Marketing Retail – 3.5%		
Amazon.com Inc*	75,772	252,649,610
Booking Holdings Inc*	21,131	50,698,129
		303,347,739
Leisure Products – 0.5%		
Hasbro Inc	393,044	40,004,018
Life Sciences Tools & Services – 1.2%		
Illumina Inc*	62,729	23,864,621
Thermo Fisher Scientific Inc	126,019	84,084,918
		107,949,539
Machinery – 1.5%		
Deere & Co	245,627	84,223,042
Parker-Hannifin Corp	82,980	26,397,598
Trane Technologies PLC	107,440	21,706,103
		132,326,743
Media – 1.1%		
Comcast Corp	1,991,069	100,210,503
Multiline Retail – 1.0%		
Dollar General Corp	355,989	83,952,886
Personal Products – 0.3%		
Estee Lauder Cos Inc	67,182	24,870,776
Pharmaceuticals – 2.3%		
AstraZeneca PLC (ADR)	348,831	20,319,406
Eli Lilly & Co	434,470	120,009,303
Merck & Co Inc	703,003	53,878,150
Zoetis Inc	47,472	11,584,592
		205,791,451
Real Estate Management & Development – 0.3%		
CBRE Group Inc*	255,280	27,700,433
Semiconductor & Semiconductor Equipment – 5.2%		
Advanced Micro Devices Inc*	391,073	56,275,405
Lam Research Corp	201,658	145,022,351
Marvell Technology Inc	235,511	20,604,857
NVIDIA Corp	570,368	167,750,932
Texas Instruments Inc	367,852	69,329,066
		458,982,611
Software – 8.4%		
Adobe Inc*	248,956	141,172,989
Cadence Design Systems Inc*	219,899	40,978,179
Microsoft Corp	1,506,193	506,562,830
salesforce.com Inc*	200,854	51,043,027
		739,757,025
Specialty Retail – 1.3%		
Home Depot Inc	276,862	114,900,499
Technology Hardware, Storage & Peripherals – 3.9%		
Apple Inc	1,903,018	337,918,906
Textiles, Apparel & Luxury Goods – 0.9%		
NIKE Inc - Class B	465,703	77,618,719
Total Common Stocks (cost $2,893,695,544)		5,666,854,874
Investment Companies– 4.0%		
Money Markets – 4.0%		
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞,£] (cost $350,903,627)	350,873,806	350,908,893
Total Investments (total cost $6,243,906,825) – 102.9%		9,038,613,144
Liabilities, net of Cash, Receivables and Other Assets – (2.9)%		(253,099,801)
Net Assets – 100%		$8,785,513,343

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Schedule of Investments
December 31, 2021

Summary of Investments by Country - (Long Positions) (unaudited)

Country	*Value*	*% of Investment Securities*
United States	$8,920,196,430	98.7 %
United Kingdom	36,775,636	0.4
Ireland	20,983,181	0.2
Australia	13,451,532	0.1
Canada	11,859,757	0.1
South Korea	9,055,714	0.1
Luxembourg	8,520,445	0.1
France	7,460,054	0.1
Belgium	5,738,264	0.1
Israel	4,572,131	0.1
Total	$9,038,613,144	100.0 %

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	*Realized Gain/(Loss)*	*Change in Unrealized Appreciation/ Depreciation*	*Value at 12/31/21*
Investment Companies - 4.0%				
Money Markets - 4.0%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞]	$ 186,546	$ -	$ -	$ 350,908,893

	Value at 12/31/20	*Purchases*	*Sales Proceeds*	*Value at 12/31/21*
Investment Companies - 4.0%				
Money Markets - 4.0%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞]	182,258,962	1,535,237,277	(1,366,587,346)	350,908,893

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Notes to Schedule of Investments and Other Information

Balanced Index	Balanced Index is an internally-calculated, hypothetical combination of total returns from the S&P 500® Index (55%) and the Bloomberg U.S. Aggregate Bond Index (45%).
Bloomberg U.S. Aggregate Bond Index	Bloomberg U.S. Aggregate Bond Index is a broad-based measure of the investment grade, US dollar-denominated, fixed-rate taxable bond market.
S&P 500® Index	S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
ADR	American Depositary Receipt
ICE	Intercontinental Exchange
LIBOR	London Interbank Offered Rate
LLC	Limited Liability Company
LP	Limited Partnership
PLC	Public Limited Company
SOFR	Secured Overnight Financing Rate
TBA	(To Be Announced) Securities are purchased/sold on a forward commitment basis with an approximate principal amount and no defined maturity date. The actual principal and maturity date will be determined upon settlement when specific mortgage pools are assigned.
ULC	Unlimited Liability Company

144A	Securities sold under Rule 144A of the Securities Act of 1933, as amended, are subject to legal and/or contractual restrictions on resale and may not be publicly sold without registration under the 1933 Act. Unless otherwise noted, these securities have been determined to be liquid under guidelines established by the Board of Trustees. The total value of 144A securities as of the year ended December 31, 2021 is $787,893,390, which represents 9.0% of net assets.
*	Non-income producing security.
ƒ	All or a portion of this position is not funded, or has been purchased on a delayed delivery or when-issued basis. If applicable, interest rates will be determined and interest will begin to accrue at a future date. See Notes to Financial Statements.
‡	Variable or floating rate security. Rate shown is the current rate as of December 31, 2021. Certain variable rate securities are not based on a published reference rate and spread; they are determined by the issuer or agent and current market conditions. Reference rate is as of reset date and may vary by security, which may not indicate a reference rate and/or spread in their description.
ÇÇ	Security is a U.S. Treasury Inflation-Protected Security (TIPS).
ºº	Rate shown is the 7-day yield as of December 31, 2021.
µ	Perpetual security. Perpetual securities have no stated maturity date, but they may be called/redeemed by the issuer. The date indicated, if any, represents the next call date.
Ç	Step bond. The coupon rate will increase or decrease periodically based upon a predetermined schedule. The rate shown reflects the current rate.
£	The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.

Janus Henderson VIT Balanced Portfolio
Notes to Schedule of Investments and Other Information

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2021. See Notes to Financial Statements for more information.

Valuation Inputs Summary

		Level 1 - Quoted Prices		*Level 2 - Other Significant Observable Inputs*		*Level 3 - Significant Unobservable Inputs*
Assets						
Investments In Securities:						
Asset-Backed/Commercial Mortgage-Backed Securities	$	-	$	525,747,773	$	-
Bank Loans and Mezzanine Loans		-		79,715,710		-
Corporate Bonds		-		896,066,166		-
Inflation-Indexed Bonds		-		14,585,818		-
Mortgage-Backed Securities		-		409,204,719		-
United States Treasury Notes/Bonds		-		1,095,529,191		-
Common Stocks		5,666,854,874		-		-
Investment Companies		-		350,908,893		-
Total Assets	$	5,666,854,874	$	3,371,758,270	$	-

Janus Henderson VIT Balanced Portfolio
Statement of Assets and Liabilities
December 31, 2021

Assets:		
Unaffiliated investments, at value (cost $5,893,003,198)	$	8,687,704,251
Affiliated investments, at value (cost $350,903,627)		350,908,893
Cash		33,534
Non-interested Trustees' deferred compensation		228,403
Receivables:		
TBA investments sold		59,920,211
Portfolio shares sold		30,112,695
Interest		11,850,482
Investments sold		8,733,803
Dividends		2,430,294
Dividends from affiliates		21,855
Other assets		85,271
Total Assets		9,152,029,692
Liabilities:		
Payables:		
TBA investments purchased		339,379,531
Investments purchased		19,336,060
Advisory fees		4,281,596
12b-1 Distribution and shareholder servicing fees		1,831,831
Portfolio shares repurchased		735,864
Transfer agent fees and expenses		401,131
Non-interested Trustees' deferred compensation fees		228,403
Professional fees		60,503
Affiliated portfolio administration fees payable		19,462
Custodian fees		9,370
Non-interested Trustees' fees and expenses		796
Accrued expenses and other payables		231,802
Total Liabilities		366,516,349
Net Assets	$	8,785,513,343
Net Assets Consist of:		
Capital (par value and paid-in surplus)	$	5,781,053,949
Total distributable earnings (loss)		3,004,459,394
Total Net Assets	$	8,785,513,343
Net Assets - Institutional Shares	$	512,742,145
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		10,207,912
Net Asset Value Per Share	$	50.23
Net Assets - Service Shares	$	8,272,771,198
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		155,640,857
Net Asset Value Per Share	$	53.15

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Statement of Operations
For the year ended December 31, 2021

Investment Income:		
Interest	$	58,440,501
Dividends		56,612,623
Dividends from affiliates		186,546
Other income		372,115
Foreign tax withheld		(5,314)
Total Investment Income		115,606,471
Expenses:		
Advisory fees		41,924,613
12b-1 Distribution and shareholder servicing fees:		
Service Shares		17,847,961
Transfer agent administrative fees and expenses:		
Institutional Shares		241,736
Service Shares		3,569,592
Other transfer agent fees and expenses:		
Institutional Shares		16,526
Service Shares		105,348
Affiliated portfolio administration fees		212,349
Shareholder reports expense		138,553
Non-interested Trustees' fees and expenses		121,732
Professional fees		106,732
Custodian fees		42,420
Registration fees		23,401
Other expenses		372,722
Total Expenses		64,723,685
Net Investment Income/(Loss)		50,882,786
Net Realized Gain/(Loss) on Investments:		
Investments		220,673,093
Total Net Realized Gain/(Loss) on Investments		220,673,093
Change in Unrealized Net Appreciation/Depreciation:		
Investments and non-interested Trustees' deferred compensation		930,398,365
Total Change in Unrealized Net Appreciation/Depreciation		930,398,365
Net Increase/(Decrease) in Net Assets Resulting from Operations	$	1,201,954,244

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Statements of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Operations:		
Net investment income/(loss)	$ 50,882,786	$ 73,841,683
Net realized gain/(loss) on investments	220,673,093	57,037,728
Change in unrealized net appreciation/depreciation	930,398,365	675,809,821
Net Increase/(Decrease) in Net Assets Resulting from Operations	1,201,954,244	806,689,232
Dividends and Distributions to Shareholders:		
Institutional Shares	(8,179,514)	(14,605,878)
Service Shares	(101,407,088)	(160,131,796)
Net Decrease from Dividends and Distributions to Shareholders	(109,586,602)	(174,737,674)
Capital Share Transactions:		
Institutional Shares	(20,391,789)	(25,132,978)
Service Shares	1,032,205,990	782,520,443
Net Increase/(Decrease) from Capital Share Transactions	1,011,814,201	757,387,465
Net Increase/(Decrease) in Net Assets	2,104,181,843	1,389,339,023
Net Assets:		
Beginning of period	6,681,331,500	5,291,992,477
End of period	$ 8,785,513,343	$ 6,681,331,500

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio
Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$43.58	$39.48	$33.75	$35.27	$30.32
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[1]	0.42	0.61	0.74	0.66	0.64
Net realized and unrealized gain/(loss)	7.03	4.86	6.74	(0.42)	4.92
Total from Investment Operations	7.45	5.47	7.48	0.24	5.56
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.43)	(0.73)	(0.72)	(0.77)	(0.54)
Distributions (from capital gains)	(0.37)	(0.64)	(1.03)	(0.99)	(0.07)
Total Dividends and Distributions	(0.80)	(1.37)	(1.75)	(1.76)	(0.61)
Net Asset Value, End of Period	$50.23	$43.58	$39.48	$33.75	$35.27
Total Return*	17.22%	14.31%	22.59%	0.68%	18.43%
Net Assets, End of Period (in thousands)	$512,742	$464,280	$446,026	$402,796	$429,403
Average Net Assets for the Period (in thousands)	$484,461	$430,893	$426,775	$429,843	$417,575
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.62%	0.62%	0.62%	0.63%	0.63%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.62%	0.62%	0.62%	0.63%	0.63%
Ratio of Net Investment Income/(Loss)	0.91%	1.54%	1.99%	1.85%	1.94%
Portfolio Turnover Rate[2]	56%	80%	79%	97%	67%

Service Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$46.11	$41.70	$35.59	$37.09	$31.89
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[1]	0.32	0.54	0.68	0.60	0.58
Net realized and unrealized gain/(loss)	7.42	5.15	7.11	(0.44)	5.17
Total from Investment Operations	7.74	5.69	7.79	0.16	5.75
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.33)	(0.64)	(0.65)	(0.67)	(0.48)
Distributions (from capital gains)	(0.37)	(0.64)	(1.03)	(0.99)	(0.07)
Total Dividends and Distributions	(0.70)	(1.28)	(1.68)	(1.66)	(0.55)
Net Asset Value, End of Period	$53.15	$46.11	$41.70	$35.59	$37.09
Total Return*	16.91%	14.05%	22.27%	0.43%	18.13%
Net Assets, End of Period (in thousands)	$8,272,771	$6,217,051	$4,845,966	$3,445,696	$2,887,613
Average Net Assets for the Period (in thousands)	$7,144,785	$5,239,258	$4,109,486	$3,235,435	$2,523,514
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.86%	0.87%	0.87%	0.88%	0.88%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.86%	0.87%	0.87%	0.88%	0.88%
Ratio of Net Investment Income/(Loss)	0.65%	1.28%	1.74%	1.62%	1.69%
Portfolio Turnover Rate[2]	56%	80%	79%	97%	67%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

(2) Portfolio Turnover Rate excludes TBA (to be announced) purchase and sales commitments.

See Notes to Financial Statements.

1. Organization and Significant Accounting Policies

Janus Henderson VIT Balanced Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 11 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term capital growth, consistent with preservation of capital and balanced by current income. The Portfolio is classified as diversified, as defined in the 1940 Act. Janus Henderson Investors US LLC (formerly Janus Capital Management LLC) is the investment adviser (the "Adviser") to the Portfolio.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting principles ("US GAAP")).

The following accounting policies have been followed by the Portfolio and are in conformity with US GAAP.

Investment Valuation

Securities held by the Portfolio are valued in accordance with policies and procedures established by and under the supervision of the Trustees (the "Valuation Procedures"). Equity securities traded on a domestic securities exchange are generally valued at the closing prices on the primary market or exchange on which they trade. If such price is lacking for the trading period immediately preceding the time of determination, such securities are valued at their current bid price. Equity securities that are traded on a foreign exchange are generally valued at the closing prices on such markets. In the event that there is no current trading volume on a particular security in such foreign exchange, the bid price from the primary exchange is generally used to value the security. Securities that are traded on the over-the-counter ("OTC") markets are generally valued at their closing or latest bid prices as available. Foreign securities and currencies are converted to U.S. dollars using the applicable exchange rate in effect at the close of the New York Stock Exchange ("NYSE"). The Portfolio will determine the market value of individual securities held by it by using prices provided by one or more approved professional pricing services or, as needed, by obtaining market quotations from independent broker-dealers. Most debt securities are valued in accordance with the evaluated bid price supplied by the pricing service that is intended to reflect market value. The evaluated bid price supplied by the pricing service is an evaluation that may consider factors such as security prices, yields, maturities and ratings. Certain short-term securities maturing within 60 days or less may be evaluated and valued on an amortized cost basis provided that the amortized cost determined approximates market value. Securities for which market quotations or evaluated prices are not readily available or deemed unreliable are valued at fair value determined in good faith under the Valuation Procedures. Circumstances in which fair value pricing may be utilized include, but are not limited to: (i) a significant event that may affect the securities of a single issuer, such as a merger, bankruptcy, or significant issuer-specific development; (ii) an event that may affect an entire market, such as a natural disaster or significant governmental action; (iii) a nonsignificant event such as a market closing early or not opening, or a security trading halt; and (iv) pricing of a nonvalued security and a restricted or nonpublic security. Special valuation considerations may apply with respect to "odd-lot" fixed-income transactions which, due to their small size, may receive evaluated prices by pricing services which reflect a large block trade and not what actually could be obtained for the odd-lot position. The Portfolio uses systematic fair valuation models provided by independent third parties to value international equity securities in order to adjust for stale pricing, which may occur between the close of certain foreign exchanges and the close of the NYSE.

Valuation Inputs Summary

FASB ASC 820, Fair Value Measurements and Disclosures ("ASC 820"), defines fair value, establishes a framework for measuring fair value, and expands disclosure requirements regarding fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2021 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income
Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Non-cash dividends, if any, are recorded on the ex-dividend date at fair value. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

Expenses
The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates
The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Indemnifications
In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Dividends and Distributions
The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes
The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Other Investments and Strategies

Additional Investment Risk
The Portfolio may be invested in lower-rated debt securities that have a higher risk of default or loss of value since these securities may be sensitive to economic changes, political changes, or adverse developments specific to the issuer.

In response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, including those which may be attributable to global climate change, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Portfolio's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Portfolio from executing advantageous investment decisions in a timely manner and negatively impact a Portfolio's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Portfolio. In addition, these disruptions could also impair the information technology and other operational systems upon which the Portfolio's service providers, including the Adviser or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Portfolio's service providers to perform essential tasks on behalf of the Portfolio. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. Among other things, these developments have adversely affected the value and exchange rate of the euro and pound sterling, and may continue to significantly affect the economies of all EU countries, which in turn may have a material adverse effect on the Portfolio's investments in such countries, other countries that depend on EU countries for significant amounts of trade or investment, or issuers with exposure to debt issued by certain EU countries.

Inflation-Linked Securities
The Portfolio may invest in inflation-indexed bonds, including municipal inflation-indexed bonds and corporate inflation-indexed bonds, or in derivatives that are linked to these securities. Inflation-linked bonds are fixed-income securities that have a principal value that is periodically adjusted according to the rate of inflation. If an index measuring inflation falls, the principal value of inflation-indexed bonds will typically be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced. Because of their inflation adjustment feature, inflation-linked bonds typically have lower yields than conventional fixed-rate bonds. In addition, inflation-linked bonds also normally decline in price when real interest rates rise. In the event of deflation, when prices decline over time, the principal and income of inflation-linked bonds would likely decline, resulting in losses to the Portfolio.

In the case of Treasury Inflation-Protected Securities, also known as TIPS, repayment of original bond principal upon maturity (as adjusted for inflation) is guaranteed by the U.S. Treasury. For inflation-linked bonds that do not provide a similar guarantee, the adjusted principal value of the inflation-linked bond repaid at maturity may be less than the original principal. Other non-U.S. sovereign governments also issue inflation-linked securities (sometimes referred to as "linkers") that are tied to their own local consumer price indices. In certain of these non-U.S. jurisdictions, the repayment of the original bond principal upon the maturity of an inflation-linked bond is not guaranteed, allowing for the amount of the bond repaid at maturity to be less than par. Inflation-linked bonds may also be issued by, or related to, sovereign governments of other developed countries, emerging market countries, or companies or other entities not affiliated with governments.

Loans
The Portfolio may invest in various commercial loans, including bank loans, bridge loans, debtor-in-possession ("DIP") loans, mezzanine loans, and other fixed and floating rate loans. These loans may be acquired through loan participations and assignments or on a when-issued basis. Commercial loans will comprise no more than 20% of the Portfolio's total assets. Below are descriptions of the types of loans held by the Portfolio as of December 31, 2021.

- **Bank Loans -** Bank loans are obligations of companies or other entities entered into in connection with recapitalizations, acquisitions, and refinancings. The Portfolio's investments in bank loans are generally acquired as a participation interest in, or assignment of, loans originated by a lender or other financial institution. These investments may include institutionally-traded floating and fixed-rate debt securities.
- **Floating Rate Loans –** Floating rate loans are debt securities that have floating interest rates, that adjust periodically, and are tied to a benchmark lending rate, such as London Interbank Offered Rate ("LIBOR"). In other cases, the lending rate could be tied to the prime rate offered by one or more major U.S. banks or the rate paid on large certificates of deposit traded in the secondary markets. If the benchmark lending rate changes, the rate payable to lenders under the loan will change at the next scheduled adjustment date specified in the loan agreement. Floating rate loans are typically issued to companies ("borrowers") in connection with recapitalizations, acquisitions, and refinancings. Floating rate loan investments are generally below investment grade. Senior floating rate loans are secured by specific collateral of a borrower and are senior in the borrower's capital structure. The senior position in the borrower's capital structure generally gives holders of senior loans a claim on certain of the borrower's assets that is senior to subordinated debt and

preferred and common stock in the case of a borrower's default. Floating rate loan investments may involve foreign borrowers, and investments may be denominated in foreign currencies. Floating rate loans often involve borrowers whose financial condition is troubled or uncertain and companies that are highly leveraged. The Portfolio may invest in obligations of borrowers who are in bankruptcy proceedings. While the Portfolio generally expects to invest in fully funded term loans, certain of the loans in which the Portfolio may invest include revolving loans, bridge loans, and delayed draw term loans.

Purchasers of floating rate loans may pay and/or receive certain fees. The Portfolio may receive fees such as covenant waiver fees or prepayment penalty fees. The Portfolio may pay fees such as facility fees. Such fees may affect the Portfolio's return.

- **Mezzanine Loans -** Mezzanine loans are secured by the stock of the company that owns the assets. Mezzanine loans are a hybrid of debt and equity financing that is typically used to fund the expansion of existing companies. A mezzanine loan is composed of debt capital that gives the lender the right to convert to an ownership or equity interest in the company if the loan is not paid back in time and in full. Mezzanine loans typically are the most subordinated debt obligation in an issuer's capital structure.

Mortgage- and Asset-Backed Securities
Mortgage- and asset-backed securities represent interests in "pools" of commercial or residential mortgages or other assets, including consumer and commercial loans or receivables. The Portfolio may purchase fixed or variable rate commercial or residential mortgage-backed securities issued by the Government National Mortgage Association ("Ginnie Mae"), the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), or other governmental or government-related entities. Ginnie Mae's guarantees are backed as to the timely payment of principal and interest by the full faith and credit of the U.S. Government. Fannie Mae and Freddie Mac securities are not backed by the full faith and credit of the U.S. Government. In September 2008, the Federal Housing Finance Agency ("FHFA"), an agency of the U.S. Government, placed Fannie Mae and Freddie Mac under conservatorship. Since that time, Fannie Mae and Freddie Mac have received capital support through U.S. Treasury preferred stock purchases and Treasury and Federal Reserve purchases of their mortgage-backed securities. The FHFA and the U.S. Treasury have imposed strict limits on the size of these entities' mortgage portfolios. The FHFA has the power to cancel any contract entered into by Fannie Mae and Freddie Mac prior to FHFA's appointment as conservator or receiver, including the guarantee obligations of Fannie Mae and Freddie Mac.

The Portfolio may also purchase other mortgage- and asset-backed securities through single- and multi-seller conduits, collateralized debt obligations, structured investment vehicles, and other similar securities. Asset-backed securities may be backed by various consumer obligations, including automobile loans, equipment leases, credit card receivables, or other collateral. In the event the underlying loans are not paid, the securities' issuer could be forced to sell the assets and recognize losses on such assets, which could impact your return. Unlike traditional debt instruments, payments on these securities include both interest and a partial payment of principal. Mortgage- and asset-backed securities are subject to both extension risk, where borrowers pay off their debt obligations more slowly in times of rising interest rates, and prepayment risk, where borrowers pay off their debt obligations sooner than expected in times of declining interest rates. These risks may reduce the Portfolio's returns. In addition, investments in mortgage- and asset-backed securities, including those comprised of subprime mortgages, may be subject to a higher degree of credit risk, valuation risk, extension risk (if interest rates rise), and liquidity risk than various other types of fixed-income securities. Additionally, although mortgage-backed securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that guarantors or insurers will meet their obligations.

Real Estate Investing
The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities, real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Sovereign Debt
The Portfolio may invest in U.S. and non-U.S. government debt securities ("sovereign debt"). Some investments in sovereign debt, such as U.S. sovereign debt, are considered low risk. However, investments in sovereign debt, especially

the debt of less developed countries, can involve a high degree of risk, including the risk that the governmental entity that controls the repayment of sovereign debt may not be willing or able to repay the principal and/or to pay the interest on its sovereign debt in a timely manner. A sovereign debtor's willingness or ability to satisfy its debt obligation may be affected by various factors including, but not limited to, its cash flow situation, the extent of its foreign currency reserves, the availability of foreign exchange when a payment is due, the relative size of its debt position in relation to its economy as a whole, the sovereign debtor's policy toward international lenders, and local political constraints to which the governmental entity may be subject. Sovereign debtors may also be dependent on expected disbursements from foreign governments, multilateral agencies, and other entities. The failure of a sovereign debtor to implement economic reforms, achieve specified levels of economic performance, or repay principal or interest when due may result in the cancellation of third party commitments to lend funds to the sovereign debtor, which may further impair such debtor's ability or willingness to timely service its debts. The Portfolio may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to governmental entities, which may adversely affect the Portfolio's holdings. In the event of default, there may be limited or no legal remedies for collecting sovereign debt and there may be no bankruptcy proceedings through which the Portfolio may collect all or part of the sovereign debt that a governmental entity has not repaid. In addition, to the extent the Portfolio invests in non-U.S. sovereign debt, it may be subject to currency risk.

TBA Commitments
The Portfolio may enter into "to be announced" or "TBA" commitments. TBAs are forward agreements for the purchase or sale of securities, including mortgage-backed securities, for a fixed price, with payment and delivery on an agreed upon future settlement date. The specific securities to be delivered are not identified at the trade date. However, delivered securities must meet specified terms, including issuer, rate, and mortgage terms. Although the particular TBA securities must meet industry-accepted "good delivery" standards, there can be no assurance that a security purchased on forward commitment basis will ultimately be issued or delivered by the counterparty. During the settlement period, the Portfolio will still bear the risk of any decline in the value of the security to be delivered. Because TBA commitments do not require the delivery of a specific security, the characteristics of the security delivered to the Portfolio may be less favorable than expected. If the counterparty to a transaction fails to deliver the security, the Portfolio could suffer a loss. To facilitate TBA commitments, the Portfolio will segregate or otherwise earmark liquid assets marked to market daily in an amount at least equal to such TBA commitments. Proposed rules of the Financial Industry Regulatory Authority ("FINRA") include mandatory margin requirements for TBA commitments which, in some circumstances, will require the Portfolio to also post collateral. These collateral requirements may increase costs associated with the Portfolio's participation in the TBA market.

When-Issued, Delayed Delivery and Forward Commitment Transactions
The Portfolio may purchase or sell securities on a when-issued, delayed delivery, or forward commitment basis. When purchasing a security on a when-issued, delayed delivery, or forward commitment basis, the Portfolio assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining its net asset value. Typically, no income accrues on securities the Portfolio has committed to purchase prior to the time delivery of the securities is made. Because the Portfolio is not required to pay for the security until the delivery date, these risks are in addition to the risks associated with the Portfolio's other investments. If the other party to a transaction fails to deliver the securities, the Portfolio could miss a favorable price or yield opportunity. If the Portfolio remains substantially fully invested at a time when when-issued, delayed delivery, or forward commitment purchases are outstanding, the purchases may result in a form of leverage. If the Portfolio remains substantially fully invested at a time when when-issued, delayed delivery, or forward commitment purchases (including TBA commitments) are outstanding, the purchases may result in a form of leverage.

When the Portfolio has sold a security on a when-issued, delayed delivery, or forward commitment basis, the Portfolio does not participate in future gains or losses with respect to the security. If the other party to a transaction fails to pay for the securities, the Portfolio could suffer a loss. Additionally, when selling a security on a when-issued, delayed delivery, or forward commitment basis without owning the security, the Portfolio will incur a loss if the security's price appreciates in value such that the security's price is above the agreed upon price on the settlement date. The Portfolio may dispose of or renegotiate a transaction after it is entered into, and may purchase or sell when-issued, delayed delivery or forward commitment securities before the settlement date, which may result in a gain or loss.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays the Adviser an investment advisory fee which is calculated daily and paid monthly. The Portfolio's contractual investment advisory fee rate (expressed as an annual rate) is 0.55% of its average daily net assets.

Janus Henderson Services US LLC (formerly Janus Services LLC) (the "Transfer Agent"), a wholly-owned subsidiary of the Adviser, is the Portfolio's transfer agent. The Transfer Agent receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. The Transfer Agent expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, the Transfer Agent provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. The Transfer Agent is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Henderson Distributors US LLC (formerly Janus Distributors LLC) (the "Distributor"), a wholly-owned subsidiary of the Adviser, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to the Distributor for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

The Adviser serves as administrator to the Portfolio pursuant to an administration agreement between the Adviser and the Trust. Under the administration agreement, the Adviser is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent the Adviser seeks reimbursement and such costs are not otherwise waived). In addition, employees of the Adviser and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of the Adviser employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by the Adviser, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services the Adviser (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of the Adviser and/or its affiliates, are shared with the Portfolio. Total compensation of $32,683 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2021. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2021 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred

compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2021 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of $512,700 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2021.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, the Adviser has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., $1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2021 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by the Adviser in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2021, the Portfolio engaged in cross trades amounting to $2,032,825 in purchases and $8,260,680 in sales, resulting in a net realized gain of $119,285. The net realized gain is included within the "Net Realized Gain/(Loss) on Investments" section of the Portfolio's Statement of Operations.

4. Federal Income Tax

The tax components of capital shown in the table below represent: (1) distribution requirements the Portfolio must satisfy under the income tax regulations; (2) losses or deductions the Portfolio may be able to offset against income and gains realized in future years; and (3) unrealized appreciation or depreciation of investments for federal income tax purposes.

Other book to tax differences primarily consist of deferred compensation. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

			Loss Deferrals			
Undistributed Ordinary Income	*Undistributed Long-Term Gains*	*Accumulated Capital Losses*	*Late-Year Ordinary Loss*	*Post-October Capital Loss*	*Other Book to Tax Differences*	*Net Tax Appreciation/ (Depreciation)*
$ 20,952,626	$ 214,713,127	$ -	$ -	$ -	$ (224,284)	$2,769,017,925

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2021 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

Federal Tax Cost	*Unrealized Appreciation*	*Unrealized (Depreciation)*	*Net Tax Appreciation/ (Depreciation)*
$ 6,269,595,219	$ 2,804,511,241	$ (35,493,316)	$ 2,769,017,925

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2021

	Distributions		
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 68,969,978	$ 40,616,624	$ -	$ -

For the year ended December 31, 2020

	Distributions		
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 122,041,226	$ 52,696,448	$ -	$ -

Permanent book to tax basis differences may result in reclassifications between the components of net assets. These differences have no impact on the results of operations or net assets. The following reclassifications have been made to the Portfolio:

Increase/(Decrease) to Capital	*Increase/(Decrease) to Undistributed Net Investment Income/Loss*	*Increase/(Decrease) to Undistributed Net Realized Gain/Loss*
$ -	$ 4,435,345	$ (4,435,345)

5. Capital Share Transactions

	Year ended December 31, 2021		*Year ended December 31, 2020*	
	Shares	*Amount*	*Shares*	*Amount*
Institutional Shares:				
Shares sold	790,610	$ 37,146,075	833,472	$ 32,931,124
Reinvested dividends and distributions	174,782	8,179,514	377,963	14,605,878
Shares repurchased	(1,409,934)	(65,717,378)	(1,857,858)	(72,669,980)
Net Increase/(Decrease)	(444,542)	$ (20,391,789)	(646,423)	$ (25,132,978)
Service Shares:				
Shares sold	24,312,111	$1,203,520,484	21,712,567	$911,634,210
Reinvested dividends and distributions	2,050,503	101,407,088	3,917,443	160,131,796
Shares repurchased	(5,557,696)	(272,721,582)	(7,010,260)	(289,245,563)
Net Increase/(Decrease)	20,804,918	$1,032,205,990	18,619,750	$782,520,443

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2021, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

Purchases of Securities	*Proceeds from Sales of Securities*	*Purchases of Long-Term U.S. Government Obligations*	*Proceeds from Sales of Long-Term U.S. Government Obligations*
$2,190,771,781	$2,192,691,920	$ 2,662,072,539	$ 1,897,523,176

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2021 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Balanced Portfolio
Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Balanced Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Balanced Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Portfolio's management. Our responsibility is to express an opinion on the Portfolio's financial statements 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 Portfolio 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 15, 2022

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Balanced Portfolio
Additional Information (unaudited)

Proxy Voting Policies and Voting Record
A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at http://www.sec.gov. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at http://www.sec.gov.

Full Holdings
The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at http://www.sec.gov; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each fund of Janus Investment Fund (each, a "Fund," and collectively, the "Funds" and together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each Janus Henderson Fund that utilizes a subadviser.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received and reviewed information provided by Janus Henderson Investors US LLC (formerly, Janus Capital Management LLC) (the "Adviser") and the subadviser in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At meetings held on November 3-4, 2021 and December 7-8, 2021, the Trustees' evaluated the information provided by the Adviser, the subadviser, and the independent fee consultant, as well as other information addressed during the year. Following such evaluation, the Trustees determined that the overall arrangements between each Janus Henderson Fund and the Adviser and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by the Adviser, its affiliates and the subadviser, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment and unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2022 through February 1, 2023, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services
The Trustees reviewed the nature, extent and quality of the services provided by the Adviser and the subadviser to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a quarterly

basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of the Adviser and the subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by the Adviser or the subadviser, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered the Adviser's role as administrator to the Janus Henderson Funds, noting that the Adviser generally does not receive a fee for its services as administrator, but is reimbursed for its out-of-pocket costs. The Trustees considered the role of the Adviser in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that the Adviser provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, the Adviser is a capable provider of those services. The independent fee consultant also provided its belief that the Adviser has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by the Adviser and the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that the Adviser and the subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and each had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2021, approximately 55% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2021, approximately 45% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.

- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser and subadviser had taken or were taking to improve performance.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by the Adviser out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by the Adviser to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by the Adviser. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 8% under the average total expenses of the respective Broadridge Expense Group peers; and (3) and the management fees for the Janus Henderson Funds, on average, were 6% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic "focus list" analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the

independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by the Adviser and subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by the Adviser and subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by the Adviser or subadviser (for which the Adviser or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that the Adviser noted that, under the terms of the management agreements with the Janus Henderson Funds, the Adviser performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, the Adviser assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, the Trustees noted that the independent fee consultant found that: (1) the management fees the Adviser charges to the Janus Henderson Funds are reasonable in relation to the management fees the Adviser charges to funds subadvised by the Adviser and to the fees the Adviser charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; and (4) as part of its 2020 review, 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by the Adviser.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2020, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's "total expenses"):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Overseas Portfolio, the Trustees noted that although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.

- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to the Adviser and its affiliates from their relationships with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to the Adviser from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether the Adviser and subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by the Adviser to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by the Adviser were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that the Adviser's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to the Adviser and its affiliates, as well as the fees paid by the Adviser to the subadviser of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees the Adviser and the subadviser charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by the Adviser and subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by the Adviser.

Economies of Scale

The Trustees considered information about the potential for the Adviser to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 75% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. The Trustees also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of the Adviser, the Adviser is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (3) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by the Adviser and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at the Adviser, the Adviser's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, the Adviser appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at the Adviser.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between the Adviser and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to the Adviser

The Trustees also considered benefits that accrue to the Adviser and its affiliates and subadviser to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of the Adviser separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of the Adviser and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered the Adviser's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of the Adviser and/or the Adviser, and/or subadviser to a Janus Henderson Fund. The Trustees concluded that the Adviser's and the subadviser's use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by the Adviser and its affiliates and subadviser pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and the Adviser and the subadviser may potentially benefit from their relationship with each other in other ways. They concluded that the Adviser and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by the Adviser and its affiliates. They also concluded that the Adviser and the subadviser benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from the Adviser's and/or the subadviser's receipt of those products and services as well as research products and services acquired through commissions paid by other clients of the Adviser and/or other clients of the subadviser. They further concluded that the success of any Janus Henderson Fund could attract other business to the Adviser, the subadviser or other Janus Henderson funds, and that the success of the Adviser and the subadviser could enhance the Adviser's and the subadviser's ability to serve the Janus Henderson Funds.

Janus Henderson VIT Balanced Portfolio
Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2021. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical $10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of the Adviser and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Bloomberg and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes. As a result, the total return may differ from the total return reflected for individual shareholder transactions. Also included are ratios of expenses and net investment income to average net assets.

Janus Henderson VIT Balanced Portfolio
Useful Information About Your Portfolio Report (unaudited)

The Portfolio's expenses may be reduced through expense offsets and expense reimbursements. The ratios shown reflect expenses before and after any such offsets and reimbursements.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Do not confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it does not take into account the dividends distributed to the Portfolio's investors.

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments, and the investment style and/or outlook of the portfolio manager(s) and/or investment personnel. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

Janus Henderson VIT Balanced Portfolio
Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2021:

Section 163(j) Interest Dividend	41%
Capital Gain Distributions	$40,616,624
Dividends Received Deduction Percentage	85%

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by the Adviser: Janus Investment Fund. Collectively, these two registered investment companies consist of 52 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of the Adviser. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William F. McCalpin 151 Detroit Street Denver, CO 80206 DOB: 1957	Chairman Trustee	1/08-Present 6/02-Present	Independent Consultant (since 2019) and Chief Operating Officer, muun chi LLC (organic food business) (since 2020). Formerly, Managing Partner, Impact Investments, Athena Capital Advisors LLC (independent registered investment advisor) (2016-2019), Managing Director, Holos Consulting LLC (provides consulting services to foundations and other nonprofit organizations) (2009-2016), Chief Executive Officer, Imprint Capital Advisors (impact investment firm) (2013-2015), and Executive Vice President and Chief Operating Officer of The Rockefeller Brothers Fund (a private family foundation) (1998-2006).	52	Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 1 fund) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006). Formerly, Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (2016-2021).

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	52	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	52	Member, Limited Partner Advisory Committee, Karmel Capital Fund III (since 2022), Member of the Investmtnet Committee for the Orange Country Community Foundation (a grantmaking foundation) (since 2020), Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Raudline Etienne 151 Detroit Street Denver, CO 80206 DOB: 1965	Trustee	6/16-Present	Founder, Daraja Capital (advisory and investment firm) (since 2016). Formerly, Senior Vice President and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (2011-2021), and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	52	Member of the Investment Committee for Cooper Union (private college) (since 2021), Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	52	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013). Formerly, Director, West Bend Mutual Insurance Company (property/casualty insurance) (2013-2021), Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	52	Formerly, Director of Family Service of Lake County (2019-2021), Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	52	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), and Shirley Ryan Ability Lab. Formerly, Director of Wrapports, LLC (until 2022), Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Jeremiah Buckley 151 Detroit Street Denver, CO 80206 DOB: 1976	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	12/15-Present	Portfolio Manager for other Janus Henderson accounts.
Michael Keough 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	12/19-Present	Portfolio Manager for other Janus Henderson accounts.
Greg Wilensky 151 Detroit Street Denver, CO 80206 DOB: 1967	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	2/20-Present	Head of U.S. Fixed Income of Janus Henderson Investors and Portfolio Manager for other Janus Henderson accounts. Formerly, Director and Lead Portfolio Manager of the U.S. Multi-Sector Fixed Income team at AllianceBernstein (2007-2019).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Michelle Rosenberg 151 Detroit Street Denver, CO 80206 DOB: 1973	Interim President and Chief Executive Officer	1/22-Present	General Counsel and Corporate Secretary of Janus Henderson Investors (since 2018). Formerly, Senior Vice President and Head of Legal, North America of Janus Henderson Investors (2017-2018) and Deputy General Counsel of Janus Henderson US (Holdings) Inc. (2015-2018).
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Henderson Investors US LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019-August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors US LLC (May 2017-September 2017), Vice President, Compliance at Janus Henderson US (Holdings) Inc., Janus Henderson Investors US LLC, and Janus Henderson Distributors US LLC (2009-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Balanced Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Henderson Services US LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Balanced Portfolio
Notes

Janus Henderson VIT Balanced Portfolio
Notes

Janus Henderson
INVESTORS

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors US LLC

109-02-81113 03-22

ANNUAL REPORT
December 31, 2021

Janus Henderson VIT Enterprise Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
INVESTORS

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Janus Henderson VIT Enterprise Portfolio

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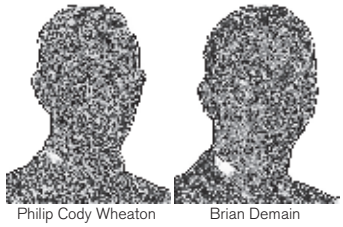
Janus Henderson VIT Enterprise Portfolio (unaudited)

PORTFOLIO SNAPSHOT

We believe that investing in companies with sustainable growth and high return on invested capital can help drive consistent returns and allow us to outperform our benchmark and peers over time with moderate risk. We seek to identify mid-cap companies with high-quality management teams that wisely allocate capital to fund and drive growth over time.



Philip Cody Wheaton
co-portfolio manager

Brian Demain
co-portfolio manager

PERFORMANCE OVERVIEW

During the 12 months ended December 31, 2021, Janus Henderson VIT Enterprise Portfolio's Institutional Shares and Service Shares returned 16.83% and 16.54%, respectively. The Portfolio's benchmark, the Russell Midcap® Growth Index, returned 12.73%. An underweight and stock selection in the communication services sector lifted relative performance. Stock selection in financials also contributed. Stock selection in consumer discretionary and health care detracted.

INVESTMENT ENVIRONMENT

Mid-cap growth stocks delivered positive returns for 2021 despite periods of volatility. Stocks rose in the first half of the year, as healthy economic and earnings growth and optimism around COVID-19 vaccines lifted investor sentiment. Accommodative monetary policy also supported the growth outlook. Market volatility increased in the second half of the year, as the spread of the new virus variants led to renewed pandemic concerns. Supply constraints and higher input costs also fueled inflation, which pushed interest rates higher. Additionally, the Federal Reserve (Fed) indicated it would accelerate the withdrawal of its monetary stimulus. The prospect of higher interest rates in 2022 spurred a market rotation away from more-speculative, high-valuation growth stocks in the fourth quarter. Due in part to this rotation, the Russell Midcap Growth Index underperformed the broader mid-cap equity market for the 12-month period.

PERFORMANCE DISCUSSION

The past year saw a tug-of-war between two investing styles. On one hand, we welcomed periods of a renewed focus on fundamentals that benefited the kinds of disciplined growth companies we own. At the same time, we saw intervals when speculative investing drove market returns while pushing valuations for some aggressive growth stocks to higher and higher levels. Despite these shifts in market behavior, we remained steadfast in our focus on high-quality, well-managed companies with valuations we believed were supported by a reasonable assessment of their earnings potential. Our selective approach helped us avoid exposure to several high-valuation mid-cap growth stocks that sold off sharply in the fourth quarter. This aided our performance relative to the benchmark index.

We were also pleased to see a number of our moderate growth investments rewarded with strong stock performance. These included technology hardware and components companies that benefited from rapid growth in end markets such as electric vehicle production, automation and the Internet of Things. Shortages of semiconductors and other components have also supported favorable pricing trends for companies such as specialty chip manufacturer ON Semiconductor and KLA, a supplier of inspection equipment used in the semiconductor production process. Both companies delivered strong earnings growth, while ON Semiconductor saw widening profit margins as its new management team streamlined its operations. Semiconductor shortages have also driven other industry changes, including moves toward committed capacity, long-term contracts and onshoring, as companies looked to secure their supply chains. In our view, these changes may help dampen the industry's historical cyclicality, while further benefiting advantaged producers.

The digital payments industry is another area where we see long-term opportunity, as consumers have come to appreciate the convenience of online and mobile transactions. Our interest in this space led us to Global Payments, a provider of software solutions that enable vendors to take credit card payments. WEX, another long-term holding, issues credit cards that help companies manage fleet fuel costs. It also provides a cloud-based payments platform to support travel bookings and health savings accounts. We continue to see long-term potential for these businesses. However, both stocks declined due

to investor disappointment over weaker-than-expected transaction volumes in the digital payments space, as the COVID-19 variants increased economic uncertainty. Concerns that alternative payment solutions could take market share from traditional credit cards also pressured the stocks. In our view, these concerns were overstated. Electronic payments have continued to outgrow the broader economy, and the companies we own saw steady growth rates despite some business headwinds in 2021. We held onto our investments, and we will continue to monitor the competitive dynamics for the global payments market.

DERIVATIVES USAGE

Please see the Derivative Instruments section in the "Notes to Financial Statements" for a discussion of derivatives used by the Janus Henderson VIT Enterprise Portfolio.

OUTLOOK

While we remain constructive on the economic outlook, we caution that we're entering a very different environment than we had a year ago. We started 2021 with low interest rates and ample monetary and fiscal stimulus. As we head into 2022, prospects for additional fiscal stimulus remain uncertain, and the Fed will be withdrawing some of its extraordinary monetary support. Our conversations with companies also indicate that supply chain challenges and worker shortages could persist even into 2023. Developments in China are another source of uncertainty, as the country's slowing growth rate and government policy changes could have reverberations for U.S. companies. In this environment we will remain highly selective in our investments, as we look for reasonably valued companies with forward-looking management teams and a commitment to innovation. We also favor companies with strong competitive positions and well-balanced stakeholder alignment. We believe these qualities can support healthy and sustainable profit margins in the face of rising input costs. We also remain disciplined with regard to valuation, focusing on companies where we see a growing earnings trajectory to support their stock prices. This is the best way we know to provide strong risk-adjusted returns to our investors over the long term.

Thank you for your investment in Janus VIT Enterprise Portfolio.

Janus Henderson VIT Enterprise Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Top Contributors - Holdings

	Average Weight	Relative Contribution
ON Semiconductor Corp	1.89%	1.32%
KLA Corp	2.71%	1.03%
LPL Financial Holdings Inc	2.65%	0.78%
Constellation Software Inc/Canada	2.26%	0.66%
JB Hunt Transport Services Inc	1.97%	0.62%

5 Top Detractors - Holdings

	Average Weight	Relative Contribution
Global Payments Inc	1.51%	-1.00%
WEX Inc	1.57%	-0.79%
Fidelity National Information Services Inc	1.51%	-0.62%
Wix.com Ltd	0.60%	-0.51%
Vroom Inc	0.40%	-0.49%

5 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell Midcap Growth Index Average Weight
Communication Services	2.88%	0.91%	5.58%
Financials	2.39%	11.56%	4.16%
Consumer Staples	0.70%	0.00%	2.60%
Materials	0.60%	0.96%	1.94%
Industrials	0.30%	14.45%	13.32%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell Midcap Growth Index Average Weight
Consumer Discretionary	-0.93%	8.51%	13.56%
Other**	-0.46%	3.78%	0.00%
Health Care	-0.38%	17.21%	19.62%
Real Estate	-0.28%	2.40%	1.86%
Energy	-0.13%	1.43%	1.03%

Relative contribution reflects how the portolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown. For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, excluding fixed income securities, gross of advisory fees, may exclude certain derivatives and will differ from actual performance. Performance attribution reflects returns gross of advisory fees and may differ from actual returns as they are based on end of day holdings. Attribution is calculated by geometrically linking daily returns for the portfolio and index.

* Based on sector classification according to the Global Industry Classification Standard ("GICS") codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.

** Not a GICS classified sector.

Janus Henderson VIT Enterprise Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Largest Equity Holdings - (% of Net Assets)

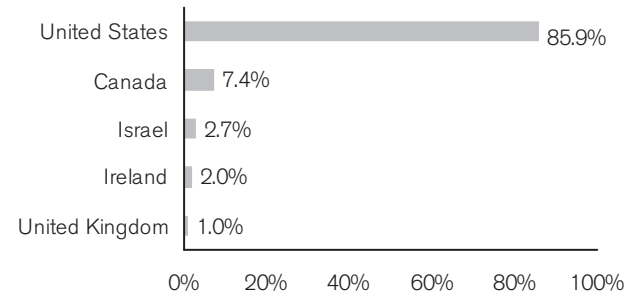
KLA Corp	
Semiconductor & Semiconductor Equipment	3.0%
SS&C Technologies Holdings Inc	
Software	3.0%
LPL Financial Holdings Inc	
Capital Markets	3.0%
ON Semiconductor Corp	
Semiconductor & Semiconductor Equipment	3.0%
Constellation Software Inc/Canada	
Software	2.8%
	14.8%

Asset Allocation - (% of Net Assets)

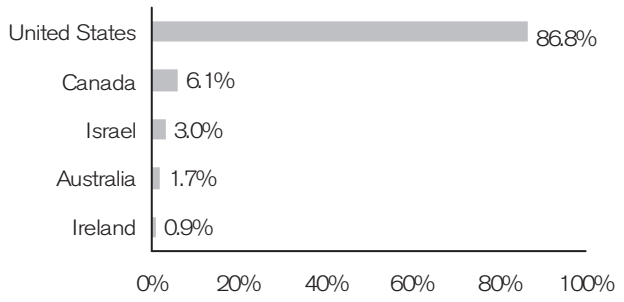
Common Stocks	96.1%
Investment Companies	3.5%
Investments Purchased with Cash Collateral from Securities Lending	0.0%
Other	0.4%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

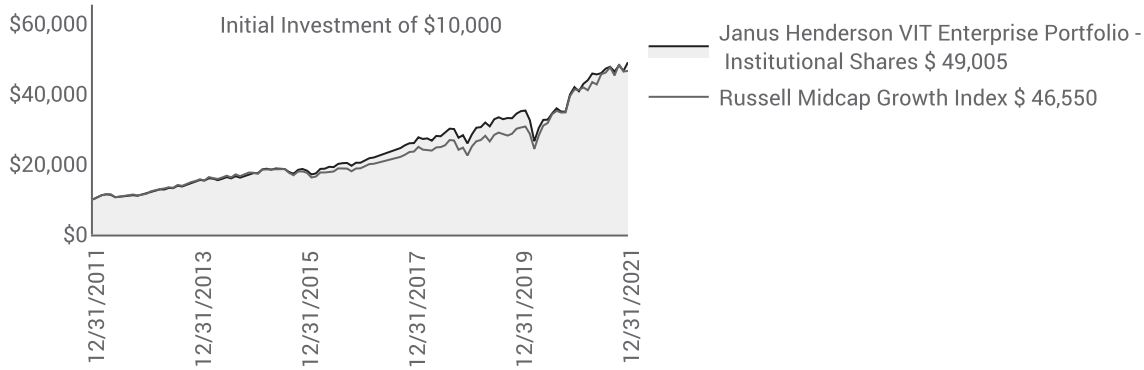
As of December 31, 2021



As of December 31, 2020



Janus Henderson VIT Enterprise Portfolio (unaudited)
Performance



Average Annual Total Return - for the periods ended December 31, 2021					Prospectus Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses‡
Institutional Shares	16.83%	19.13%	17.23%	11.91%	0.72%
Service Shares	16.54%	18.84%	16.93%	11.62%	0.97%
Russell Midcap Growth Index	12.73%	19.83%	16.63%	11.03%	
Morningstar Quartile - Institutional Shares	2nd	3rd	1st	1st	
Morningstar Ranking - based on total returns for Mid-Cap Growth Funds	160/599	320/534	102/499	33/149	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), Environmental, Social and Governance (ESG) factors, non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See "Useful Information About Your Portfolio Report."

*The Portfolio's inception date – September 13, 1993

See important disclosures on the next page.

Janus Henderson VIT Enterprise Portfolio (unaudited)
Performance

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Enterprise Portfolio (unaudited)
Expense Examples

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; 12b-1 distribution and shareholder servicing fees (applicable to Service Shares only); transfer agent fees and expenses payable pursuant to the Transfer Agency Agreement; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of $1,000 invested at the beginning of the period and held for the six-months indicated, unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the appropriate column for your share class under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based upon the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's 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 Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Additionally, for an analysis of the fees associated with an investment in either share class or other similar funds, please visit www.finra.org/fundanalyzer.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as any charges at the separate account level or contract level. These fees are fully described in the Portfolio's prospectuses. Therefore, the hypothetical examples 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 transaction costs were included, your costs would have been higher.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Net Annualized Expense Ratio (7/1/21 - 12/31/21)
Institutional Shares	$1,000.00	$1,067.20	$3.75	$1,000.00	$1,021.58	$3.67	0.72%
Service Shares	$1,000.00	$1,065.90	$5.10	$1,000.00	$1,020.27	$4.99	0.98%

†Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Enterprise Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– 96.1%		
Aerospace & Defense – 2.9%		
L3Harris Technologies Inc	115,491	$24,627,301
Teledyne Technologies Inc*	61,204	26,739,416
		51,366,717
Airlines – 0.9%		
Ryanair Holdings PLC (ADR)*	149,167	15,264,259
Auto Components – 0.5%		
Visteon Corp*	86,282	9,589,381
Banks – 0.9%		
SVB Financial Group*	24,410	16,555,838
Biotechnology – 2.4%		
Abcam PLC (ADR)*	225,238	5,304,355
Ascendis Pharma A/S (ADR)*	52,550	7,069,552
BioMarin Pharmaceutical Inc*	135,740	11,992,629
Neurocrine Biosciences Inc*	127,646	10,871,610
Sarepta Therapeutics Inc*	82,771	7,453,529
		42,691,675
Building Products – 0.4%		
Zurn Water Solutions Corp	172,061	6,263,020
Capital Markets – 4.8%		
Cboe Global Markets Inc	115,677	15,084,281
Charles Schwab Corp	89,037	7,488,012
LPL Financial Holdings Inc	330,060	52,839,305
MSCI Inc	15,840	9,705,010
		85,116,608
Commercial Services & Supplies – 1.8%		
Cimpress PLC*	152,308	10,906,776
Ritchie Bros Auctioneers Inc	338,200	20,701,222
		31,607,998
Containers & Packaging – 0.9%		
Sealed Air Corp	226,673	15,293,627
Diversified Consumer Services – 1.4%		
Frontdoor Inc*	268,959	9,857,347
Terminix Global Holdings Inc*	332,139	15,022,647
		24,879,994
Electric Utilities – 1.6%		
Alliant Energy Corp	452,272	27,801,160
Electrical Equipment – 2.7%		
Regal Beloit Corp	74,420	12,664,796
Sensata Technologies Holding PLC*	567,957	35,037,267
		47,702,063
Electronic Equipment, Instruments & Components – 5.6%		
Dolby Laboratories Inc	113,501	10,807,565
Flex Ltd*	1,377,799	25,255,056
National Instruments Corp	455,395	19,887,100
TE Connectivity Ltd	269,574	43,493,069
		99,442,790
Entertainment – 1.3%		
Liberty Media Corp-Liberty Formula One*	362,073	22,897,497
Equity Real Estate Investment Trusts (REITs) – 1.4%		
Lamar Advertising Co	212,144	25,733,067
Health Care Equipment & Supplies – 8.6%		
Boston Scientific Corp*	931,878	39,586,177
Cooper Cos Inc	72,023	30,173,316
Dentsply Sirona Inc	330,163	18,419,794
ICU Medical Inc*	79,713	18,919,083
STERIS PLC	81,166	19,756,616
Teleflex Inc	76,558	25,147,772
		152,002,758

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– (continued)		
Hotels, Restaurants & Leisure – 1.6%		
Aramark	408,900	$15,067,965
GVC Holdings PLC*	564,780	12,863,529
		27,931,494
Information Technology Services – 9.9%		
Amdocs Ltd	404,897	30,302,491
Broadridge Financial Solutions Inc	184,457	33,722,429
Fidelity National Information Services Inc	206,610	22,551,481
Global Payments Inc	154,238	20,849,893
GoDaddy Inc*	437,569	37,132,105
WEX Inc*	151,851	21,318,362
Wix.com Ltd*	67,655	10,675,282
		176,552,043
Insurance – 5.8%		
Aon PLC - Class A	59,827	17,981,603
Intact Financial Corp	276,924	35,999,244
Oscar Health Inc - Class A*	22,795	178,941
Ryan Specialty Group Holdings Inc - Class A*	381,446	15,391,346
WR Berkley Corp	403,904	33,277,651
		102,828,785
Internet & Direct Marketing Retail – 0.8%		
Wayfair Inc - Class A*,#	76,699	14,570,509
Life Sciences Tools & Services – 3.8%		
ICON PLC*	66,243	20,515,457
Illumina Inc*	30,195	11,487,386
PerkinElmer Inc	101,934	20,494,850
Waters Corp*	41,988	15,644,729
		68,142,422
Machinery – 2.3%		
Ingersoll Rand Inc	442,534	27,379,579
Wabtec Corp	143,265	13,196,139
		40,575,718
Oil, Gas & Consumable Fuels – 1.4%		
Magellan Midstream Partners LP	555,540	25,799,278
Pharmaceuticals – 2.3%		
Catalent Inc*	217,138	27,800,178
Elanco Animal Health Inc*	469,269	13,317,854
		41,118,032
Professional Services – 0.1%		
Upwork Inc*	63,711	2,176,368
Real Estate Management & Development – 0.4%		
Redfin Corp*	202,183	7,761,805
Road & Rail – 2.7%		
JB Hunt Transport Services Inc	235,203	48,075,493
Semiconductor & Semiconductor Equipment – 9.7%		
KLA Corp	125,788	54,102,677
Lam Research Corp	28,138	20,235,443
Microchip Technology Inc	315,913	27,503,386
NXP Semiconductors NV	77,880	17,739,506
ON Semiconductor Corp*	771,829	52,422,626
		172,003,638
Software – 11.4%		
Atlassian Corp PLC - Class A*	27,720	10,569,359
Ceridian HCM Holding Inc*	269,222	28,122,930
Constellation Software Inc/Canada	26,583	49,326,934
Dynatrace Inc*	209,364	12,635,117
j2 Global Inc*	71,550	7,932,033
Nice Ltd (ADR)*	118,747	36,051,589
SS&C Technologies Holdings Inc	654,638	53,667,223

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– (continued)		
Software– (continued)		
Topicus.com Inc*	48,848	$4,483,913
		202,789,098
Specialty Retail – 3.0%		
Burlington Stores Inc*	49,359	14,388,642
CarMax Inc*	272,679	35,510,986
Vroom Inc*	258,983	2,794,427
		52,694,055
Textiles, Apparel & Luxury Goods – 1.2%		
Gildan Activewear Inc	496,232	21,035,274
Trading Companies & Distributors – 1.6%		
Ferguson PLC	162,835	28,878,956
Total Common Stocks (cost $916,209,475)		1,707,141,420
Investment Companies– 3.5%		
Money Markets – 3.5%		
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞,£] (cost $62,157,557)	62,151,342	62,157,557
Investments Purchased with Cash Collateral from Securities Lending– 0%		
Investment Companies – 0%		
Janus Henderson Cash Collateral Fund LLC, 0%[∞,£]	358,400	358,400
Time Deposits – 0%		
Royal Bank of Canada, 0.0400%, 1/3/22	$89,600	89,600
Total Investments Purchased with Cash Collateral from Securities Lending (cost $448,000)		448,000
Total Investments (total cost $978,815,032) – 99.6%		1,769,746,977
Cash, Receivables and Other Assets, net of Liabilities – 0.4%		6,627,343
Net Assets – 100%		$1,776,374,320

Summary of Investments by Country - (Long Positions) (unaudited)

Country	*Value*	*% of Investment Securities*
United States	$1,519,887,008	85.9 %
Canada	131,546,587	7.4
Israel	46,726,871	2.7
Ireland	35,779,716	2.0
United Kingdom	18,167,884	1.0
Australia	10,569,359	0.6
Denmark	7,069,552	0.4
Total	$1,769,746,977	100.0 %

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Schedule of Investments
December 31, 2021

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	*Realized Gain/(Loss)*	*Change in Unrealized Appreciation/ Depreciation*	*Value at 12/31/21*
Investment Companies - 3.5%				
Money Markets - 3.5%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞]	$ 43,105	$ 3,439	$ (3,439)	$ 62,157,557
Investments Purchased with Cash Collateral from Securities Lending - 0.0%				
Investment Companies - 0.0%				
Janus Henderson Cash Collateral Fund LLC, 0%[∞]	26,150[Δ]	-	-	358,400
Total Affiliated Investments - 3.5%	$ 69,255	$ 3,439	$ (3,439)	$ 62,515,957

	Value at 12/31/20	*Purchases*	*Sales Proceeds*	*Value at 12/31/21*
Investment Companies - 3.5%				
Money Markets - 3.5%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞]	67,878,884	289,985,609	(295,706,936)	62,157,557
Investments Purchased with Cash Collateral from Securities Lending - 0.0%				
Investment Companies - 0.0%				
Janus Henderson Cash Collateral Fund LLC, 0%[∞]	2,859,857	121,782,433	(124,283,890)	358,400

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Schedule of Investments
December 31, 2021

Schedule of Forward Foreign Currency Exchange Contracts

Counterparty/ Foreign Currency	*Settlement Date*	*Foreign Currency Amount (Sold)/ Purchased*		*USD Currency Amount (Sold)/ Purchased*	*Market Value and Unrealized Appreciation/ (Depreciation)*
Barclays Capital, Inc.:					
Canadian Dollar	1/20/22	(13,124,000)	$	10,619,496	243,105
Citibank, National Association:					
Canadian Dollar	1/20/22	(14,881,000)		12,031,613	266,063
Canadian Dollar	1/20/22	(583,000)		455,766	(5,178)
Euro	1/20/22	609,000		(691,335)	2,200
Euro	1/20/22	(715,000)		808,979	(5,270)
					257,815
Credit Suisse International:					
Canadian Dollar	1/20/22	2,596,000		(2,041,453)	11,055
Canadian Dollar	1/20/22	943,000		(761,817)	(16,241)
Euro	1/20/22	799,000		(907,591)	2,317
Euro	1/20/22	1,040,000		(1,204,953)	(20,591)
Euro	1/20/22	(8,711,800)		10,150,850	229,769
Euro	1/20/22	(1,479,000)		1,674,627	(9,672)
					196,637
HSBC Securities (USA), Inc.:					
Canadian Dollar	1/20/22	(14,881,000)		12,027,820	262,270
Euro	1/20/22	2,078,000		(2,354,699)	11,748
Euro	1/20/22	1,024,000		(1,193,602)	(27,461)
Euro	1/20/22	(6,846,000)		7,982,237	185,947
					432,504
JPMorgan Chase Bank, National Association:					
Canadian Dollar	1/20/22	(2,449,000)		1,963,320	27,037
Euro	1/20/22	1,990,000		(2,299,198)	(32,968)
Euro	1/20/22	(6,666,000)		7,770,370	179,065
					173,134
State Street Bank and Trust Company:					
Euro	1/20/22	614,000		(692,335)	6,894
Euro	1/20/22	(562,000)		651,968	11,957
					18,851
Total					$ 1,322,046

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Schedule of Investments
December 31, 2021

The following table, grouped by derivative type, provides information about the fair value and location of derivatives within the Statement of Assets and Liabilities as of December 31, 2021.

Fair Value of Derivative Instruments (not accounted for as hedging instruments) as of December 31, 2021

	Currency Contracts
Asset Derivatives:	
Forward foreign currency exchange contracts	$1,439,427
Liability Derivatives:	
Forward foreign currency exchange contracts	$ 117,381

The following tables provide information about the effect of derivatives and hedging activities on the Portfolio's Statement of Operations for the year ended December 31, 2021.

The effect of Derivative Instruments (not accounted for as hedging instruments) on the Statement of Operations for the year ended December 31, 2021

Amount of Realized Gain/(Loss) Recognized on Derivatives

Derivative	*Currency Contracts*
Forward foreign currency exchange contracts	$ 620,474

Amount of Change in Unrealized Appreciation/Depreciation Recognized on Derivatives

Derivative	*Currency Contracts*
Forward foreign currency exchange contracts	$1,519,436

Please see the "Net Realized Gain/(Loss) on Investments" and "Change in Unrealized Net Appreciation/Depreciation" sections of the Portfolio's Statement of Operations.

Average Ending Monthly Value of Derivative Instruments During the Year Ended December 31, 2021

	*Value**
Forward foreign currency exchange contracts, purchased	$15,577,670
Forward foreign currency exchange contracts, sold	80,205,617

* Forward foreign currency exchange contracts are reported as the average ending monthly currency amount purchased or sold. Futures contracts and centrally-cleared swaps are reported as the average ending monthly notional value. Options are reported as the average ending monthly market value.

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Russell Midcap® Growth Index	Russell Midcap® Growth Index reflects the performance of U.S. mid-cap equities with higher price-to-book ratios and higher forecasted growth values.
ADR	American Depositary Receipt
LLC	Limited Liability Company
LP	Limited Partnership
PLC	Public Limited Company

*	Non-income producing security.
°°	Rate shown is the 7-day yield as of December 31, 2021.
#	Loaned security; a portion of the security is on loan at December 31, 2021.
£	The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.
Δ	Net of income paid to the securities lending agent and rebates paid to the borrowing counterparties.

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2021. See Notes to Financial Statements for more information.

Valuation Inputs Summary

		Level 1 - Quoted Prices		*Level 2 - Other Significant Observable Inputs*		*Level 3 - Significant Unobservable Inputs*
Assets						
Investments In Securities:						
Common Stocks	$	1,707,141,420	$	-	$	-
Investment Companies		-		62,157,557		-
Investments Purchased with Cash Collateral from Securities Lending		-		448,000		-
Total Investments in Securities	$	1,707,141,420	$	62,605,557	$	-
Other Financial Instruments[(a)]:						
Forward Foreign Currency Exchange Contracts		-		1,439,427		-
Total Assets	$	1,707,141,420	$	64,044,984	$	-
Liabilities						
Other Financial Instruments[(a)]:						
Forward Foreign Currency Exchange Contracts	$	-	$	117,381	$	-

(a) Other financial instruments include forward foreign currency exchange, futures, written options, written swaptions, and swap contracts. Forward foreign currency exchange contracts are reported at their unrealized appreciation/(depreciation) at measurement date, which represents the change in the contract's value from trade date. Futures, certain written options on futures, and centrally cleared swap contracts are reported at their variation margin at measurement date, which represents the amount due to/from the Portfolio at that date. Written options, written swaptions, and other swap contracts are reported at their market value at measurement date.

Janus Henderson VIT Enterprise Portfolio
Statement of Assets and Liabilities
December 31, 2021

Assets:		
Unaffiliated investments, at value (cost $916,299,075)[1]	$	1,707,231,020
Affiliated investments, at value (cost $62,515,957)		62,515,957
Cash		20
Forward foreign currency exchange contracts		1,439,427
Cash denominated in foreign currency (cost $160)		160
Non-interested Trustees' deferred compensation		46,369
Receivables:		
Investments sold		8,266,884
Dividends		440,711
Portfolio shares sold		325,661
Dividends from affiliates		3,571
Other assets		17,032
Total Assets		1,780,286,812
Liabilities:		
Collateral for securities loaned (Note 3)		448,000
Forward foreign currency exchange contracts		117,381
Payables:		
Portfolio shares repurchased		1,116,158
Advisory fees		1,002,979
Investments purchased		720,922
12b-1 Distribution and shareholder servicing fees		228,861
Transfer agent fees and expenses		81,705
Non-interested Trustees' deferred compensation fees		46,369
Professional fees		41,851
Affiliated portfolio administration fees payable		3,918
Custodian fees		744
Non-interested Trustees' fees and expenses		743
Accrued expenses and other payables		102,861
Total Liabilities		3,912,492
Net Assets	$	1,776,374,320
Net Assets Consist of:		
Capital (par value and paid-in surplus)	$	727,467,968
Total distributable earnings (loss)		1,048,906,352
Total Net Assets	$	1,776,374,320
Net Assets - Institutional Shares	$	736,678,719
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		7,329,708
Net Asset Value Per Share	$	100.51
Net Assets - Service Shares	$	1,039,695,601
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		11,241,104
Net Asset Value Per Share	$	92.49

(1) Includes $432,562 of securities on loan. See Note 3 in Notes to Financial Statements.

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Statement of Operations
For the year ended December 31, 2021

Investment Income:		
Dividends	$	14,123,840
Non-cash dividends		2,364,269
Dividends from affiliates		43,105
Affiliated securities lending income, net		26,150
Unaffiliated securities lending income, net		733
Other income		185
Foreign tax withheld		(262,982)
Total Investment Income		16,295,300
Expenses:		
Advisory fees		11,179,646
12b-1 Distribution and shareholder servicing fees:		
Service Shares		2,464,340
Transfer agent administrative fees and expenses:		
Institutional Shares		380,542
Service Shares		492,868
Other transfer agent fees and expenses:		
Institutional Shares		26,964
Service Shares		15,401
Shareholder reports expense		97,033
Professional fees		51,100
Affiliated portfolio administration fees		48,887
Custodian fees		33,043
Non-interested Trustees' fees and expenses		27,789
Registration fees		23,324
Other expenses		120,582
Total Expenses		14,961,519
Net Investment Income/(Loss)		1,333,781
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		257,495,424
Investments in affiliates		3,439
Forward foreign currency exchange contracts		620,474
Total Net Realized Gain/(Loss) on Investments		258,119,337
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		8,992,811
Investments in affiliates		(3,439)
Forward foreign currency exchange contracts		1,519,436
Total Change in Unrealized Net Appreciation/Depreciation		10,508,808
Net Increase/(Decrease) in Net Assets Resulting from Operations	$	269,961,926

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Statements of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Operations:		
Net investment income/(loss)	$ 1,333,781	$ 1,751,409
Net realized gain/(loss) on investments	258,119,337	152,530,739
Change in unrealized net appreciation/depreciation	10,508,808	116,773,165
Net Increase/(Decrease) in Net Assets Resulting from Operations	269,961,926	271,055,313
Dividends and Distributions to Shareholders:		
Institutional Shares	(68,341,267)	(51,851,530)
Service Shares	(91,137,615)	(59,611,141)
Net Decrease from Dividends and Distributions to Shareholders	(159,478,882)	(111,462,671)
Capital Share Transactions:		
Institutional Shares	(83,126,445)	(91,362,702)
Service Shares	58,655,138	9,681,015
Net Increase/(Decrease) from Capital Share Transactions	(24,471,307)	(81,681,687)
Net Increase/(Decrease) in Net Assets	86,011,737	77,910,955
Net Assets:		
Beginning of period	1,690,362,583	1,612,451,628
End of period	$ 1,776,374,320	$ 1,690,362,583

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio
Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$94.21	$85.46	$67.02	$70.65	$59.27
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[1]	0.22	0.20	0.29	0.21	0.11
Net realized and unrealized gain/(loss)	14.99	14.53	23.06	(0.16)	15.67
Total from Investment Operations	15.21	14.73	23.35	0.05	15.78
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.33)	(0.06)	(0.16)	(0.18)	(0.17)
Distributions (from capital gains)	(8.58)	(5.92)	(4.75)	(3.50)	(4.23)
Total Dividends and Distributions	(8.91)	(5.98)	(4.91)	(3.68)	(4.40)
Net Asset Value, End of Period	$100.51	$94.21	$85.46	$67.02	$70.65
Total Return*	16.83%	19.47%	35.48%	(0.41)%	27.42%
Net Assets, End of Period (in thousands)	$736,679	$768,141	$791,044	$577,477	$618,750
Average Net Assets for the Period (in thousands)	$763,345	$699,442	$707,052	$641,390	$556,940
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.71%	0.72%	0.72%	0.72%	0.73%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.71%	0.72%	0.72%	0.72%	0.73%
Ratio of Net Investment Income/(Loss)	0.22%	0.25%	0.37%	0.29%	0.17%
Portfolio Turnover Rate	17%	16%	14%	14%	14%

Service Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$87.46	$79.93	$63.00	$66.67	$56.22
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[1]	(0.03)	—[2]	0.09	0.03	(0.05)
Net realized and unrealized gain/(loss)	13.87	13.45	21.63	(0.12)	14.82
Total from Investment Operations	13.84	13.45	21.72	(0.09)	14.77
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.23)	—	(0.04)	(0.08)	(0.09)
Distributions (from capital gains)	(8.58)	(5.92)	(4.75)	(3.50)	(4.23)
Total Dividends and Distributions	(8.81)	(5.92)	(4.79)	(3.58)	(4.32)
Net Asset Value, End of Period	$92.49	$87.46	$79.93	$63.00	$66.67
Total Return*	16.54%	19.18%	35.14%	(0.65)%	27.09%
Net Assets, End of Period (in thousands)	$1,039,696	$922,221	$821,408	$588,973	$555,550
Average Net Assets for the Period (in thousands)	$987,585	$773,949	$734,274	$612,433	$489,237
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.96%	0.97%	0.97%	0.97%	0.98%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.96%	0.97%	0.97%	0.97%	0.98%
Ratio of Net Investment Income/(Loss)	(0.03)%	0.00%[3]	0.12%	0.04%	(0.08)%
Portfolio Turnover Rate	17%	16%	14%	14%	14%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

(2) Less than $0.005 on a per share basis.

(3) Less than 0.005%.

See Notes to Financial Statements.

1. Organization and Significant Accounting Policies

Janus Henderson VIT Enterprise Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 10 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as diversified, as defined in the 1940 Act. Janus Henderson Investors US LLC (formerly Janus Capital Management LLC) is the investment adviser (the "Adviser") to the Portfolio.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting principles ("US GAAP")).

The following accounting policies have been followed by the Portfolio and are in conformity with US GAAP.

Investment Valuation
Securities held by the Portfolio are valued in accordance with policies and procedures established by and under the supervision of the Trustees (the "Valuation Procedures"). Equity securities traded on a domestic securities exchange are generally valued at the closing prices on the primary market or exchange on which they trade. If such price is lacking for the trading period immediately preceding the time of determination, such securities are valued at their current bid price. Equity securities that are traded on a foreign exchange are generally valued at the closing prices on such markets. In the event that there is no current trading volume on a particular security in such foreign exchange, the bid price from the primary exchange is generally used to value the security. Securities that are traded on the over-the-counter ("OTC") markets are generally valued at their closing or latest bid prices as available. Foreign securities and currencies are converted to U.S. dollars using the applicable exchange rate in effect at the close of the New York Stock Exchange ("NYSE"). The Portfolio will determine the market value of individual securities held by it by using prices provided by one or more approved professional pricing services or, as needed, by obtaining market quotations from independent broker-dealers. Most debt securities are valued in accordance with the evaluated bid price supplied by the pricing service that is intended to reflect market value. The evaluated bid price supplied by the pricing service is an evaluation that may consider factors such as security prices, yields, maturities and ratings. Certain short-term securities maturing within 60 days or less may be evaluated and valued on an amortized cost basis provided that the amortized cost determined approximates market value. Securities for which market quotations or evaluated prices are not readily available or deemed unreliable are valued at fair value determined in good faith under the Valuation Procedures. Circumstances in which fair value pricing may be utilized include, but are not limited to: (i) a significant event that may affect the securities of a single issuer, such as a merger, bankruptcy, or significant issuer-specific development; (ii) an event that may affect an entire market, such as a natural disaster or significant governmental action; (iii) a nonsignificant event such as a market closing early or not opening, or a security trading halt; and (iv) pricing of a nonvalued security and a restricted or nonpublic security. Special valuation considerations may apply with respect to "odd-lot" fixed-income transactions which, due to their small size, may receive evaluated prices by pricing services which reflect a large block trade and not what actually could be obtained for the odd-lot position. The Portfolio uses systematic fair valuation models provided by independent third parties to value international equity securities in order to adjust for stale pricing, which may occur between the close of certain foreign exchanges and the close of the NYSE.

Valuation Inputs Summary
FASB ASC 820, Fair Value Measurements and Disclosures ("ASC 820"), defines fair value, establishes a framework for measuring fair value, and expands disclosure requirements regarding fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2021 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income
Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Non-cash dividends, if any, are recorded on the ex-dividend date at fair value. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

Expenses
The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates
The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Indemnifications
In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations
The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions
The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes
The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Derivative Instruments

The Portfolio may invest in various types of derivatives, which may at times result in significant derivative exposure. A derivative is a financial instrument whose performance is derived from the performance of another asset. The Portfolio may invest in derivative instruments including, but not limited to: futures contracts, put options, call options, options on futures contracts, options on foreign currencies, options on recovery locks, options on security and commodity indices, swaps, forward contracts, structured investments, and other equity-linked derivatives. Each derivative instrument that was held by the Portfolio during the year ended December 31, 2021 is discussed in further detail below. A summary of derivative activity by the Portfolio is reflected in the tables at the end of the Schedule of Investments.

The Portfolio may use derivative instruments for hedging purposes (to offset risks associated with an investment, currency exposure, or market conditions), to adjust currency exposure relative to a benchmark index, or for speculative purposes (to earn income and seek to enhance returns). When the Portfolio invests in a derivative for speculative purposes, the Portfolio will be fully exposed to the risks of loss of that derivative, which may sometimes be greater than the derivative's cost. The Portfolio may not use any derivative to gain exposure to an asset or class of assets that it would be prohibited by its investment restrictions from purchasing directly. The Portfolio's ability to use derivative instruments may also be limited by tax considerations.

Investments in derivatives in general are subject to market risks that may cause their prices to fluctuate over time. Investments in derivatives may not directly correlate with the price movements of the underlying instrument. As a result,

the use of derivatives may expose the Portfolio to additional risks that it would not be subject to if it invested directly in the securities underlying those derivatives. The use of derivatives may result in larger losses or smaller gains than otherwise would be the case. Derivatives can be volatile and may involve significant risks.

In pursuit of its investment objective, the Portfolio may seek to use derivatives to increase or decrease exposure to the following market risk factors:

- **Commodity Risk** – the risk related to the change in value of commodities or commodity-linked investments due to changes in the overall market movements, volatility of the underlying benchmark, changes in interest rates, or other factors affecting a particular industry or commodity such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.
- **Counterparty Risk** – the risk that the counterparty (the party on the other side of the transaction) on a derivative transaction will be unable to honor its financial obligation to the Portfolio.
- **Credit Risk** – the risk an issuer will be unable to make principal and interest payments when due, or will default on its obligations.
- **Currency Risk** – the risk that changes in the exchange rate between currencies will adversely affect the value (in U.S. dollar terms) of an investment.
- **Equity Risk** – the risk related to the change in value of equity securities as they relate to increases or decreases in the general market.
- **Index Risk** – if the derivative is linked to the performance of an index, it will be subject to the risks associated with changes in that index. If the index changes, the Portfolio could receive lower interest payments or experience a reduction in the value of the derivative to below what the Portfolio paid. Certain indexed securities, including inverse securities (which move in an opposite direction to the index), may create leverage, to the extent that they increase or decrease in value at a rate that is a multiple of the changes in the applicable index.
- **Interest Rate Risk** – the risk that the value of fixed-income securities will generally decline as prevailing interest rates rise, which may cause the Portfolio's NAV to likewise decrease.
- **Leverage Risk** – the risk associated with certain types of leveraged investments or trading strategies pursuant to which relatively small market movements may result in large changes in the value of an investment. The Portfolio creates leverage by investing in instruments, including derivatives, where the investment loss can exceed the original amount invested. Certain investments or trading strategies, such as short sales, that involve leverage can result in losses that greatly exceed the amount originally invested.
- **Liquidity Risk** – the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

Derivatives may generally be traded OTC or on an exchange. Derivatives traded OTC are agreements that are individually negotiated between parties and can be tailored to meet a purchaser's needs. OTC derivatives are not guaranteed by a clearing agency and may be subject to increased credit risk.

In an effort to mitigate credit risk associated with derivatives traded OTC, the Portfolio may enter into collateral agreements with certain counterparties whereby, subject to certain minimum exposure requirements, the Portfolio may require the counterparty to post collateral if the Portfolio has a net aggregate unrealized gain on all OTC derivative contracts with a particular counterparty. Additionally, the Portfolio may deposit cash and/or treasuries as collateral with the counterparty and/or custodian daily (based on the daily valuation of the financial asset) if the Portfolio has a net aggregate unrealized loss on OTC derivative contracts with a particular counterparty. All liquid securities and restricted cash are considered to cover in an amount at all times equal to or greater than the Portfolio's commitment with respect to certain exchange-traded derivatives, centrally cleared derivatives, forward foreign currency exchange contracts, short sales, and/or securities with extended settlement dates. There is no guarantee that counterparty exposure is reduced and these arrangements are dependent on the Adviser's ability to establish and maintain appropriate systems and trading.

Forward Foreign Currency Exchange Contracts
A forward foreign currency exchange contract ("forward currency contract") is an obligation to buy or sell a specified currency at a future date at a negotiated rate (which may be U.S. dollars or a foreign currency). The Portfolio may enter into forward currency contracts for hedging purposes, including, but not limited to, reducing exposure to changes in foreign currency exchange rates on foreign portfolio holdings and locking in the U.S. dollar cost of firm purchase and sale commitments for securities denominated in or exposed to foreign currencies. The Portfolio may also invest in forward currency contracts for non-hedging purposes such as seeking to enhance returns. The Portfolio is subject to currency risk and counterparty risk in the normal course of pursuing its investment objective through its investments in forward currency contracts.

Forward currency contracts are valued by converting the foreign value to U.S. dollars by using the current spot U.S. dollar exchange rate and/or forward rate for that currency. Exchange and forward rates as of the close of the NYSE are used to value the forward currency contracts. The unrealized appreciation/(depreciation) for forward currency contracts is reported in the Statement of Assets and Liabilities as a receivable or payable and in the Statement of Operations for the change in unrealized net appreciation/depreciation (if applicable). The realized gain or loss arising from the difference between the U.S. dollar cost of the original contract and the value of the foreign currency in U.S. dollars upon closing a forward currency contract is reported on the Statement of Operations (if applicable).

During the year, the Portfolio entered into forward currency contracts with the obligation to purchase foreign currencies in the future at an agreed upon rate in order to decrease exposure to currency risk associated with foreign currency denominated securities held by the Portfolio.

During the year, the Portfolio entered into forward currency contracts with the obligation to sell foreign currencies in the future at an agreed upon rate in order to decrease exposure to currency risk associated with foreign currency denominated securities held by the Portfolio.

3. Other Investments and Strategies

Additional Investment Risk
In response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, including those which may be attributable to global climate change, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Portfolio's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Portfolio from executing advantageous investment decisions in a timely manner and negatively impact a Portfolio's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Portfolio. In addition, these disruptions could also impair the information technology and other operational systems upon which the Portfolio's service providers, including the Adviser or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Portfolio's service providers to perform essential tasks on behalf of the Portfolio. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to

restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. Among other things, these developments have adversely affected the value and exchange rate of the euro and pound sterling, and may continue to significantly affect the economies of all EU countries, which in turn may have a material adverse effect on the Portfolio's investments in such countries, other countries that depend on EU countries for significant amounts of trade or investment, or issuers with exposure to debt issued by certain EU countries.

Counterparties
Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value. See the "Offsetting Assets and Liabilities" section of this Note for further details.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that the Adviser believes to be creditworthy at the time of the transaction. There is always the risk that the Adviser's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

Offsetting Assets and Liabilities
The Portfolio presents gross and net information about transactions that are either offset in the financial statements or subject to an enforceable master netting arrangement or similar agreement with a designated counterparty, regardless of whether the transactions are actually offset in the Statement of Assets and Liabilities.

In order to better define its contractual rights and to secure rights that will help the Portfolio mitigate its counterparty risk, the Portfolio has entered into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement with its derivative contract counterparties. An ISDA Master Agreement is a bilateral agreement between the Portfolio and a counterparty that governs OTC derivatives and forward foreign currency exchange contracts and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, in the event of a default and/or termination event, the Portfolio may offset with each counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment.

The following tables present gross amounts of recognized assets and/or liabilities and the net amounts after deducting collateral that has been pledged by counterparties or has been pledged to counterparties (if applicable). For corresponding information grouped by type of instrument, see the "Fair Value of Derivative Instruments (not accounted for as hedging instruments) as of December 31, 2021" table located in the Portfolio's Schedule of Investments.

Offsetting of Financial Assets and Derivative Assets

Counterparty	Gross Amounts of Recognized Assets	Offsetting Asset or Liability[a]	Collateral Pledged[b]	Net Amount
Barclays Capital, Inc.	$ 243,105	$ —	$ —	$ 243,105
Citibank, National Association	268,263	(10,448)	—	257,815
Credit Suisse International	243,141	(46,504)	—	196,637
HSBC Securities (USA), Inc.	459,965	(27,461)	—	432,504
JPMorgan Chase Bank, National Association	638,664	(32,968)	(432,562)	173,134
State Street Bank and Trust Company	18,851	—	—	18,851
Total	$ 1,871,989	$ (117,381)	$ (432,562)	$ 1,322,046

Offsetting of Financial Liabilities and Derivative Liabilities

Counterparty	Gross Amounts of Recognized Liabilities	Offsetting Asset or Liability[a]	Collateral Pledged[b]	Net Amount
Citibank, National Association	$ 10,448	$ (10,448)	$ —	$ —
Credit Suisse International	46,504	(46,504)	—	—
HSBC Securities (USA), Inc.	27,461	(27,461)	—	—
JPMorgan Chase Bank, National Association	32,968	(32,968)	—	—
Total	$ 117,381	$ (117,381)	$ —	$ —

(a) Represents the amount of assets or liabilities that could be offset with the same counterparty under master netting or similar agreements that management elects not to offset on the Statement of Assets and Liabilities.

(b) Collateral pledged is limited to the net outstanding amount due to/from an individual counterparty. The actual collateral amounts pledged may exceed these amounts and may fluctuate in value.

JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. For financial reporting purposes, the Portfolio does not offset financial instruments' payables and receivables and related collateral on the Statement of Assets and Liabilities. Securities on loan will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the Securities and Exchange Commission (the "SEC"). See "Securities Lending" in the "Notes to Financial Statements" for additional information.

The Portfolio generally does not exchange collateral on its forward foreign currency contracts with its counterparties; however, all liquid securities and restricted cash are considered to cover in an amount at all times equal to or greater than the Portfolio's commitment with respect to these contracts. Certain securities may be segregated at the Portfolio's custodian. These segregated securities are denoted on the accompanying Schedule of Investments and are evaluated daily to ensure their cover and/or market value equals or exceeds the Portfolio's corresponding forward foreign currency exchange contract's obligation value.

Real Estate Investing
The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities, real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Securities Lending
Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, the Adviser makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the SEC. If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. In certain circumstances individual loan transactions could yield negative returns.

Upon receipt of cash collateral, the Adviser may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. The Adviser currently intends to primarily invest the cash collateral in a cash management vehicle for which the Adviser serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, the Adviser has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, the Adviser receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation. Additional required collateral, or excess collateral returned, is delivered on the next business day. Therefore, the value of the collateral held may be temporarily less than 102% or 105% value of the securities on loan. The cash collateral invested by the Adviser is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as “Affiliated securities lending income, net” on the Statement of Operations. As of December 31, 2021, securities lending transactions accounted for as secured borrowings with an overnight and continuous contractual maturity are $432,562. Gross amounts of recognized liabilities for securities lending (collateral received) as of December 31, 2021 is $448,000, resulting in the net amount due to the counterparty of $15,438.

4. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays the Adviser an investment advisory fee which is calculated daily and paid monthly. The Portfolio’s contractual investment advisory fee rate (expressed as an annual rate) is 0.64% of its average daily net assets.

Janus Henderson Services US LLC (formerly Janus Services LLC) (the "Transfer Agent"), a wholly-owned subsidiary of the Adviser, is the Portfolio's transfer agent. The Transfer Agent receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. The Transfer Agent expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, the Transfer Agent provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. The Transfer Agent is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Henderson Distributors US LLC (formerly Janus Distributors LLC) (the "Distributor"), a wholly-owned subsidiary of the Adviser, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to the Distributor for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

The Adviser serves as administrator to the Portfolio pursuant to an administration agreement between the Adviser and the Trust. Under the administration agreement, the Adviser is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent the Adviser seeks reimbursement and such costs are not otherwise waived). In addition, employees of the Adviser and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of the Adviser employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by the Adviser, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services the Adviser (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of the Adviser and/or its affiliates, are shared with the Portfolio. Total compensation of $32,683 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2021. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2021 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2021 are included in "Non-interested

Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of $512,700 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2021.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, the Adviser has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., $1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2021 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by the Adviser in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2021, the Portfolio engaged in cross trades amounting to $1,076,725 in sales, resulting in a net realized gain of $123,871. The net realized gain is included within the "Net Realized Gain/(Loss) on Investments" section of the Portfolio's Statement of Operations.

5. Federal Income Tax

The tax components of capital shown in the table below represent: (1) distribution requirements the Portfolio must satisfy under the income tax regulations; (2) losses or deductions the Portfolio may be able to offset against income and gains realized in future years; and (3) unrealized appreciation or depreciation of investments for federal income tax purposes.

Other book to tax differences primarily consist of deferred compensation, derivatives, and foreign currency contract adjustments. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

			Loss Deferrals		Other Book	Net Tax
Undistributed Ordinary Income	*Undistributed Long-Term Gains*	*Accumulated Capital Losses*	*Late-Year Ordinary Loss*	*Post-October Capital Loss*	*to Tax Differences*	*Appreciation/ (Depreciation)*
$ 4,596,915	$ 247,873,701	$ -	$ -	$ -	$ (44,084)	$796,479,820

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2021 are noted below. The primary differences

between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

Federal Tax Cost	*Unrealized Appreciation*	*Unrealized (Depreciation)*	*Net Tax Appreciation/ (Depreciation)*
$ 973,267,157	$ 820,410,382	$ (23,930,562)	$ 796,479,820

Information on the tax components of derivatives as of December 31, 2021 is as follows:

Federal Tax Cost	*Unrealized Appreciation*	*Unrealized (Depreciation)*	*Net Tax Appreciation/ (Depreciation)*
$ 1,322,046	$ -	$ -	$ -

Tax cost of investments and unrealized appreciation/(depreciation) may also include timing differences that do not constitute adjustments to tax basis.

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, foreign currency transactions, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2021

	Distributions		
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 4,848,858	$ 154,630,024	$ -	$ -

For the year ended December 31, 2020

	Distributions		
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 1,166,288	$ 110,296,383	$ -	$ -

Permanent book to tax basis differences may result in reclassifications between the components of net assets. These differences have no impact on the results of operations or net assets. The following reclassifications have been made to the Portfolio:

Increase/(Decrease) to Capital	*Increase/(Decrease) to Undistributed Net Investment Income/Loss*	*Increase/(Decrease) to Undistributed Net Realized Gain/Loss*
$ -	$ 5,874,498	$ (5,874,498)

6. Capital Share Transactions

	Year ended December 31, 2021		Year ended December 31, 2020	
	Shares	*Amount*	*Shares*	*Amount*
Institutional Shares:				
Shares sold	602,536	$ 58,816,227	962,490	$ 74,261,046
Reinvested dividends and distributions	729,518	68,341,267	726,925	51,851,530
Shares repurchased	(2,155,678)	(210,283,939)	(2,792,786)	(217,475,278)
Net Increase/(Decrease)	(823,624)	$ (83,126,445)	(1,103,371)	$ (91,362,702)
Service Shares:				
Shares sold	1,570,572	$142,157,316	2,291,089	$163,267,970
Reinvested dividends and distributions	1,055,689	91,137,615	898,977	59,611,141
Shares repurchased	(1,929,413)	(174,639,793)	(2,922,142)	(213,198,096)
Net Increase/(Decrease)	696,848	$ 58,655,138	267,924	$ 9,681,015

7. Purchases and Sales of Investment Securities

For the year ended December 31, 2021, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

Purchases of Securities	*Proceeds from Sales of Securities*	*Purchases of Long-Term U.S. Government Obligations*	*Proceeds from Sales of Long-Term U.S. Government Obligations*
$290,223,847	$ 474,072,168	$ -	$ -

8. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2021 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Enterprise Portfolio
Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Enterprise Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Enterprise Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Portfolio's management. Our responsibility is to express an opinion on the Portfolio's financial statements 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 Portfolio 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 15, 2022

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Proxy Voting Policies and Voting Record
A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at http://www.sec.gov. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at http://www.sec.gov.

Full Holdings
The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at http://www.sec.gov; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each fund of Janus Investment Fund (each, a "Fund," and collectively, the "Funds" and together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each Janus Henderson Fund that utilizes a subadviser.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received and reviewed information provided by Janus Henderson Investors US LLC (formerly, Janus Capital Management LLC) (the "Adviser") and the subadviser in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At meetings held on November 3-4, 2021 and December 7-8, 2021, the Trustees' evaluated the information provided by the Adviser, the subadviser, and the independent fee consultant, as well as other information addressed during the year. Following such evaluation, the Trustees determined that the overall arrangements between each Janus Henderson Fund and the Adviser and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by the Adviser, its affiliates and the subadviser, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment and unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2022 through February 1, 2023, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services
The Trustees reviewed the nature, extent and quality of the services provided by the Adviser and the subadviser to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a quarterly

basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of the Adviser and the subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by the Adviser or the subadviser, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered the Adviser's role as administrator to the Janus Henderson Funds, noting that the Adviser generally does not receive a fee for its services as administrator, but is reimbursed for its out-of-pocket costs. The Trustees considered the role of the Adviser in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that the Adviser provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, the Adviser is a capable provider of those services. The independent fee consultant also provided its belief that the Adviser has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by the Adviser and the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that the Adviser and the subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and each had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2021, approximately 55% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2021, approximately 45% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.

- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser and subadviser had taken or were taking to improve performance.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by the Adviser out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by the Adviser to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by the Adviser. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 8% under the average total expenses of the respective Broadridge Expense Group peers; and (3) and the management fees for the Janus Henderson Funds, on average, were 6% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic "focus list" analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the

independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by the Adviser and subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by the Adviser and subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by the Adviser or subadviser (for which the Adviser or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that the Adviser noted that, under the terms of the management agreements with the Janus Henderson Funds, the Adviser performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, the Adviser assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, the Trustees noted that the independent fee consultant found that: (1) the management fees the Adviser charges to the Janus Henderson Funds are reasonable in relation to the management fees the Adviser charges to funds subadvised by the Adviser and to the fees the Adviser charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; and (4) as part of its 2020 review, 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by the Adviser.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2020, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's "total expenses"):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Overseas Portfolio, the Trustees noted that although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.

- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to the Adviser and its affiliates from their relationships with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to the Adviser from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether the Adviser and subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by the Adviser to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by the Adviser were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that the Adviser's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to the Adviser and its affiliates, as well as the fees paid by the Adviser to the subadviser of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees the Adviser and the subadviser charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by the Adviser and subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by the Adviser.

Economies of Scale

The Trustees considered information about the potential for the Adviser to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 75% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. The Trustees also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of the Adviser, the Adviser is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (3) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by the Adviser and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at the Adviser, the Adviser's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, the Adviser appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at the Adviser.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between the Adviser and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to the Adviser

The Trustees also considered benefits that accrue to the Adviser and its affiliates and subadviser to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of the Adviser separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of the Adviser and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered the Adviser's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of the Adviser and/or the Adviser, and/or subadviser to a Janus Henderson Fund. The Trustees concluded that the Adviser's and the subadviser's use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by the Adviser and its affiliates and subadviser pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and the Adviser and the subadviser may potentially benefit from their relationship with each other in other ways. They concluded that the Adviser and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by the Adviser and its affiliates. They also concluded that the Adviser and the subadviser benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from the Adviser's and/or the subadviser's receipt of those products and services as well as research products and services acquired through commissions paid by other clients of the Adviser and/or other clients of the subadviser. They further concluded that the success of any Janus Henderson Fund could attract other business to the Adviser, the subadviser or other Janus Henderson funds, and that the success of the Adviser and the subadviser could enhance the Adviser's and the subadviser's ability to serve the Janus Henderson Funds.

Janus Henderson VIT Enterprise Portfolio
Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2021. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical $10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of the Adviser and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Bloomberg and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes. As a result, the total return may differ from the total return reflected for individual shareholder transactions. Also included are ratios of expenses and net investment income to average net assets.

The Portfolio's expenses may be reduced through expense offsets and expense reimbursements. The ratios shown reflect expenses before and after any such offsets and reimbursements.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Do not confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it does not take into account the dividends distributed to the Portfolio's investors.

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments, and the investment style and/or outlook of the portfolio manager(s) and/or investment personnel. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

Janus Henderson VIT Enterprise Portfolio
Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2021:

Capital Gain Distributions	$154,630,024
Dividends Received Deduction Percentage	100%

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by the Adviser: Janus Investment Fund. Collectively, these two registered investment companies consist of 52 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of the Adviser. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William F. McCalpin 151 Detroit Street Denver, CO 80206 DOB: 1957	Chairman Trustee	1/08-Present 6/02-Present	Independent Consultant (since 2019) and Chief Operating Officer, muun chi LLC (organic food business) (since 2020). Formerly, Managing Partner, Impact Investments, Athena Capital Advisors LLC (independent registered investment advisor) (2016-2019), Managing Director, Holos Consulting LLC (provides consulting services to foundations and other nonprofit organizations) (2009-2016), Chief Executive Officer, Imprint Capital Advisors (impact investment firm) (2013-2015), and Executive Vice President and Chief Operating Officer of The Rockefeller Brothers Fund (a private family foundation) (1998-2006).	52	Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 1 fund) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006). Formerly, Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (2016-2021).

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	52	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	52	Member, Limited Partner Advisory Committee, Karmel Capital Fund III (since 2022), Member of the Investmtnet Committee for the Orange Country Community Foundation (a grantmaking foundation) (since 2020), Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Raudline Etienne 151 Detroit Street Denver, CO 80206 DOB: 1965	Trustee	6/16-Present	Founder, Daraja Capital (advisory and investment firm) (since 2016). Formerly, Senior Vice President and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (2011-2021), and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	52	Member of the Investment Committee for Cooper Union (private college) (since 2021), Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	52	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013). Formerly, Director, West Bend Mutual Insurance Company (property/casualty insurance) (2013-2021), Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	52	Formerly, Director of Family Service of Lake County (2019-2021), Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	52	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), and Shirley Ryan Ability Lab. Formerly, Director of Wrapports, LLC (until 2022), Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Brian Demain 151 Detroit Street Denver, CO 80206 DOB: 1977	Executive Vice President and Co-Portfolio Manager Janus Henderson Enterprise Portfolio	11/07-Present	Portfolio Manager for other Janus Henderson accounts.
Cody Wheaton 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Enterprise Portfolio	7/16-Present	Portfolio Manager for other Janus Henderson accounts and Analyst for Janus Henderson Investors US LLC.
Michelle Rosenberg 151 Detroit Street Denver, CO 80206 DOB: 1973	Interim President and Chief Executive Officer	1/22-Present	General Counsel and Corporate Secretary of Janus Henderson Investors (since 2018). Formerly, Senior Vice President and Head of Legal, North America of Janus Henderson Investors (2017-2018) and Deputy General Counsel of Janus Henderson US (Holdings), Inc. (2015-2018).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Enterprise Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Henderson Investors US LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019-August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors US LLC (May 2017-September 2017), Vice President, Compliance at Janus Henderson US (Holdings) Inc., Janus Henderson Investors US LLC, and Janus Henderson Distributors US LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Henderson Services US LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson
INVESTORS

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors US LLC

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ANNUAL REPORT
December 31, 2021

Janus Henderson VIT Forty Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
INVESTORS

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Janus Henderson VIT Forty Portfolio

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Janus Henderson VIT Forty Portfolio (unaudited)

PORTFOLIO SNAPSHOT

We believe that constructing a concentrated portfolio of quality growth companies will allow us to outperform our benchmark over time. We define quality as companies that enjoy sustainable "moats" around their businesses, potentially allowing them to grow faster, with higher returns, than their competitors. We believe the market often underestimates these companies' sustainable competitive advantage periods.



Doug Rao
co-portfolio manager

Nick Schommer
co-portfolio manager

PERFORMANCE OVERVIEW

For the 12-month period ended December 31, 2021, Janus Henderson VIT Forty Portfolio's Institutional Shares and Service Shares returned 22.90% and 22.60%, respectively, versus a return of 27.60% for the Portfolio's primary benchmark, the Russell 1000® Growth Index. The Portfolio's secondary benchmark, the S&P 500® Index, returned 28.71% for the period.

INVESTMENT ENVIRONMENT

The Russell 1000 Growth Index posted a positive return, ending the year with significant gains despite periods of heightened market volatility. Toward the end of the period, an upsurge in COVID-19 cases due to the fast-spreading Omicron variant threatened to slow economic growth, and markets digested the likelihood for more persistent inflation. The Federal Reserve (Fed) indicated that it would accelerate the tapering of its asset purchases, hastening the withdrawal of pandemic-related stimulus. Nonetheless, markets trended higher as investors hoped that increased vaccination rates and the imminent arrival of oral antiviral drugs could help lessen the health risks posed by the COVID virus.

PERFORMANCE DISCUSSION

The Portfolio underperformed both its primary benchmark, the Russell 1000 Growth Index, and its secondary benchmark, the S&P 500 Index, during the year ended December 31, 2021. Stock selection in the Portfolio detracted from performance relative to the primary benchmark during the period.

As part of our investment strategy, we seek companies that have built clear, sustainable, competitive moats around their businesses, which gives them the potential to grow market share within their respective industries over time. Important competitive advantages could include a strong brand, network effects from a product or service that would be hard for a competitor to replicate, a lower cost structure than competitors in the industry, a distribution advantage or patent protection over valuable intellectual property. We think emphasizing these sustainable competitive advantages can be a meaningful driver of outperformance over longer time horizons because the market often underestimates the duration of growth for these companies and the long-term potential return to shareholders.

Mastercard was among the top relative detractors, as fears that COVID variants would slow a recovery in travel and business activity hurt the company's stock. Recent innovation within the industry such as digital payments, the rise in popularity of "buy now, pay later" and the increasing acceptance of cryptocurrency have also called into question Mastercard's role in the future of payments. We believe these concerns are largely overstated, and that Mastercard's payments network remains positioned to be a key beneficiary as more transactions migrate from cash and check to credit card and electronic payments.

Cloud-based customer engagement platform Twilio was among the top relative detractors. Last year, the company saw demand for its core products grow swiftly as digital transformation efforts accelerated with the COVID-19 pandemic. However, more recently, the stock has suffered from difficult year-over-year comparisons and lower growth expectations. We think this is shortsighted, as the company continues to build an end-to-end customer-centric ecosystem that we believe has the potential for long-term growth.

Disney was also among the top detractors. The company's stock suffered during the period as it reported lower-than-expected growth in new subscribers to its Disney+ online streaming service. The surge in COVID cases as a result of the Delta and Omicron variants also hurt Disney's parks business. Longer term, we like the potential for park visits and travel to rebound strongly once the health risks of COVID subside and believe that significant new content

releases in 2022 and 2023 could be a catalyst for new user growth for Disney+.

Private equity firm The Blackstone Group was among the top relative contributors. During the period, management raised its full-year guidance due to strong performance for their private equity strategies as well as continued inflows into their products. We believe there is a long runway for growth in Blackstone's fee-gathering strategies, as the company remains favorably positioned to capture capital migrating to private equities — a long-term secular trend.

Nvidia, a leading producer of graphics processing units (GPUs), was also among the top contributors, as the stock outperformed following strong results. As large cloud platform providers expand investment in computing-intensive applications such as artificial intelligence and machine learning, demand for Nvidia's GPUs continues to grow. As the company's valuation rose during the period, we reduced our position.

Semiconductor equipment manufacturer ASML Holding was also one of the top relative contributors for the period. As long-term secular demand continues to increase in the semiconductor market, leading chipmakers have announced massive capital investment plans. ASML stands to benefit as the primary provider of extreme ultraviolet (EUV) lithography equipment that is essential in the pursuit of leading-edge semiconductor technology.

OUTLOOK

The endemic phase of the COVID pandemic has been following an unforecastable path. One of the central questions in 2022 is whether we will be in a "capital E" or "lowercase e" phase of the endemic, which will depend on how manageable the virus becomes in the months ahead. The spread of COVID variants, broadening supply chain disruptions and inflationary pressures have surely dampened growth to some extent, but we believe economic activity can continue to normalize in 2022 and expect a healthy year for earnings growth. That said, when economic normalization happens, interest rate normalization is also expected to occur, continuing the tug-of-war between rates and valuations that we have witnessed throughout the year. We would expect to continue to see bouts of market volatility as we did in 2021. Digital transformation, in our opinion, will be the primary driver of longer-term economic growth, and we believe investors would be wise to focus on this as we work through the ebb and flow of the pandemic.

As the U.S. economy retrenches away from globalization, we believe we are in the early innings of sustained lower-income wage inflation. We are beginning to see the "re-industrialization" of the U.S. economy. Our expectation is this secular repricing of low-end wages will create some headwinds on margins for companies without pricing power. However, this should be offset by higher levels of general spend within the economy as consumers now have more money in their pockets. We believe that regardless of the inflationary environment, one of the most important business attributes is pricing power.

While the threat of inflation from rising wages does exist, equities with free-cash-flow yields that are higher than other asset class yields, combined with the potential for significant free-cash-flow growth, appear attractive on a relative basis. We think that owning a portfolio of companies with attractive reinvestment opportunities, trusted relationships with their customers and some degree of pricing power can remain an effective strategy, regardless of whether we are investing in an inflationary or deflationary environment.

Thank you for your investment in Janus Henderson VIT Forty Portfolio.

Janus Henderson VIT Forty Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Top Contributors - Holdings

	Average Weight	Relative Contribution
Blackstone Group Inc	3.29%	1.92%
NVIDIA Corp	2.89%	0.94%
PayPal Holdings Inc	0.25%	0.89%
ASML Holding NV	2.93%	0.85%
Danaher Corp	3.20%	0.60%

5 Top Detractors - Holdings

	Average Weight	Relative Contribution
Mastercard Inc	5.36%	-1.26%
Snap Inc - Class A	3.24%	-1.09%
Twilio Inc	1.60%	-1.01%
CoStar Group Inc	1.91%	-0.89%
Walt Disney Co	1.47%	-0.83%

5 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Financials	1.67%	3.67%	2.17%
Health Care	0.72%	13.57%	11.21%
Materials	0.51%	2.58%	0.90%
Consumer Staples	0.21%	1.92%	4.07%
Utilities	0.00%	0.00%	0.02%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Communication Services	-3.07%	18.38%	12.15%
Consumer Discretionary	-1.55%	15.09%	17.48%
Industrials	-1.28%	4.97%	5.32%
Information Technology	-0.68%	36.30%	44.78%
Other**	-0.38%	1.36%	0.00%

Relative contribution reflects how the portolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown. For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, excluding fixed income securities, gross of advisory fees, may exclude certain derivatives and will differ from actual performance. Performance attribution reflects returns gross of advisory fees and may differ from actual returns as they are based on end of day holdings. Attribution is calculated by geometrically linking daily returns for the portfolio and index.

* Based on sector classification according to the Global Industry Classification Standard ("GICS") codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.

** Not a GICS classified sector.

Janus Henderson VIT Forty Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Largest Equity Holdings - (% of Net Assets)

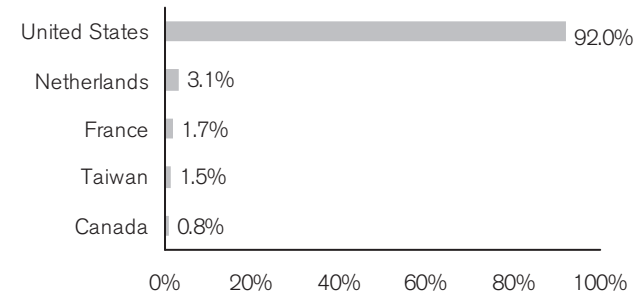
Microsoft Corp	
Software	9.8%
Amazon.com Inc	
Internet & Direct Marketing Retail	7.7%
Apple Inc	
Technology Hardware, Storage & Peripherals	6.0%
Mastercard Inc	
Information Technology Services	4.0%
Alphabet Inc - Class C	
Interactive Media & Services	3.9%
	31.4%

Asset Allocation - (% of Net Assets)

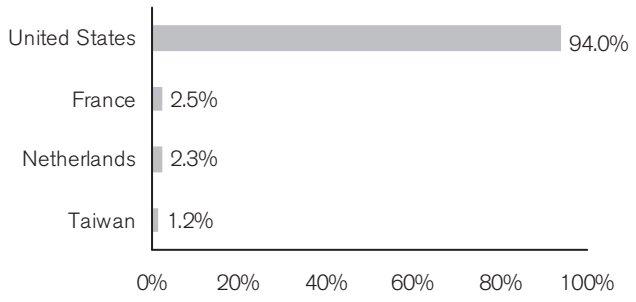
Common Stocks	98.6%
Investment Companies	1.2%
Private Investment in Public Equity (PIPES)	0.3%
Investments Purchased with Cash Collateral from Securities Lending	0.1%
Warrants	0.0%
Other	(0.2)%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

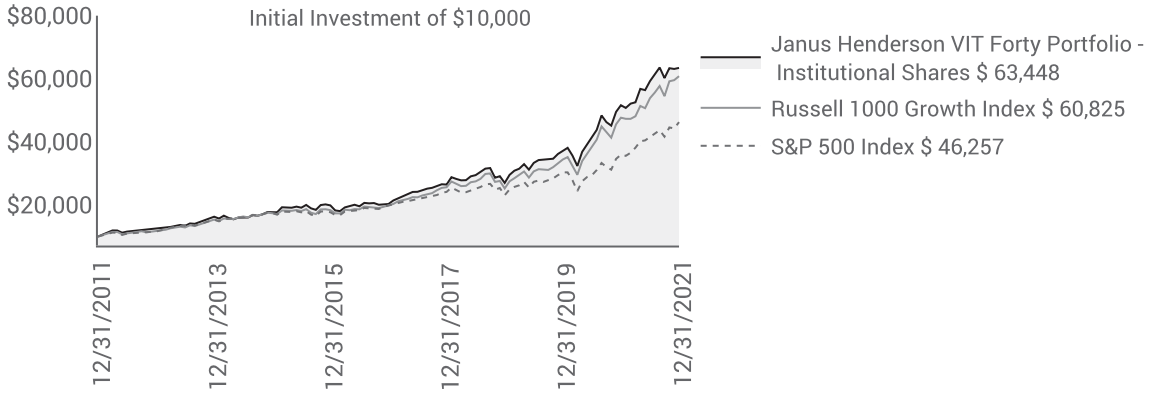
As of December 31, 2021



As of December 31, 2020



Janus Henderson VIT Forty Portfolio (unaudited)
Performance



Average Annual Total Return - for the periods ended December 31, 2021					Prospectus Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses‡
Institutional Shares	22.90%	25.58%	20.29%	13.45%	0.76%
Service Shares	22.60%	25.27%	20.00%	13.14%	1.01%
Russell 1000 Growth Index	27.60%	25.32%	19.79%	10.18%	
S&P 500 Index	28.71%	18.47%	16.55%	9.53%	
Morningstar Quartile - Institutional Shares	2nd	1st	1st	1st	
Morningstar Ranking - based on total returns for Large Growth Funds	527/1,244	208/1,124	99/1,022	10/508	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

This Portfolio has a performance-based management fee that may adjust up or down based on the Portfolio's performance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), Environmental, Social and Governance (ESG) factors, non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

See important disclosures on the next page.

Janus Henderson VIT Forty Portfolio (unaudited)
Performance

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See "Useful Information About Your Portfolio Report."

*The Portfolio's inception date – May 1 ,1997

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Forty Portfolio (unaudited)
Expense Examples

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; 12b-1 distribution and shareholder servicing fees (applicable to Service Shares only); transfer agent fees and expenses payable pursuant to the Transfer Agency Agreement; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of $1,000 invested at the beginning of the period and held for the six-months indicated, unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the appropriate column for your share class under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based upon the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's 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 Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Additionally, for an analysis of the fees associated with an investment in either share class or other similar funds, please visit www.finra.org/fundanalyzer.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as any charges at the separate account level or contract level. These fees are fully described in the Portfolio's prospectuses. Therefore, the hypothetical examples 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 transaction costs were included, your costs would have been higher.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Net Annualized Expense Ratio (7/1/21 - 12/31/21)
Institutional Shares	$1,000.00	$1,070.90	$4.02	$1,000.00	$1,021.32	$3.92	0.77%
Service Shares	$1,000.00	$1,069.70	$5.37	$1,000.00	$1,020.01	$5.24	1.03%

†Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– 98.6%		
Automobiles – 1.2%		
Rivian Automotive Inc - Class A*	138,476	$14,358,576
Capital Markets – 3.6%		
Blackstone Group Inc	348,064	45,036,001
Chemicals – 2.8%		
Sherwin-Williams Co	97,032	34,170,789
Entertainment – 4.5%		
Netflix Inc*	46,933	28,274,317
Walt Disney Co*	176,345	27,314,077
		55,588,394
Equity Real Estate Investment Trusts (REITs) – 2.7%		
American Tower Corp	114,263	33,421,928
Health Care Equipment & Supplies – 11.7%		
Align Technology Inc*	59,456	39,073,294
Boston Scientific Corp*	514,378	21,850,777
Danaher Corp	142,346	46,833,258
DexCom Inc*	39,662	21,296,511
Edwards Lifesciences Corp*	125,970	16,319,414
		145,373,254
Health Care Providers & Services – 1.6%		
UnitedHealth Group Inc	39,973	20,072,042
Hotels, Restaurants & Leisure – 0.9%		
Caesars Entertainment Inc*	125,382	11,726,978
Household Products – 2.1%		
Procter & Gamble Co	157,909	25,830,754
Information Technology Services – 6.8%		
Mastercard Inc	139,030	49,956,260
Shopify Inc*	7,082	9,754,676
Twilio Inc*	95,716	25,205,851
		84,916,787
Interactive Media & Services – 11.0%		
Alphabet Inc - Class C*	16,836	48,716,481
Facebook Inc*	116,967	39,341,850
Match Group Inc*	133,469	17,651,275
Snap Inc - Class A*	663,346	31,197,162
		136,906,768
Internet & Direct Marketing Retail – 10.2%		
Amazon.com Inc*	28,623	95,438,814
Booking Holdings Inc*	8,631	20,707,754
Farfetch Ltd - Class A*	243,531	8,141,241
Grab Holdings Ltd - Class A*,#	390,057	2,781,106
		127,068,915
Machinery – 2.1%		
Deere & Co	75,739	25,970,146
Metals & Mining – 0.8%		
Freeport-McMoRan Inc	247,347	10,321,790
Professional Services – 1.7%		
CoStar Group Inc*	267,500	21,140,525
Semiconductor & Semiconductor Equipment – 8.8%		
ASML Holding NV	48,751	38,812,621
NVIDIA Corp	104,824	30,829,787
Taiwan Semiconductor Manufacturing Co Ltd (ADR)	158,012	19,010,424
Texas Instruments Inc	110,751	20,873,241
		109,526,073
Software – 15.5%		
Adobe Inc*	66,783	37,869,968
Microsoft Corp	361,707	121,649,298
Unity Software Inc*	68,899	9,851,868
Workday Inc - Class A*	84,337	23,039,182
		192,410,316

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– (continued)		
Specialty Retail – 1.5%		
TJX Cos Inc	247,543	$18,793,465
Technology Hardware, Storage & Peripherals – 6.0%		
Apple Inc	418,867	74,378,213
Textiles, Apparel & Luxury Goods – 3.1%		
LVMH Moet Hennessy Louis Vuitton SE	25,693	21,263,858
NIKE Inc - Class B	103,783	17,297,513
		38,561,371
Total Common Stocks (cost $596,094,575)		1,225,573,085
Private Investment in Public Equity (PIPES)– 0.3%		
Diversified Financial Services – 0.3%		
Altimeter Growth Corp*,§ (cost $5,715,450)	571,545	4,075,116
Warrants– 0%		
Internet & Direct Marketing Retail – 0%		
Grab Holdings Ltd, expires 12/1/26* (cost $181,685)	56,841	119,935
Investment Companies– 1.2%		
Money Markets – 1.2%		
Janus Henderson Cash Liquidity Fund LLC, 0.0570%∞,£ (cost $14,134,404)	14,132,991	14,134,404
Investments Purchased with Cash Collateral from Securities Lending– 0.1%		
Investment Companies – 0.1%		
Janus Henderson Cash Collateral Fund LLC, 0%∞,£	1,025,066	1,025,066
Time Deposits – 0%		
Royal Bank of Canada, 0.0400%, 1/3/22	$256,267	256,267
Total Investments Purchased with Cash Collateral from Securities Lending (cost $1,281,333)		1,281,333
Total Investments (total cost $617,407,447) – 100.2%		1,245,183,873
Liabilities, net of Cash, Receivables and Other Assets – (0.2)%		(2,436,915)
Net Assets – 100%		$1,242,746,958

Summary of Investments by Country - (Long Positions) (unaudited)

Country	*Value*	*% of Investment Securities*
United States	$1,145,300,012	92.0 %
Netherlands	38,812,621	3.1
France	21,263,858	1.7
Taiwan	19,010,424	1.5
Canada	9,754,676	0.8
United Kingdom	8,141,241	0.7
Singapore	2,901,041	0.2
Total	$1,245,183,873	100.0 %

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2021

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	*Realized Gain/(Loss)*	*Change in Unrealized Appreciation/ Depreciation*	*Value at 12/31/21*
Investment Companies - 1.2%				
Money Markets - 1.2%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞]	$ 12,452	$ -	$ -	$ 14,134,404
Investments Purchased with Cash Collateral from Securities Lending - 0.1%				
Investment Companies - 0.1%				
Janus Henderson Cash Collateral Fund LLC, 0%[∞]	139,314[Δ]	-	-	1,025,066
Total Affiliated Investments - 1.3%	$ 151,766	$ -	$ -	$ 15,159,470

	Value at 12/31/20	*Purchases*	*Sales Proceeds*	*Value at 12/31/21*
Investment Companies - 1.2%				
Money Markets - 1.2%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[∞]	22,532,880	233,268,120	(241,666,596)	14,134,404
Investments Purchased with Cash Collateral from Securities Lending - 0.1%				
Investment Companies - 0.1%				
Janus Henderson Cash Collateral Fund LLC, 0%[∞]	-	14,973,440	(13,948,374)	1,025,066

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Notes to Schedule of Investments and Other Information

Russell 1000® Growth Index	Russell 1000® Growth Index reflects the performance of U.S. large-cap equities with higher price-to-book ratios and higher forecasted growth values.
S&P 500® Index	S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
ADR	American Depositary Receipt
LLC	Limited Liability Company

*	Non-income producing security.
ºº	Rate shown is the 7-day yield as of December 31, 2021.
#	Loaned security; a portion of the security is on loan at December 31, 2021.
£	The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.
Δ	Net of income paid to the securities lending agent and rebates paid to the borrowing counterparties.

§ Schedule of Restricted Securities (as of December 31, 2021)

	Acquisition Date	*Cost*	*Value*	*Value as a % of Net Assets*
Altimeter Growth Corp	4/14/21	$ 5,715,450	$ 4,075,116	0.3%

The Portfolio has registration rights for certain restricted securities held as of December 31, 2021. The issuer incurs all registration costs.

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2021. See Notes to Financial Statements for more information.

Valuation Inputs Summary

	Level 1 - Quoted Prices	***Level 2 - Other Significant Observable Inputs***	***Level 3 - Significant Unobservable Inputs***
Assets			
Investments In Securities:			
Common Stocks	$ 1,225,573,085	$ -	$ -
Private Investment in Public Equity (PIPES)	-	4,075,116	-
Warrants	119,935	-	-
Investment Companies	-	14,134,404	-
Investments Purchased with Cash Collateral from Securities Lending	-	1,281,333	-
Total Assets	$ 1,225,693,020	$ 19,490,853	$ -

Janus Henderson VIT Forty Portfolio
Statement of Assets and Liabilities
December 31, 2021

Assets:		
Unaffiliated investments, at value (cost $602,247,977)[1]	$	1,230,024,403
Affiliated investments, at value (cost $15,159,470)		15,159,470
Non-interested Trustees' deferred compensation		32,437
Receivables:		
Dividends		330,157
Portfolio shares sold		31,586
Foreign tax reclaims		26,796
Dividends from affiliates		830
Other assets		12,991
Total Assets		1,245,618,670
Liabilities:		
Collateral for securities loaned (Note 2)		1,281,333
Payables:		
Advisory fees		708,585
Portfolio shares repurchased		481,561
12b-1 Distribution and shareholder servicing fees		161,815
Transfer agent fees and expenses		58,346
Professional fees		39,367
Non-interested Trustees' deferred compensation fees		32,437
Affiliated portfolio administration fees payable		2,796
Custodian fees		1,877
Non-interested Trustees' fees and expenses		438
Accrued expenses and other payables		103,157
Total Liabilities		2,871,712
Net Assets	$	1,242,746,958
Net Assets Consist of:		
Capital (par value and paid-in surplus)	$	472,196,934
Total distributable earnings (loss)		770,550,024
Total Net Assets	$	1,242,746,958
Net Assets - Institutional Shares	$	523,821,700
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		8,483,154
Net Asset Value Per Share	$	61.75
Net Assets - Service Shares	$	718,925,258
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		12,693,502
Net Asset Value Per Share	$	56.64

(1) Includes $1,251,493 of securities on loan. See Note 2 in Notes to Financial Statements.

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Statement of Operations
For the year ended December 31, 2021

Investment Income:		
Dividends	$	6,128,937
Affiliated securities lending income, net		139,314
Dividends from affiliates		12,452
Unaffiliated securities lending income, net		199
Foreign tax withheld		(132,167)
Total Investment Income		6,148,735
Expenses:		
Advisory fees		8,257,681
12b-1 Distribution and shareholder servicing fees:		
Service Shares		1,713,035
Transfer agent administrative fees and expenses:		
Institutional Shares		248,460
Service Shares		342,607
Other transfer agent fees and expenses:		
Institutional Shares		17,091
Service Shares		10,660
Professional fees		45,498
Shareholder reports expense		39,910
Affiliated portfolio administration fees		32,927
Registration fees		23,377
Non-interested Trustees' fees and expenses		18,701
Custodian fees		8,334
Other expenses		92,134
Total Expenses		10,850,415
Net Investment Income/(Loss)		(4,701,680)
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		149,827,984
Total Net Realized Gain/(Loss) on Investments		149,827,984
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		94,109,183
Total Change in Unrealized Net Appreciation/Depreciation		94,109,183
Net Increase/(Decrease) in Net Assets Resulting from Operations	$	239,235,487

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Statements of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Operations:		
Net investment income/(loss)	$ (4,701,680)	$ (1,577,379)
Net realized gain/(loss) on investments	149,827,984	142,555,684
Change in unrealized net appreciation/depreciation	94,109,183	177,594,441
Net Increase/(Decrease) in Net Assets Resulting from Operations	239,235,487	318,572,746
Dividends and Distributions to Shareholders:		
Institutional Shares	(57,583,957)	(28,629,140)
Service Shares	(86,533,730)	(43,209,494)
Net Decrease from Dividends and Distributions to Shareholders	(144,117,687)	(71,838,634)
Capital Share Transactions:		
Institutional Shares	17,956,305	(4,352,608)
Service Shares	33,063,766	(32,885,634)
Net Increase/(Decrease) from Capital Share Transactions	51,020,071	(37,238,242)
Net Increase/(Decrease) in Net Assets	146,137,871	209,495,870
Net Assets:		
Beginning of period	1,096,609,087	887,113,217
End of period	$ 1,242,746,958	$ 1,096,609,087

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$57.00	$44.38	$35.20	$39.76	$32.19
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[1]	(0.15)	(0.01)	0.09	0.07	0.02
Net realized and unrealized gain/(loss)	12.39	16.29	12.55	1.31	9.58
Total from Investment Operations	12.24	16.28	12.64	1.38	9.60
Less Dividends and Distributions:					
Dividends (from net investment income)	—	(0.14)	(0.06)	—	—
Distributions (from capital gains)	(7.49)	(3.52)	(3.40)	(5.94)	(2.03)
Total Dividends and Distributions	(7.49)	(3.66)	(3.46)	(5.94)	(2.03)
Net Asset Value, End of Period	$61.75	$57.00	$44.38	$35.20	$39.76
Total Return*	22.90%	39.40%	37.16%	1.98%	30.31%
Net Assets, End of Period (in thousands)	$523,822	$462,216	$362,001	$292,132	$309,258
Average Net Assets for the Period (in thousands)	$497,818	$389,419	$337,416	$327,962	$297,125
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.77%	0.76%	0.77%	0.71%	0.82%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.77%	0.76%	0.77%	0.71%	0.82%
Ratio of Net Investment Income/(Loss)	(0.25)%	(0.02)%	0.23%	0.17%	0.05%
Portfolio Turnover Rate	31%	41%	35%	41%	39%

Service Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$52.96	$41.53	$33.15	$37.84	$30.79
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[1]	(0.28)	(0.12)	(0.01)	(0.03)	(0.07)
Net realized and unrealized gain/(loss)	11.45	15.15	11.80	1.28	9.15
Total from Investment Operations	11.17	15.03	11.79	1.25	9.08
Less Dividends and Distributions:					
Dividends (from net investment income)	—	(0.08)	(0.01)	—	—
Distributions (from capital gains)	(7.49)	(3.52)	(3.40)	(5.94)	(2.03)
Total Dividends and Distributions	(7.49)	(3.60)	(3.41)	(5.94)	(2.03)
Net Asset Value, End of Period	$56.64	$52.96	$41.53	$33.15	$37.84
Total Return*	22.60%	39.03%	36.85%	1.72%	29.99%
Net Assets, End of Period (in thousands)	$718,925	$634,393	$525,112	$427,321	$466,969
Average Net Assets for the Period (in thousands)	$686,446	$548,645	$495,465	$487,559	$457,168
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	1.02%	1.01%	1.02%	0.96%	1.06%
Ratio of Net Expenses (After Waivers and Expense Offsets)	1.02%	1.01%	1.02%	0.96%	1.06%
Ratio of Net Investment Income/(Loss)	(0.50)%	(0.27)%	(0.02)%	(0.08)%	(0.19)%
Portfolio Turnover Rate	31%	41%	35%	41%	39%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

See Notes to Financial Statements.

1. Organization and Significant Accounting Policies

Janus Henderson VIT Forty Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 10 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as nondiversified, as defined in the 1940 Act. Janus Henderson Investors US LLC (formerly Janus Capital Management LLC) is the investment adviser (the "Adviser") to the Portfolio.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting principles ("US GAAP")).

The following accounting policies have been followed by the Portfolio and are in conformity with US GAAP.

Investment Valuation

Securities held by the Portfolio are valued in accordance with policies and procedures established by and under the supervision of the Trustees (the "Valuation Procedures"). Equity securities traded on a domestic securities exchange are generally valued at the closing prices on the primary market or exchange on which they trade. If such price is lacking for the trading period immediately preceding the time of determination, such securities are valued at their current bid price. Equity securities that are traded on a foreign exchange are generally valued at the closing prices on such markets. In the event that there is no current trading volume on a particular security in such foreign exchange, the bid price from the primary exchange is generally used to value the security. Securities that are traded on the over-the-counter ("OTC") markets are generally valued at their closing or latest bid prices as available. Foreign securities and currencies are converted to U.S. dollars using the applicable exchange rate in effect at the close of the New York Stock Exchange ("NYSE"). The Portfolio will determine the market value of individual securities held by it by using prices provided by one or more approved professional pricing services or, as needed, by obtaining market quotations from independent broker-dealers. Most debt securities are valued in accordance with the evaluated bid price supplied by the pricing service that is intended to reflect market value. The evaluated bid price supplied by the pricing service is an evaluation that may consider factors such as security prices, yields, maturities and ratings. Certain short-term securities maturing within 60 days or less may be evaluated and valued on an amortized cost basis provided that the amortized cost determined approximates market value. Securities for which market quotations or evaluated prices are not readily available or deemed unreliable are valued at fair value determined in good faith under the Valuation Procedures. Circumstances in which fair value pricing may be utilized include, but are not limited to: (i) a significant event that may affect the securities of a single issuer, such as a merger, bankruptcy, or significant issuer-specific development; (ii) an event that may affect an entire market, such as a natural disaster or significant governmental action; (iii) a nonsignificant event such as a market closing early or not opening, or a security trading halt; and (iv) pricing of a nonvalued security and a restricted or nonpublic security. Special valuation considerations may apply with respect to "odd-lot" fixed-income transactions which, due to their small size, may receive evaluated prices by pricing services which reflect a large block trade and not what actually could be obtained for the odd-lot position. The Portfolio uses systematic fair valuation models provided by independent third parties to value international equity securities in order to adjust for stale pricing, which may occur between the close of certain foreign exchanges and the close of the NYSE.

Valuation Inputs Summary

FASB ASC 820, Fair Value Measurements and Disclosures ("ASC 820"), defines fair value, establishes a framework for measuring fair value, and expands disclosure requirements regarding fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2021 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income
Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Non-cash dividends, if any, are recorded on the ex-dividend date at fair value. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes.

Expenses
The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates
The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Indemnifications
In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations
The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions
The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes
The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Other Investments and Strategies

Additional Investment Risk
In response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, including those which may be attributable to global climate change, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Portfolio's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United

States. These disruptions could prevent a Portfolio from executing advantageous investment decisions in a timely manner and negatively impact a Portfolio's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Portfolio. In addition, these disruptions could also impair the information technology and other operational systems upon which the Portfolio's service providers, including the Adviser or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Portfolio's service providers to perform essential tasks on behalf of the Portfolio. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. Among other things, these developments have adversely affected the value and exchange rate of the euro and pound sterling, and may continue to significantly affect the economies of all EU countries, which in turn may have a material adverse effect on the Portfolio's investments in such countries, other countries that depend on EU countries for significant amounts of trade or investment, or issuers with exposure to debt issued by certain EU countries.

Counterparties
Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that the Adviser believes to be creditworthy at the time of the transaction. There is always the risk that the Adviser's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

Offsetting Assets and Liabilities
The Portfolio presents gross and net information about transactions that are either offset in the financial statements or subject to an enforceable master netting arrangement or similar agreement with a designated counterparty, regardless of whether the transactions are actually offset in the Statement of Assets and Liabilities.

The following table presents gross amounts of recognized assets and/or liabilities and the net amounts after deducting collateral that has been pledged by counterparties or has been pledged to counterparties (if applicable). For corresponding information grouped by type of instrument, see the Portfolio's Schedule of Investments.

Offsetting of Financial Assets and Derivative Assets

Counterparty	Gross Amounts of Recognized Assets	Offsetting Asset or Liability[(a)]	Collateral Pledged[(b)]	Net Amount
JPMorgan Chase Bank, National Association	$ 1,251,493	$ —	$ (1,251,493)	$ —

(a) Represents the amount of assets or liabilities that could be offset with the same counterparty under master netting or similar agreements that management elects not to offset on the Statement of Assets and Liabilities.

(b) Collateral pledged is limited to the net outstanding amount due to/from an individual counterparty. The actual collateral amounts pledged may exceed these amounts and may fluctuate in value.

JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. For financial reporting purposes, the Portfolio does not offset financial instruments' payables and receivables and related collateral on the Statement of Assets and Liabilities. Securities on loan will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the Securities and Exchange Commission (the "SEC"). See "Securities Lending" in the "Notes to Financial Statements" for additional information.

Real Estate Investing
The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities, real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Restricted Security Transactions
Restricted securities held by the Portfolio may not be sold except in exempt transactions or in a public offering registered under the Securities Act of 1933, as amended. The risk of investing in such securities is generally greater than the risk of investing in the securities of widely held, publicly traded companies. Lack of a secondary market and resale restrictions may result in the inability of the Portfolio to sell a security at a fair price and may substantially delay the sale of the security. In addition, these securities may exhibit greater price volatility than securities for which secondary markets exist.

Private Investment in Public Equity
Private investments in public equity ("PIPEs") are equity securities privately purchased from public companies (including special purpose acquisition companies) at a specified price. PIPEs generally are not registered with the SEC until after a certain time period from the date the private sale is completed. Until the public registration process is completed, PIPEs are restricted as to resale and the Portfolio cannot freely trade the securities. Generally, such restrictions cause the PIPEs to be illiquid during this time. PIPEs may contain provisions that the issuer will pay specified financial penalties to the holder if the issuer does not publicly register the restricted equity securities within a specified period of time, but there is no assurance that the restricted equity securities will be publicly registered, or that the registration will remain in effect. To the extent that they increase the supply of a company's stock in the market, PIPEs can potentially dilute the value of existing shares.

Securities Lending
Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total

assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, the Adviser makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the SEC. If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. In certain circumstances individual loan transactions could yield negative returns.

Upon receipt of cash collateral, the Adviser may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. The Adviser currently intends to primarily invest the cash collateral in a cash management vehicle for which the Adviser serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, the Adviser has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, the Adviser receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation. Additional required collateral, or excess collateral returned, is delivered on the next business day. Therefore, the value of the collateral held may be temporarily less than 102% or 105% value of the securities on loan. The cash collateral invested by the Adviser is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as "Affiliated securities lending income, net" on the Statement of Operations. As of December 31, 2021, securities lending transactions accounted for as secured borrowings with an overnight and continuous contractual maturity are $1,251,493. Gross amounts of recognized liabilities for securities lending (collateral received) as of December 31, 2021 is $1,281,333, resulting in the net amount due to the counterparty of $29,840.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays the Adviser an investment advisory fee rate that may adjust up or down based on the Portfolio's performance relative to its benchmark index.

The investment advisory fee rate paid to the Adviser by the Portfolio consists of two components: (1) a base fee calculated by applying the contractual fixed rate of the advisory fee to the Portfolio's average daily net assets during the previous month (the "Base Fee Rate"), plus or minus (2) a performance-fee adjustment (the "Performance Adjustment") calculated by applying a variable rate of up to 0.15% (positive or negative) to the Portfolio's average daily net assets based on the Portfolio's relative performance compared to the cumulative investment record of its benchmark index over a 36-month performance measurement period or shorter time period, as applicable. The investment advisory fee rate is calculated daily and paid monthly.

The investment performance of the Portfolio's Service Shares for the performance measurement period is used to calculate the Performance Adjustment. The Portfolio's Base Fee Rate prior to any performance adjustment (expressed as an annual rate) is 0.64%, and the Portfolio's benchmark index used in the calculation is the Russell 1000® Growth Index.

No Performance Adjustment is applied unless the difference between the Portfolio's investment performance and the cumulative investment record of the Portfolio's benchmark index is 0.50% or greater (positive or negative) during the applicable performance measurement period. The Base Fee Rate is subject to an upward or downward Performance Adjustment for every full 0.50% increment by which the Portfolio outperforms or underperforms its benchmark index, up to the Portfolio's full performance rate of ±8.50%. Because the Performance Adjustment is tied to a Portfolio's relative performance compared to its benchmark index (and not its absolute performance), the Performance Adjustment could increase the Adviser's fee even if the Portfolio's Shares lose value during the performance measurement period and could decrease the Adviser's fee even if the Portfolio's Shares increase in value during the performance measurement period. For purposes of computing the Base Fee Rate and the Performance Adjustment, net assets are averaged over different periods (average daily net assets during the previous month for the Base Fee Rate, versus average daily net assets during the performance measurement period for the Performance Adjustment). Performance of the Portfolio is calculated net of expenses whereas the Portfolio's benchmark index does not have any fees or expenses. Reinvestment of dividends and distributions is included in calculating both the performance of a Portfolio and the Portfolio's benchmark index.

The Portfolio's prospectuses and statement(s) of additional information contain additional information about performance-based fees. The amount shown as advisory fees on the Statement of Operations reflects the Base Fee Rate plus/minus any Performance Adjustment. For the year ended December 31, 2021, the performance adjusted investment advisory fee rate before any waivers and/or reimbursements of expenses is 0.70%.

Janus Henderson Services US LLC (formerly Janus Services LLC) (the "Transfer Agent"), a wholly-owned subsidiary of the Adviser, is the Portfolio's transfer agent. The Transfer Agent receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. The Transfer Agent expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, the Transfer Agent provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. The Transfer Agent is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Henderson Distributors US LLC (formerly Janus Distributors LLC) (the "Distributor"), a wholly-owned subsidiary of the Adviser, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to the Distributor for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

The Adviser serves as administrator to the Portfolio pursuant to an administration agreement between the Adviser and the Trust. Under the administration agreement, the Adviser is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent the Adviser seeks reimbursement and such costs are not otherwise waived). In addition, employees of the Adviser and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of the Adviser employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by the Adviser, and these costs are

separate and apart from advisory fees and other expenses paid in connection with the investment advisory services the Adviser (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of the Adviser and/or its affiliates, are shared with the Portfolio. Total compensation of $32,683 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2021. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2021 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2021 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of $512,700 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2021.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, the Adviser has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., $1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2021 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

4. Federal Income Tax

The tax components of capital shown in the table below represent: (1) distribution requirements the Portfolio must satisfy under the income tax regulations; (2) losses or deductions the Portfolio may be able to offset against income and gains realized in future years; and (3) unrealized appreciation or depreciation of investments for federal income tax purposes.

Other book to tax differences primarily consist of deferred compensation. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

			Loss Deferrals			
Undistributed Ordinary Income	*Undistributed Long-Term Gains*	*Accumulated Capital Losses*	*Late-Year Ordinary Loss*	*Post-October Capital Loss*	*Other Book to Tax Differences*	*Net Tax Appreciation/ (Depreciation)*
$ -	$ 145,004,112	$ -	$ -	$ -	$ (30,813)	$625,576,725

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2021 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

Federal Tax Cost	*Unrealized Appreciation*	*Unrealized (Depreciation)*	*Net Tax Appreciation/ (Depreciation)*
$ 619,607,148	$ 637,934,920	$ (12,358,195)	$ 625,576,725

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, foreign currency transactions, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2021

Distributions			
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 6,110,328	$ 138,007,359	$ -	$ 808,966

For the year ended December 31, 2020

Distributions			
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 6,253,584	$ 65,585,050	$ -	$ -

Permanent book to tax basis differences may result in reclassifications between the components of net assets. These differences have no impact on the results of operations or net assets. The following reclassifications have been made to the Portfolio:

Increase/(Decrease) to Capital	*Increase/(Decrease) to Undistributed Net Investment Income/Loss*	*Increase/(Decrease) to Undistributed Net Realized Gain/Loss*
$ (808,966)	$ 5,355,929	$ (4,546,963)

5. Capital Share Transactions

	Year ended December 31, 2021		*Year ended December 31, 2020*	
	Shares	*Amount*	*Shares*	*Amount*
Institutional Shares:				
Shares sold	616,212	$ 36,999,487	1,037,980	$ 48,778,741
Reinvested dividends and distributions	1,032,896	57,583,957	667,502	28,629,140
Shares repurchased	(1,275,262)	(76,627,139)	(1,752,621)	(81,760,489)
Net Increase/(Decrease)	373,846	$ 17,956,305	(47,139)	$ (4,352,608)
Service Shares:				
Shares sold	1,062,017	$ 58,666,038	1,055,239	$ 47,177,425
Reinvested dividends and distributions	1,689,782	86,533,730	1,082,945	43,209,494
Shares repurchased	(2,037,017)	(112,136,002)	(2,804,441)	(123,272,553)
Net Increase/(Decrease)	714,782	$ 33,063,766	(666,257)	$(32,885,634)

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2021, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

Purchases of Securities	*Proceeds from Sales of Securities*	*Purchases of Long-Term U.S. Government Obligations*	*Proceeds from Sales of Long-Term U.S. Government Obligations*
$360,978,807	$ 444,925,618	$ -	$ -

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2021 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Forty Portfolio
Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Forty Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Forty Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Portfolio’s management. Our responsibility is to express an opinion on the Portfolio’s financial statements 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 Portfolio 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, and investee company. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 15, 2022

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Forty Portfolio
Additional Information (unaudited)

Proxy Voting Policies and Voting Record
A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at http://www.sec.gov. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at http://www.sec.gov.

Full Holdings
The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at http://www.sec.gov; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each fund of Janus Investment Fund (each, a "Fund," and collectively, the "Funds" and together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each Janus Henderson Fund that utilizes a subadviser.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received and reviewed information provided by Janus Henderson Investors US LLC (formerly, Janus Capital Management LLC) (the "Adviser") and the subadviser in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At meetings held on November 3-4, 2021 and December 7-8, 2021, the Trustees' evaluated the information provided by the Adviser, the subadviser, and the independent fee consultant, as well as other information addressed during the year. Following such evaluation, the Trustees determined that the overall arrangements between each Janus Henderson Fund and the Adviser and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by the Adviser, its affiliates and the subadviser, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment and unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2022 through February 1, 2023, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services
The Trustees reviewed the nature, extent and quality of the services provided by the Adviser and the subadviser to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a quarterly

basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of the Adviser and the subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by the Adviser or the subadviser, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered the Adviser's role as administrator to the Janus Henderson Funds, noting that the Adviser generally does not receive a fee for its services as administrator, but is reimbursed for its out-of-pocket costs. The Trustees considered the role of the Adviser in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that the Adviser provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, the Adviser is a capable provider of those services. The independent fee consultant also provided its belief that the Adviser has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by the Adviser and the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that the Adviser and the subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and each had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2021, approximately 55% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2021, approximately 45% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.

- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser and subadviser had taken or were taking to improve performance.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by the Adviser out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by the Adviser to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by the Adviser. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 8% under the average total expenses of the respective Broadridge Expense Group peers; and (3) and the management fees for the Janus Henderson Funds, on average, were 6% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic "focus list" analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the

independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by the Adviser and subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by the Adviser and subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by the Adviser or subadviser (for which the Adviser or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that the Adviser noted that, under the terms of the management agreements with the Janus Henderson Funds, the Adviser performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, the Adviser assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, the Trustees noted that the independent fee consultant found that: (1) the management fees the Adviser charges to the Janus Henderson Funds are reasonable in relation to the management fees the Adviser charges to funds subadvised by the Adviser and to the fees the Adviser charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; and (4) as part of its 2020 review, 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by the Adviser.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2020, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's "total expenses"):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Overseas Portfolio, the Trustees noted that although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.

- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to the Adviser and its affiliates from their relationships with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to the Adviser from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether the Adviser and subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by the Adviser to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by the Adviser were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that the Adviser's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to the Adviser and its affiliates, as well as the fees paid by the Adviser to the subadviser of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees the Adviser and the subadviser charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by the Adviser and subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by the Adviser.

Economies of Scale

The Trustees considered information about the potential for the Adviser to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 75% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. The Trustees also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of the Adviser, the Adviser is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (3) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by the Adviser and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at the Adviser, the Adviser's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, the Adviser appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at the Adviser.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between the Adviser and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to the Adviser

The Trustees also considered benefits that accrue to the Adviser and its affiliates and subadviser to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of the Adviser separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of the Adviser and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered the Adviser's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of the Adviser and/or the Adviser, and/or subadviser to a Janus Henderson Fund. The Trustees concluded that the Adviser's and the subadviser's use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by the Adviser and its affiliates and subadviser pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and the Adviser and the subadviser may potentially benefit from their relationship with each other in other ways. They concluded that the Adviser and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by the Adviser and its affiliates. They also concluded that the Adviser and the subadviser benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from the Adviser's and/or the subadviser's receipt of those products and services as well as research products and services acquired through commissions paid by other clients of the Adviser and/or other clients of the subadviser. They further concluded that the success of any Janus Henderson Fund could attract other business to the Adviser, the subadviser or other Janus Henderson funds, and that the success of the Adviser and the subadviser could enhance the Adviser's and the subadviser's ability to serve the Janus Henderson Funds.

Janus Henderson VIT Forty Portfolio
Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2021. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical $10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of the Adviser and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Bloomberg and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes. As a result, the total return may differ from the total return reflected for individual shareholder transactions. Also included are ratios of expenses and net investment income to average net assets.

Janus Henderson VIT Forty Portfolio
Useful Information About Your Portfolio Report (unaudited)

The Portfolio's expenses may be reduced through expense offsets and expense reimbursements. The ratios shown reflect expenses before and after any such offsets and reimbursements.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Do not confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it does not take into account the dividends distributed to the Portfolio's investors.

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments, and the investment style and/or outlook of the portfolio manager(s) and/or investment personnel. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

Janus Henderson VIT Forty Portfolio
Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2021:

Capital Gain Distributions	$138,007,359

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by the Adviser: Janus Investment Fund. Collectively, these two registered investment companies consist of 52 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of the Adviser. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William F. McCalpin 151 Detroit Street Denver, CO 80206 DOB: 1957	Chairman Trustee	1/08-Present 6/02-Present	Independent Consultant (since 2019) and Chief Operating Officer, muun chi LLC (organic food business) (since 2020). Formerly, Managing Partner, Impact Investments, Athena Capital Advisors LLC (independent registered investment advisor) (2016-2019), Managing Director, Holos Consulting LLC (provides consulting services to foundations and other nonprofit organizations) (2009-2016), Chief Executive Officer, Imprint Capital Advisors (impact investment firm) (2013-2015), and Executive Vice President and Chief Operating Officer of The Rockefeller Brothers Fund (a private family foundation) (1998-2006).	52	Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 1 fund) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006). Formerly, Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (2016-2021).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	52	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	52	Member, Limited Partner Advisory Committee, Karmel Capital Fund III (since 2022), Member of the Investmtnet Committee for the Orange Country Community Foundation (a grantmaking foundation) (since 2020), Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Raudline Etienne 151 Detroit Street Denver, CO 80206 DOB: 1965	Trustee	6/16-Present	Founder, Daraja Capital (advisory and investment firm) (since 2016). Formerly, Senior Vice President and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (2011-2021), and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	52	Member of the Investment Committee for Cooper Union (private college) (since 2021), Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	52	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013). Formerly, Director, West Bend Mutual Insurance Company (property/casualty insurance) (2013-2021), Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	52	Formerly, Director of Family Service of Lake County (2019-2021), Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	52	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), and Shirley Ryan Ability Lab. Formerly, Director of Wrapports, LLC (until 2022), Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
A. Douglas Rao 151 Detroit Street Denver, CO 80206 DOB: 1974	Executive Vice President and Co-Portfolio Manager Janus Henderson Forty Portfolio	6/13-Present	Portfolio Manager for other Janus Henderson accounts.
Nick Schommer 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Forty Portfolio	1/16-Present	Portfolio Manager for other Janus Henderson accounts.
Michelle Rosenberg 151 Detroit Street Denver, CO 80206 DOB: 1973	Interim President and Chief Executive Officer	1/22-Present	General Counsel and Corporate Secretary of Janus Henderson Investors (since 2018). Formerly, Senior Vice President and Head of Legal, North America of Janus Henderson Investors (2017-2018) and Deputy General Counsel of Janus Henderson US (Holdings), Inc. (2015-2018).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Henderson Investors US LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019-August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors US LLC (May 2017-September 2017), Vice President, Compliance at Janus Henderson US (Holdings) Inc., Janus Henderson Investors US LLC, and Janus Henderson Distributors US LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Henderson Services US LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Forty Portfolio
Notes

Janus Henderson
INVESTORS

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors US LLC

109-02-81115 03-22

PIMCO

PIMCO VARIABLE INSURANCE TRUST

Annual Report

December 31, 2021

PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

A company of Allianz

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This material is authorized for use only when preceded or accompanied by the current PIMCO Variable Insurance Trust (the "Trust") prospectus for the Portfolio. (The variable product prospectus may be obtained by contacting your Investment Consultant.)

Dear Shareholder,

We hope that you and your family are remaining safe and healthy during these challenging times. We continue to work tirelessly to navigate markets and manage the assets that you have entrusted to us. Following this letter is the PIMCO Variable Insurance Trust Annual Report, which covers the 12-month reporting period ended December 31, 2021. On the subsequent pages, you will find specific details regarding investment results and a discussion of the factors that most affected performance during the reporting period.

For the 12-month reporting period ended December 31, 2021

The global economy continued to be affected by the COVID-19 pandemic ("COVID-19") and its variants. Looking back, first quarter 2021 U.S. annualized gross domestic product ("GDP") was 6.3%. The economy gained momentum during the second quarter, as GDP growth in the U.S. was 6.7%. Growth then moderated to 2.3% during the third quarter of the year. Finally, the Commerce Department's initial estimate for fourth quarter annualized GDP growth — released after the reporting period ended — was 6.9%.

In the U.S., while the Federal Reserve Board (the "Fed") maintained the federal funds rate at an all-time low of a range between 0.00% and 0.25%, it took a step toward tightening its monetary policy. At its meeting in early November 2021, the Fed began reducing the monthly pace of its net asset purchases of Treasury securities and agency mortgage-backed securities. At its meeting in mid-December, the Fed further reduced the monthly pace of its purchases. At the current pace, the U.S. central bank will conclude its asset purchases in mid-March 2022, and could raise interest rates during its March 2022 meeting.

Economies outside the U.S. also continued to be impacted by COVID-19. In its October 2021 *World Economic Outlook*, the International Monetary Fund ("IMF") said it expects U.S. GDP growth to be 6.0% in 2021, compared to a 3.4% contraction in 2020. Elsewhere, the IMF expects 2021 GDP growth in the eurozone, U.K. and Japan will be 5.0%, 6.8% and 2.4%, respectively. For comparison purposes, the GDP of these economies contracted by -6.3%, -9.8% and -4.6%, respectively, in 2020.

The Bank of England (the "BoE") also tightened its monetary policy, while several other developed country central banks maintained their accommodative stances. In December 2021, the BoE surprised the market and raised rates for the first time since COVID-19 began. The BoE cited underlying inflation pressures and expects inflation to remain high in the coming months. In contrast, the European Central Bank (the "ECB") diverged from the Fed and the BoE, as President Christine Lagarde said, "It is very unlikely that we will raise interest rates in the year 2022." The eurozone economy is still below its pre-pandemic level and the Omicron variant is threatening growth in the region. Elsewhere, the Bank of Japan (the "BoJ") pared back its emergency pandemic funding in late 2021, but maintained its loose monetary policy. The BoJ appears likely to remain accommodative in the near future given the headwinds facing its economy.

Both short- and long-term U.S. Treasury yields moved higher during the reporting period. The yield on the benchmark 10-year U.S. Treasury note was 1.52% at the end of the reporting period, versus 0.93% on December 31, 2020. The Bloomberg Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment-grade countries, including both developed and emerging markets, returned -1.86%. Meanwhile, the Bloomberg Global Aggregate Credit Index (USD Hedged), a widely used index of global investment-grade credit bonds, returned -0.95%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, produced mixed returns. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned 5.06%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned -1.51%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -8.75%.

Amid periods of volatility, global equities largely posted solid results. All told, U.S. equities, as represented by the S&P 500 Index, returned 28.71%, fueled by strong investor demand and growth in the economy. Global equities, as represented by the MSCI World Index, gained 21.82%, whereas emerging market equities, as measured by the MSCI Emerging Markets Index, returned -2.54%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 6.62% and European equities, as represented by the MSCI Europe Index (in EUR), gained 25.13%.

Commodity prices were volatile and generated mixed results. When the reporting period began, Brent crude oil was approximately $52 a barrel. Brent crude oil ended the reporting period at roughly $78 a barrel. We believe that a driver of the sharp increase in oil price was stronger demand as global growth improved. Elsewhere, copper prices moved higher, whereas gold prices declined.

Finally, there were also periods of volatility in the foreign exchange markets, in our view due to economic growth expectations, changing central bank monetary policies, rising inflation, COVID-19 variants, and several geopolitical events. The U.S. dollar strengthened against several major currencies. For example, the U.S. dollar returned 6.93%, 1.01% and 10.28% versus the euro, the British pound and the Japanese yen, respectively.

Thank you for the assets you have placed with us. We deeply value your trust, and we will continue to work diligently to meet your broad investment needs.



Sincerely,

Peter G. Strelow
Chairman of the Board
PIMCO Variable Insurance Trust

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

Important Information About the PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

PIMCO Variable Insurance Trust (the "Trust") is an open-end management investment company that includes the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (the "Portfolio"). The Portfolio is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies ("Variable Contracts"). Individuals may not purchase shares of the Portfolio directly. Shares of the Portfolio also may be sold to qualified pension and retirement plans outside of the separate account context.

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond funds, and fixed income securities and other instruments held by the Portfolio are likely to decrease in value. A wide variety of factors can cause interest rates or yields of U.S. Treasury securities (or yields of other types of bonds) to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). In addition, changes in interest rates can be sudden and unpredictable, and there is no guarantee that management will anticipate such movement accurately. The Portfolio may lose money as a result of movements in interest rates.

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, are at or near historically low levels. Thus, the Portfolio currently faces a heightened level of risk associated with rising interest rates and/or bond yields. This could be driven by a variety of factors, including but not limited to central bank monetary policies, changing inflation or real growth rates, general economic conditions, increasing bond issuances or reduced market demand for low yielding investments. Further, while bond markets have steadily grown over the past three decades, dealer inventories of corporate bonds are near historic lows in relation to market size. As a result, there has been a significant reduction in the ability of dealers to "make markets."

Bond funds and individual bonds with a longer duration (a measure used to determine the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets or negatively impact the Portfolio's performance or cause the Portfolio to incur losses. As a result, the Portfolio may experience increased shareholder redemptions which, among other things, could further reduce the net assets of the Portfolio.

The Portfolio may be subject to various risks as described in the Portfolio's prospectus and in the Principal and Other Risks in the Notes to Financial Statements.

Classifications of the Portfolio's portfolio holdings in this report are made according to financial reporting standards. The classification of a particular portfolio holding as shown in the Allocation Breakdown and Schedule of Investments sections of this report may differ from the classification used for the Portfolio's compliance calculations, including those used in the Portfolio's prospectus, investment objectives, regulatory, and other investment limitations and policies, which may be based on different asset class, sector or geographical classifications. The Portfolio is separately monitored for compliance with respect to prospectus and regulatory requirements.

The geographical classification of foreign (non-U.S.) securities in this report, if any, are classified by the country of incorporation of a holding. In certain instances, a security's country of incorporation may be different from its country of economic exposure.

Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the Portfolio's performance. In addition, COVID-19 and governmental responses to COVID-19 may negatively impact the capabilities of the Portfolio's service providers and disrupt the Portfolio's operations.

The United States' enforcement of restrictions on U.S. investments in certain issuers and tariffs on goods from other countries, each with a focus on China, has contributed to international trade tensions and may impact portfolio securities.

The Portfolio may have significant exposure to issuers in the United Kingdom. The United Kingdom's withdrawal from the European Union may impact Portfolio returns. The withdrawal may cause substantial volatility in foreign exchange markets, lead to weakness in the exchange rate of the British pound, result in a sustained period of market uncertainty, and destabilize some or all of the other European Union member countries and/or the Eurozone.

The Portfolio may invest in certain instruments that rely in some fashion upon the London Interbank Offered Rate ("LIBOR"). LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to ultimately phase out the use of LIBOR. There remains uncertainty regarding future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured

Overnight Financing Rate, which is intended to replace U.S. dollar LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain, and they may vary depending on a variety of factors. The transition may also result in a reduction in the value of certain instruments held by the Portfolio or a reduction in the effectiveness of related Portfolio transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to the Portfolio.

On the Portfolio Summary page in this Shareholder Report, the Average Annual Total Return table and Cumulative Returns chart measure performance assuming that any dividend and capital gain distributions were reinvested. The Cumulative Returns chart reflects only Administrative Class performance. Performance may vary by share class based on each class's expense ratios. The Portfolio measures its performance against at least one broad-based securities market index ("benchmark index"). The benchmark index does not take into account fees, expenses, or taxes. The Portfolio's past performance, before and after taxes, is not necessarily an indication of how the Portfolio will perform in the future. There is no assurance that the Portfolio, even if the Portfolio has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) the Portfolio's total return in excess of that of the Portfolio's benchmark between reporting periods or 2) the Portfolio's total return in excess of the Portfolio's historical returns between reporting periods. Unusual performance is defined as a significant change in the Portfolio's performance as compared to one or more previous reporting periods. Historical performance for the Portfolio or a share class thereof may have been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.

The following table discloses the inception dates of the Portfolio and its share classes along with the Portfolio's diversification status as of period end:

Portfolio Name	Portfolio Inception	Institutional Class	Administrative Class	Advisor Class	Diversification Status
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	02/16/99	04/10/00	02/16/99	04/30/14	Non-diversified

An investment in the Portfolio is not a bank deposit and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Portfolio.

The Trustees are responsible generally for overseeing the management of the Trust. The Trustees authorize the Trust to enter into service agreements with the Adviser, the Distributor, the Administrator and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Trust and the Portfolio. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither this Portfolio's prospectus nor summary prospectus, the Trust's Statement of Additional Information ("SAI"), any contracts filed as exhibits to the Trust's registration statement, nor any other communications, disclosure documents or regulatory filings (including this report) from or on behalf of the Trust or the Portfolio creates a contract between or among any shareholder of the Portfolio, on the one hand, and the Trust, the Portfolio, a service provider to the Trust or the Portfolio, and/or the Trustees or officers of the Trust, on the other hand. The Trustees (or the Trust and its officers, service providers or other delegates acting under authority of the Trustees) may amend the most recent prospectus or use a new prospectus, summary prospectus or SAI with respect to the Portfolio or the Trust, and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which the Trust or the Portfolio is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to the Portfolio, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in the Trust's then-current prospectus or SAI.

PIMCO has adopted written proxy voting policies and procedures ("Proxy Policy") as required by Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. The Proxy Policy has been adopted by the Trust as the policies and procedures that PIMCO will use when voting proxies on behalf of the Portfolio. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Trust at (888) 87-PIMCO, on the Portfolio's website at www.pimco.com/pvit, and on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

The Portfolio files portfolio holdings information with the SEC on Form N-PORT within 60 days of the end of each fiscal quarter. The

Portfolio's complete schedule of securities holdings as of the end of each fiscal quarter will be made available to the public on the SEC's website at www.sec.gov and on PIMCO's website at www.pimco.com/pvit, and will be made available, upon request by calling PIMCO at (888) 87-PIMCO.

The SEC adopted a rule that allows shareholder reports to be delivered to investors by providing access to such reports online free of charge and by mailing a notice that the report is electronically available. Pursuant to the rule, investors may elect to receive all future reports in paper free of charge by contacting their insurance company. Any election to receive reports in paper will apply to all portfolio companies available under the investor's contract at the insurance company.

In August 2020, the SEC proposed changes to the mutual fund and ETF shareholder report and registration statement disclosure requirements and the registered fund advertising rules, which, if adopted, will change the disclosures provided to shareholders.

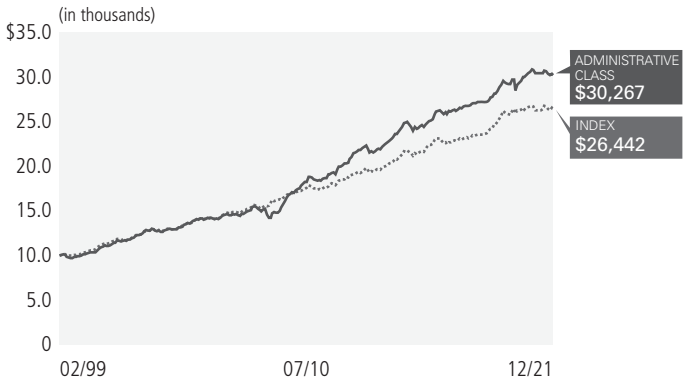
In October 2020, the SEC adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that recinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, and after an eighteen-month transition period, the rule requires portfolios to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. These requirements may limit the ability of the Portfolio to use derivatives and reverse repurchase agreements and similar financing transactions as part of its investment strategies and may increase the cost of the Portfolio's investments and cost of doing business, which could adversely affect investors.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Investment Company Act of 1940 (the "Act") without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition will apply in all contexts under the Act. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. The impact of the new rule on the Portfolio is uncertain at this time.

PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

Cumulative Returns Through December 31, 2021



$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

Geographic Breakdown as of December 31, 2021†§

United States	28.3%
China	12.9%
Japan	12.0%
United Kingdom	9.7%
Cayman Islands	5.5%
Short-Term Instruments‡	4.9%
Denmark	4.0%
Spain	3.1%
France	2.5%
Germany	2.0%
Italy	1.8%
Malaysia	1.6%
Ireland	1.4%
South Korea	1.4%
Switzerland	1.3%
Other	7.6%

† % of Investments, at value.

§ Geographic Breakdown and % of investments exclude securities sold short and financial derivative instruments, if any.

‡ Includes Central Funds Used for Cash Management Purposes.

Investment Objective and Strategy Overview

PIMCO International Bond Portfolio (U.S. Dollar-Hedged) seeks maximum total return, consistent with preservation of capital and prudent investment management, by investing under normal circumstances at least 80% of its assets in Fixed Income Instruments that are economically tied to at least three non-U.S. countries. The Portfolio's investments in Fixed Income Instruments may be represented by forwards or derivatives such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Portfolio will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20% of its total assets. Portfolio strategies may change from time to time. Please refer to the Portfolio's current prospectus for more information regarding the Portfolio's strategy.

Portfolio Insights

The following affected performance (on a gross basis) during the reporting period:

» Positions in non-agency mortgage-backed securities contributed to relative performance, as spreads tightened.

» Overweight exposure to senior and subordinated financials contributed to relative performance, as spreads tightened through November 2021.

» Duration and curve positioning in the U.S., particularly an underweight to duration in Q1'21, contributed to relative performance, as yields rose.

» Underweight exposure to non-financial investment-grade corporate credit detracted from relative performance, as spreads tightened.

» Overweight exposure to duration in Peru detracted from relative performance, as yields rose.

» Overweight exposure to duration in Australia, particularly during Q1'21, detracted from relative performance, as yields rose.

Average Annual Total Return for the period ended December 31, 2021

		1 Year	5 Years	10 Years	Inception≈
	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Institutional Class	(1.81)%	3.21%	4.54%	5.30%
—	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Administrative Class	(1.96)%	3.05%	4.39%	4.95%
	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Advisor Class	(2.05)%	2.95%	—	3.71%
.....	Bloomberg Global Aggregate ex-USD (USD Hedged) Index±	(1.40)%	3.11%	3.80%	4.35%♦

All Portfolio returns are net of fees and expenses and include applicable fee waivers and/or expense limitations. Absent any applicable fee waivers and/or expense limitations, performance would have been lower and there can be no assurance that any such waivers or limitations will continue in the future.

≈ For class inception dates please refer to the Important Information.

♦ Average annual total return since 02/28/1999.

± Bloomberg Global Aggregate ex-USD (USD Hedged) Index provides a broad-based measure of the global investment-grade fixed income markets. The major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian Government securities.

It is not possible to invest directly in an unmanaged index.

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. The Portfolio's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in Variable Contracts, which will reduce returns. Differences in the Portfolio's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the prices of individual positions (which may be sourced from different pricing vendors or other sources) used by the Portfolio and the index. For performance current to the most recent month-end, visit www.pimco.com/pvit or via (888) 87-PIMCO.

The Portfolio's total annual operating expense ratio in effect as of period end were 0.79% for Institutional Class shares, 0.94% for Administrative Class shares, and 1.04% for Advisor Class shares. Details regarding any changes to the Portfolio's operating expenses, subsequent to period end, can be found in the Portfolio's current prospectus, as supplemented.

Example

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees, supervisory and administrative fees, distribution and/or service (12b-1) fees (if applicable), and other Portfolio expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds.

The Expense Example does not reflect any fees or other expenses imposed by the Variable Contracts. If it did, the expenses reflected in the Expense Example would be higher. The Example is based on an investment of $1,000 invested at the beginning of the period and held from July 1, 2021 to December 31, 2021 unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.60), then multiply the result by the number in the appropriate row for your share class, in the column titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's 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 Portfolio and other portfolios. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other portfolios.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transactional costs were included, your costs would have been higher.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the investment advisory fees and supervisory and administrative fees, such as fees and expenses of the independent trustees and their counsel, extraordinary expenses and interest expense.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Net Annualized Expense Ratio**
Institutional Class	$ 1,000.00	$ 994.70	$ 3.86	$ 1,000.00	$ 1,021.61	$ 3.91	0.76%
Administrative Class	1,000.00	993.90	4.62	1,000.00	1,020.84	4.69	0.91
Advisor Class	1,000.00	993.40	5.13	1,000.00	1,020.33	5.20	1.01

* Expenses Paid During Period are equal to the net annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 186/365 (to reflect the one-half year period). Overall fees and expenses of investing in the Portfolio will be higher because the example does not reflect variable contract fees and expenses.

** Net Annualized Expense Ratio is reflective of any applicable contractual fee waivers and/or expense reimbursements or voluntary fee waivers. Details regarding fee waivers, if any, can be found in Note 9, Fees and Expenses, in the Notes to Financial Statements.

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Financial Highlights PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

		Investment Operations			Less Distributions[b][c]		
Selected Per Share Data for the Year Ended^:	Net Asset Value Beginning of Year[a]	Net Investment Income (Loss)[b]	Net Realized/ Unrealized Gain (Loss)	Total	From Net Investment Income	From Net Realized Capital Gain	Total
Institutional Class							
12/31/2021	$ 11.24	$ 0.17	$ (0.37)	$ (0.20)	$ (0.19)	$ (0.10)	$ (0.29)
12/31/2020	11.32	0.17	0.45	0.62	(0.70)	0.00	(0.70)
12/31/2019	10.84	0.22	0.55	0.77	(0.21)	(0.08)	(0.29)
12/31/2018	10.79	0.20	0.05	0.25	(0.16)	(0.04)	(0.20)
12/31/2017	11.02	0.15	0.17	0.32	(0.55)	0.00	(0.55)
Administrative Class							
12/31/2021	11.24	0.15	(0.37)	(0.22)	(0.17)	(0.10)	(0.27)
12/31/2020	11.32	0.16	0.44	0.60	(0.68)	0.00	(0.68)
12/31/2019	10.84	0.21	0.55	0.76	(0.20)	(0.08)	(0.28)
12/31/2018	10.79	0.18	0.05	0.23	(0.14)	(0.04)	(0.18)
12/31/2017	11.02	0.13	0.17	0.30	(0.53)	0.00	(0.53)
Advisor Class							
12/31/2021	11.24	0.14	(0.37)	(0.23)	(0.16)	(0.10)	(0.26)
12/31/2020	11.32	0.15	0.44	0.59	(0.67)	0.00	(0.67)
12/31/2019	10.84	0.19	0.56	0.75	(0.19)	(0.08)	(0.27)
12/31/2018	10.79	0.17	0.05	0.22	(0.13)	(0.04)	(0.17)
12/31/2017	11.02	0.12	0.17	0.29	(0.52)	0.00	(0.52)

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.

[a] Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

[b] Per share amounts based on average number of shares outstanding during the year.

[c] The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

[d] Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio. Additionally, excludes initial sales charges and contingent deferred sales charges.

		Ratios/Supplemental Data						
			Ratios to Average Net Assets					
Net Asset Value End of Year[a]	Total Return[d]	Net Assets End of Year (000s)	Expenses	Expenses Excluding Waivers	Expenses Excluding Interest Expense	Expenses Excluding Interest Expense and Waivers	Net Investment Income (Loss)	Portfolio Turnover Rate
$ 10.75	(1.81)%	$ 120,577	0.76%	0.76%	0.75%	0.75%	1.52%	345%
11.24	5.72	84,623	0.79	0.79	0.75	0.75	1.52	512
11.32	7.17	9,105	0.86	0.86	0.75	0.75	1.98	272
10.84	2.27	7,483	0.81	0.81	0.75	0.75	1.85	185
10.79	2.92	6,705	0.78	0.78	0.75	0.75	1.37	158
10.75	(1.96)	82,338	0.91	0.91	0.90	0.90	1.36	345
11.24	5.56	78,210	0.94	0.94	0.90	0.90	1.44	512
11.32	7.01	79,540	1.01	1.01	0.90	0.90	1.83	272
10.84	2.12	78,640	0.96	0.96	0.90	0.90	1.70	185
10.79	2.76	76,989	0.93	0.93	0.90	0.90	1.21	158
10.75	(2.05)	499,139	1.01	1.01	1.00	1.00	1.26	345
11.24	5.45	488,470	1.04	1.04	1.00	1.00	1.34	512
11.32	6.90	477,388	1.11	1.11	1.00	1.00	1.73	272
10.84	2.02	444,881	1.06	1.06	1.00	1.00	1.59	185
10.79	2.66	431,545	1.03	1.03	1.00	1.00	1.11	158

(Amounts in thousands†, except per share amounts)

Assets:	
Investments, at value	
Investments in securities*	$ 751,193
Investments in Affiliates	19,953
Financial Derivative Instruments	
Exchange-traded or centrally cleared	540
Over the counter	2,355
Cash	5
Deposits with counterparty	9,716
Foreign currency, at value	2,961
Receivable for investments sold	11,157
Receivable for investments sold on a delayed-delivery basis	44
Receivable for TBA investments sold	300,011
Receivable for Portfolio shares sold	338
Interest and/or dividends receivable	4,416
Dividends receivable from Affiliates	5
Total Assets	1,102,694
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for reverse repurchase agreements	$ 13,125
Payable for short sales	121,369
Financial Derivative Instruments	
Exchange-traded or centrally cleared	737
Over the counter	5,460
Payable for investments purchased	14,991
Payable for investments in Affiliates purchased	5
Payable for TBA investments purchased	242,655
Deposits from counterparty	1,670
Payable for Portfolio shares redeemed	20
Accrued investment advisory fees	159
Accrued supervisory and administrative fees	318
Accrued distribution fees	113
Accrued servicing fees	11
Other liabilities	7
Total Liabilities	400,640
Net Assets	$ 702,054
Net Assets Consist of:	
Paid in capital	$ 707,286
Distributable earnings (accumulated loss)	(5,232)
Net Assets	$ 702,054
Net Assets:	
Institutional Class	$ 120,577
Administrative Class	82,338
Advisor Class	499,139
Shares Issued and Outstanding:	
Institutional Class	11,213
Administrative Class	7,657
Advisor Class	46,416
Net Asset Value Per Share Outstanding[(a)]:	
Institutional Class	$ 10.75
Administrative Class	10.75
Advisor Class	10.75
Cost of investments in securities	$ 739,696
Cost of investments in Affiliates	$ 20,227
Cost of foreign currency held	$ 2,966
Proceeds received on short sales	$ 121,431
Cost or premiums of financial derivative instruments, net	$ 2,022
* Includes repurchase agreements of:	$ 252

† A zero balance may reflect actual amounts rounding to less than one thousand.
(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

Statement of Operations PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

Year Ended December 31, 2021
(Amounts in thousands†)

Investment Income:	
Interest, net of foreign taxes*	$ 14,816
Dividends	13
Dividends from Investments in Affiliates	488
Total Income	15,317
Expenses:	
Investment advisory fees	1,690
Supervisory and administrative fees	3,380
Servicing fees - Administrative Class	116
Distribution and/or servicing fees - Advisor Class	1,240
Trustee fees	18
Interest expense	35
Miscellaneous expense	1
Total Expenses	6,480
Net Investment Income (Loss)	8,837
Net Realized Gain (Loss):	
Investments in securities	6,213
Investments in Affiliates	(187)
Exchange-traded or centrally cleared financial derivative instruments	(2,040)
Over the counter financial derivative instruments	9,719
Short sales	683
Foreign currency	520
Net Realized Gain (Loss)	14,908
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	(36,737)
Investments in Affiliates	(277)
Exchange-traded or centrally cleared financial derivative instruments	(3,780)
Over the counter financial derivative instruments	1,834
Short sales	71
Foreign currency assets and liabilities	1,649
Net Change in Unrealized Appreciation (Depreciation)	(37,240)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (13,495)
* Foreign tax withholdings	$ 47

† A zero balance may reflect actual amounts rounding to less than one thousand.

Statements of Changes in Net Assets PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

(Amounts in thousands†)	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 8,837	$ 7,867
Net realized gain (loss)	14,908	(9,123)
Net change in unrealized appreciation (depreciation)	(37,240)	31,040
Net Increase (Decrease) in Net Assets Resulting from Operations	(13,495)	29,784
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(2,400)	(1,179)
Administrative Class	(1,916)	(4,421)
Advisor Class	(11,780)	(26,678)
Total Distributions[(a)]	(16,096)	(32,278)
Portfolio Share Transactions:		
Net increase (decrease) resulting from Portfolio share transactions*	80,342	87,764
Total Increase (Decrease) in Net Assets	50,751	85,270
Net Assets:		
Beginning of year	651,303	566,033
End of year	$ 702,054	$ 651,303

† A zero balance may reflect actual amounts rounding to less than one thousand.
* See Note 13, Shares of Beneficial Interest, in the Notes to Financial Statements.
(a) The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(Amounts in thousands*, except number of shares, contracts, units and ounces, if any)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 107.0%		
ARGENTINA 0.0%		
SOVEREIGN ISSUES 0.0%		
Argentina Government International Bond		
0.500% due 07/09/2030 þ	$ 230	$ 82
1.000% due 07/09/2029	5	2
36.237% (BADLARPP + 2.000%) due 04/03/2022 ~	ARS 8,070	40
Autonomous City of Buenos Aires		
39.182% (BADLARPP + 5.000%) due 01/23/2022 ~	70	0
Total Argentina (Cost $588)		**124**
AUSTRALIA 0.6%		
ASSET-BACKED SECURITIES 0.0%		
Driver Australia Trust		
0.947% (BBSW1M + 0.930%) due 07/21/2026 ~	AUD 89	65
CORPORATE BONDS & NOTES 0.0%		
Sydney Airport Finance Co. Pty. Ltd.		
3.900% due 03/22/2023	$ 300	310
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.1%		
Pepper Residential Securities Trust		
1.035% due 03/12/2061 •	252	252
RESIMAC Bastille Trust		
1.034% due 09/05/2057 •	372	372
		624
SOVEREIGN ISSUES 0.5%		
Australia Government International Bond		
1.000% due 11/21/2031	AUD 1,000	683
1.750% due 06/21/2051	800	503
Northern Territory Treasury Corp.		
2.000% due 04/21/2031	800	574
South Australia Government Financing Authority		
1.750% due 05/24/2032	800	567
Treasury Corp. of Victoria		
4.250% due 12/20/2032	1,200	1,061
		3,388
Total Australia (Cost $4,358)		**4,387**
CANADA 1.1%		
CORPORATE BONDS & NOTES 0.1%		
Air Canada Pass-Through Trust		
3.300% due 07/15/2031	$ 85	86
Fairfax Financial Holdings Ltd.		
2.750% due 03/29/2028	EUR 500	619
		705
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.2%		
Real Estate Asset Liquidity Trust		
2.381% due 02/12/2055 ~	CAD 461	367
2.867% due 02/12/2055 ~	1,000	800
3.072% due 08/12/2053	359	290
		1,457
SOVEREIGN ISSUES 0.8%		
Canada Government International Bond		
2.000% due 12/01/2051	4,800	4,083
Canada Government Real Return Bond		
1.500% due 12/01/2044 (e)	498	542
Province of Quebec		
3.000% due 09/01/2023	CAD 1,100	$ 898
		5,523
Total Canada (Cost $7,138)		**7,685**
CAYMAN ISLANDS 6.0%		
ASSET-BACKED SECURITIES 5.5%		
American Money Management Corp. CLO Ltd.		
1.096% due 11/10/2030 •	$ 1,500	1,505
1.107% due 04/14/2029 •	1,293	1,293
Ares CLO Ltd.		
0.990% due 01/15/2029 •	1,700	1,697
BDS Ltd.		
1.450% due 12/18/2036 •	1,700	1,702
Benefit Street Partners CLO Ltd.		
1.074% due 10/15/2030 •	1,700	1,698
Carlyle Global Market Strategies CLO Ltd.		
1.105% due 08/14/2030 •	1,700	1,699
Crestline Denali CLO Ltd.		
1.162% due 04/20/2030 •	1,700	1,700
Elevation CLO Ltd.		
1.080% due 10/25/2030 •	1,700	1,697
Gallatin CLO Ltd.		
1.177% due 07/15/2031 •	2,100	2,100
GoldenTree Loan Management U.S. CLO Ltd.		
1.472% due 01/20/2033 •	1,400	1,399
GPMT Ltd.		
1.454% due 12/15/2036 •	1,800	1,802
Jamestown CLO Ltd.		
1.464% due 04/15/2033 •	1,300	1,301
LCM LP		
1.086% due 07/19/2027 •	2,100	2,100
1.172% due 10/20/2027 •	723	723
Marathon CLO Ltd.		
1.030% due 11/21/2027 •	232	232
Marble Point CLO Ltd.		
1.164% due 10/15/2030 •	900	900
MidOcean Credit CLO		
1.229% due 01/29/2030 •	1,700	1,699
Mountain View CLO LLC		
1.212% due 10/16/2029 •	1,500	1,501
Palmer Square Loan Funding Ltd.		
0.971% due 07/20/2029 •	1,600	1,599
Starwood Commercial Mortgage Trust		
1.309% due 04/18/2038 •	1,700	1,700
Stratus CLO Ltd.		
1.080% due 12/28/2029 •	1,700	1,700
Symphony CLO Ltd.		
1.077% due 07/14/2026 •	475	475
THL Credit Wind River Clo Ltd.		
1.204% due 04/15/2031 •	1,700	1,697
Venture CLO Ltd.		
1.004% due 04/15/2027 •	235	235
1.146% due 09/07/2030 •	1,300	1,299
Vibrant CLO Ltd.		
1.172% due 09/15/2030 •	1,700	1,703
1.240% due 07/20/2032 •	1,600	1,601
		38,757
CORPORATE BONDS & NOTES 0.4%		
MGM China Holdings Ltd.		
4.750% due 02/01/2027	500	496
QNB Finance Ltd.		
1.132% (US0003M + 1.000%) due 05/02/2022 ~	1,000	1,002
S.A. Global Sukuk Ltd.		
2.694% due 06/17/2031	400	403
Sands China Ltd.		
5.125% due 08/08/2025	200	210
5.400% due 08/08/2028	500	539
Tencent Holdings Ltd.		
3.595% due 01/19/2028	$ 200	$ 212
		2,862
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.1%		
MF1 Multifamily Housing Mortgage Loan Trust		
1.014% due 07/15/2036 •	764	763
Total Cayman Islands (Cost $42,314)		**42,382**
CHINA 14.2%		
SOVEREIGN ISSUES 14.2%		
China Development Bank		
2.890% due 06/22/2025	CNY 28,600	4,517
3.050% due 08/25/2026	28,000	4,432
3.180% due 04/05/2026	20,800	3,311
3.390% due 07/10/2027	14,000	2,244
3.430% due 01/14/2027	13,400	2,159
3.680% due 02/26/2026	85,400	13,852
3.740% due 09/10/2025	10,200	1,654
4.040% due 04/10/2027	38,200	6,330
4.150% due 10/26/2025	2,600	428
4.240% due 08/24/2027	67,700	11,346
4.880% due 02/09/2028	31,400	5,446
China Government International Bond		
2.700% due 11/03/2026	12,900	2,032
2.740% due 08/04/2026	43,800	6,908
2.850% due 01/28/2026	6,800	1,080
2.850% due 06/04/2027	17,100	2,711
2.950% due 06/16/2023	2,200	348
3.020% due 10/22/2025	84,500	13,470
3.220% due 12/06/2025	2,200	354
3.280% due 12/03/2027	91,100	14,796
3.290% due 10/18/2023	6,500	1,036
3.820% due 11/02/2027	8,000	1,333
Total China (Cost $91,612)		**99,787**
DENMARK 4.4%		
CORPORATE BONDS & NOTES 4.4%		
Jyske Realkredit A/S		
1.000% due 10/01/2050	DKK 40,015	5,819
1.500% due 10/01/2053	3,900	581
Nordea Kredit Realkreditaktieselskab		
1.000% due 10/01/2050	46,242	6,727
1.500% due 10/01/2053	5,600	835
Nykredit Realkredit A/S		
0.190% due 10/01/2022 •	EUR 1,400	1,600
1.000% due 10/01/2050	DKK 56,235	8,154
1.000% due 10/01/2053	13,333	1,920
1.500% due 10/01/2053	19,700	2,947
Realkredit Danmark A/S		
1.000% due 10/01/2050	5,500	802
1.000% due 10/01/2053	3,000	433
1.500% due 10/01/2053	4,800	715
Total Denmark (Cost $31,160)		**30,533**
FRANCE 2.7%		
CORPORATE BONDS & NOTES 0.6%		
BNP Paribas S.A.		
1.675% due 06/30/2027 •	$ 1,000	983
2.159% due 09/15/2029 •	800	785
BPCE S.A.		
2.045% due 10/19/2027 •	400	397
Societe Generale S.A.		
1.488% due 12/14/2026 •	2,400	2,339
		4,504
SOVEREIGN ISSUES 2.1%		
France Government International Bond		
0.500% due 05/25/2072 (j)	EUR 1,000	881

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
0.750% due 05/25/2052 (j)	EUR	4,650	$ 5,062
2.000% due 05/25/2048 (j)		6,200	9,076
			15,019
Total France (Cost $18,366)			**19,523**
GERMANY 2.2%			
CORPORATE BONDS & NOTES 2.2%			
Deutsche Bank AG			
1.625% due 01/20/2027	EUR	2,200	2,611
1.750% due 01/17/2028		700	834
2.222% due 09/18/2024 •	$	1,800	1,824
2.625% due 12/16/2024	GBP	300	415
2.625% due 02/12/2026	EUR	1,200	1,478
3.300% due 11/16/2022	$	1,200	1,225
3.547% due 09/18/2031 •		1,000	1,054
3.729% due 01/14/2032 •(h)		1,100	1,126
3.961% due 11/26/2025 •		1,250	1,321
IHO Verwaltungs GmbH (3.875% Cash or 4.625% PIK)			
3.875% due 05/15/2027 (b)	EUR	200	233
IHO Verwaltungs GmbH (6.000% Cash or 6.750% PIK)			
6.000% due 05/15/2027 (b)	$	900	930
Volkswagen Bank GmbH			
1.250% due 08/01/2022	EUR	800	919
2.500% due 07/31/2026		700	871
ZF Finance GmbH			
3.750% due 09/21/2028		700	861
Total Germany (Cost $15,716)			**15,702**
HUNGARY 0.0%			
SOVEREIGN ISSUES 0.0%			
Hungary Government International Bond			
2.125% due 09/22/2031	$	300	296
Total Hungary (Cost $296)			**296**
INDIA 0.1%			
CORPORATE BONDS & NOTES 0.1%			
Shriram Transport Finance Co. Ltd.			
5.950% due 10/24/2022	$	500	509
State Bank of India			
4.000% due 01/24/2022		200	200
Total India (Cost $702)			**709**
IRELAND 1.6%			
ASSET-BACKED SECURITIES 1.3%			
Armada Euro CLO DAC			
0.720% due 07/15/2031 •	EUR	700	796
Aurium CLO DAC			
0.670% due 04/16/2030 •		499	568
Black Diamond CLO DAC			
0.650% due 10/03/2029 •		197	225
BlueMountain Fuji EUR CLO DAC			
0.650% due 07/15/2030 •		1,498	1,707
Cairn CLO DAC			
0.600% due 04/30/2031 •		1,100	1,251
CVC Cordatus Loan Fund DAC			
0.650% due 10/15/2031 •		800	908
Dryden Euro CLO BV			
0.660% due 04/15/2033 •		900	1,022
Jubilee CLO BV			
0.610% due 04/15/2030 •		800	910
0.650% due 04/15/2031 •		500	569
Man GLG Euro CLO DAC			
0.690% due 12/15/2031 •		1,000	1,135
			9,091
CORPORATE BONDS & NOTES 0.3%			
AerCap Ireland Capital DAC			
2.450% due 10/29/2026	$	600	$ 605
3.000% due 10/29/2028		600	609
AIB Group PLC			
2.875% due 05/30/2031 •	EUR	500	601
4.750% due 10/12/2023	$	200	212
			2,027
Total Ireland (Cost $11,645)			**11,118**
ISRAEL 0.8%			
SOVEREIGN ISSUES 0.8%			
Israel Government International Bond			
0.750% due 07/31/2022	ILS	1,700	549
2.000% due 03/31/2027		4,400	1,520
3.800% due 05/13/2060	$	1,300	1,507
4.125% due 01/17/2048		300	369
5.500% due 01/31/2022	ILS	6,100	1,970
Total Israel (Cost $5,473)			**5,915**
ITALY 2.0%			
CORPORATE BONDS & NOTES 0.9%			
Banca Carige SpA			
0.928% (EUR003M + 1.500%) due 05/25/2022 ~	EUR	1,600	1,825
Banca Monte dei Paschi di Siena SpA			
0.875% due 10/08/2027		900	1,054
2.625% due 04/28/2025		500	571
UniCredit SpA			
2.200% due 07/22/2027 •		350	420
7.500% due 06/03/2026 •(f)(g)		200	268
7.830% due 12/04/2023	$	1,200	1,339
9.250% due 06/03/2022 •(f)(g)	EUR	600	710
			6,187
SOVEREIGN ISSUES 1.1%			
Italy Buoni Poliennali Del Tesoro			
1.500% due 04/30/2045		1,100	1,176
1.750% due 07/01/2024		3,000	3,564
1.850% due 07/01/2025		800	963
2.150% due 03/01/2072		1,000	1,086
Italy Government International Bond			
6.000% due 08/04/2028	GBP	400	676
			7,465
Total Italy (Cost $13,586)			**13,652**
JAPAN 13.1%			
CORPORATE BONDS & NOTES 0.6%			
Mitsubishi UFJ Financial Group, Inc.			
3.455% due 03/02/2023	$	600	618
Mizuho Financial Group, Inc.			
1.081% (US0003M + 0.880%) due 09/11/2022 ~		700	703
1.201% (US0003M + 1.000%) due 09/11/2024 ~		900	909
3.922% due 09/11/2024 •		500	523
Nissan Motor Co. Ltd.			
3.043% due 09/15/2023		200	205
3.522% due 09/17/2025		400	420
4.345% due 09/17/2027		400	432
4.810% due 09/17/2030		400	448
ORIX Corp.			
3.250% due 12/04/2024		200	211
			4,469
SOVEREIGN ISSUES 12.5%			
Development Bank of Japan, Inc.			
1.750% due 08/28/2024		1,400	1,425
Japan Bank for International Cooperation			
1.750% due 10/17/2024	$	500	$ 509
Japan Government International Bond			
0.100% due 03/10/2028 (e)	JPY	456,179	4,105
0.100% due 06/20/2031		1,280,000	11,175
0.100% due 09/20/2031		3,007,800	26,224
0.300% due 06/20/2046		620,000	5,056
0.500% due 09/20/2046		202,000	1,724
0.500% due 03/20/2049		960,000	8,028
0.700% due 12/20/2048		772,000	6,804
0.700% due 06/20/2051		558,000	4,869
1.200% due 09/20/2035		1,340,000	13,133
1.300% due 06/20/2035		200,000	1,981
Tokyo Metropolitan Government			
0.750% due 07/16/2025	$	2,100	2,052
2.500% due 06/08/2022		600	604
			87,689
Total Japan (Cost $96,247)			**92,158**
JERSEY, CHANNEL ISLANDS 0.2%			
ASSET-BACKED SECURITIES 0.2%			
Saranac CLO Ltd.			
1.259% due 08/13/2031 •	$	1,700	1,700
Total Jersey, Channel Islands (Cost $1,700)			**1,700**
KUWAIT 0.3%			
SOVEREIGN ISSUES 0.3%			
Kuwait International Government Bond			
3.500% due 03/20/2027	$	2,000	2,182
Total Kuwait (Cost $1,989)			**2,182**
LITHUANIA 0.1%			
SOVEREIGN ISSUES 0.1%			
Lithuania Government International Bond			
1.100% due 04/26/2027	EUR	600	724
Total Lithuania (Cost $699)			**724**
LUXEMBOURG 0.2%			
CORPORATE BONDS & NOTES 0.2%			
Aroundtown S.A.			
1.625% due 01/31/2028	EUR	700	828
5.375% due 03/21/2029	$	200	230
Blackstone Property Partners Europe Holdings SARL			
1.400% due 07/06/2022	EUR	400	457
Total Luxembourg (Cost $1,470)			**1,515**
MALAYSIA 1.8%			
CORPORATE BONDS & NOTES 0.2%			
Petronas Capital Ltd.			
3.404% due 04/28/2061	$	400	413
3.500% due 04/21/2030		300	325
4.550% due 04/21/2050		200	248
4.800% due 04/21/2060		200	265
			1,251
SOVEREIGN ISSUES 1.6%			
Malaysia Government International Bond			
3.502% due 05/31/2027	MYR	1,700	413
3.757% due 05/22/2040		1,000	230
3.828% due 07/05/2034		3,400	809
3.844% due 04/15/2033		1,400	337
3.906% due 07/15/2026		3,900	966
4.232% due 06/30/2031		700	176
4.254% due 05/31/2035		11,600	2,888
4.642% due 11/07/2033		1,000	258

See Accompanying Notes

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Malaysia Government Investment Issue			
4.119% due 11/30/2034	MYR	800	$ 196
4.130% due 07/09/2029		1,000	249
4.369% due 10/31/2028		17,800	4,514
4.724% due 06/15/2033		1,600	416
			11,452
Total Malaysia (Cost $12,376)			**12,703**
MULTINATIONAL 0.1%			
CORPORATE BONDS & NOTES 0.1%			
Preferred Term Securities Ltd.			
0.616% (US0003M + 0.400%) due 06/23/2035 ~		$ 691	650
Total Multinational (Cost $540)			**650**
NETHERLANDS 0.3%			
CORPORATE BONDS & NOTES 0.3%			
Enel Finance International NV			
2.650% due 09/10/2024		$ 1,300	1,340
ING Groep NV			
6.875% due 04/16/2022 •(f)(g)		400	407
Vonovia Finance BV			
5.000% due 10/02/2023		100	105
			1,852
		SHARES	
PREFERRED SECURITIES 0.0%			
Stichting AK Rabobank Certificaten			
6.500% due 12/29/2049 þ(f)		157,575	248
Total Netherlands (Cost $1,989)			**2,100**
		PRINCIPAL AMOUNT (000S)	
NEW ZEALAND 0.1%			
SOVEREIGN ISSUES 0.1%			
New Zealand Government International Bond			
1.500% due 05/15/2031	NZD	700	447
Total New Zealand (Cost $494)			**447**
NORWAY 0.1%			
CORPORATE BONDS & NOTES 0.1%			
DNB Boligkreditt A/S			
3.250% due 06/28/2023		$ 500	518
Total Norway (Cost $500)			**518**
PERU 1.0%			
CORPORATE BONDS & NOTES 0.1%			
Banco de Credito del Peru			
4.650% due 09/17/2024	PEN	2,200	540
SOVEREIGN ISSUES 0.9%			
Peru Government International Bond			
2.780% due 12/01/2060	$	700	616
5.350% due 08/12/2040	PEN	1,100	236
5.940% due 02/12/2029		5,400	1,389
6.350% due 08/12/2028		15,200	4,013
			6,254
Total Peru (Cost $8,294)			**6,794**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
QATAR 0.9%			
CORPORATE BONDS & NOTES 0.2%			
Qatar Energy			
1.375% due 09/12/2026		$ 400	$ 393
2.250% due 07/12/2031		300	298
3.125% due 07/12/2041		400	405
3.300% due 07/12/2051		500	516
			1,612
SOVEREIGN ISSUES 0.7%			
Qatar Government International Bond			
3.375% due 03/14/2024		400	419
3.875% due 04/23/2023		3,800	3,954
4.400% due 04/16/2050		400	498
			4,871
Total Qatar (Cost $6,188)			**6,483**
ROMANIA 0.5%			
SOVEREIGN ISSUES 0.5%			
Romania Government International Bond			
1.375% due 12/02/2029	EUR	600	653
1.750% due 07/13/2030		700	746
2.000% due 04/14/2033		500	520
2.625% due 12/02/2040		400	407
2.875% due 04/13/2042		800	818
Total Romania (Cost $3,522)			**3,144**
SAUDI ARABIA 0.4%			
CORPORATE BONDS & NOTES 0.1%			
Saudi Arabian Oil Co.			
1.625% due 11/24/2025		$ 500	498
2.750% due 04/16/2022		400	403
			901
SOVEREIGN ISSUES 0.3%			
Saudi Government International Bond			
4.000% due 04/17/2025		1,700	1,834
Total Saudi Arabia (Cost $2,592)			**2,735**
SERBIA 0.2%			
SOVEREIGN ISSUES 0.2%			
Serbia Government International Bond			
1.000% due 09/23/2028	EUR	500	541
2.050% due 09/23/2036		500	521
Total Serbia (Cost $1,148)			**1,062**
SINGAPORE 0.8%			
CORPORATE BONDS & NOTES 0.1%			
BOC Aviation Ltd.			
3.500% due 09/18/2027		$ 300	317
PSA Treasury Pte Ltd.			
2.500% due 04/12/2026		400	414
			731
SOVEREIGN ISSUES 0.7%			
Singapore Government International Bond			
1.875% due 10/01/2051	SGD	2,100	1,484
2.750% due 04/01/2042		400	331
2.750% due 03/01/2046		100	83
2.875% due 09/01/2030		1,900	1,543
3.375% due 09/01/2033		1,900	1,631
			5,072
Total Singapore (Cost $5,769)			**5,803**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SLOVENIA 0.2%			
SOVEREIGN ISSUES 0.2%			
Slovenia Government International Bond			
5.250% due 02/18/2024		$ 1,419	$ 1,546
Total Slovenia (Cost $1,450)			**1,546**
SOUTH AFRICA 0.1%			
SOVEREIGN ISSUES 0.1%			
South Africa Government International Bond			
4.850% due 09/30/2029		$ 500	518
Total South Africa (Cost $500)			**518**
SOUTH KOREA 1.5%			
SOVEREIGN ISSUES 1.5%			
Korea Government International Bond			
2.125% due 06/10/2027	KRW	1,225,000	1,032
2.375% due 12/10/2027		1,350,000	1,152
2.375% due 12/10/2028		5,820,000	4,962
2.625% due 06/10/2028		2,450,000	2,119
5.500% due 03/10/2028		1,350,000	1,356
Korea Hydro & Nuclear Power Co. Ltd.			
3.750% due 07/25/2023		$ 200	208
Total South Korea (Cost $11,472)			**10,829**
SPAIN 3.4%			
CORPORATE BONDS & NOTES 0.2%			
Banco Bilbao Vizcaya Argentaria S.A.			
5.875% due 09/24/2023 •(f)(g)	EUR	200	242
Banco Santander S.A.			
1.849% due 03/25/2026		$ 400	399
3.848% due 04/12/2023		200	207
Merlin Properties Socimi S.A.			
2.225% due 04/25/2023	EUR	200	233
			1,081
		SHARES	
PREFERRED SECURITIES 0.3%			
Banco Santander S.A.			
4.125% due 11/12/2027 •(f)(g)		800,000	921
5.250% due 09/29/2023 •(f)(g)		600,000	717
CaixaBank S.A.			
5.875% due 10/09/2027 •(f)(g)		200,000	260
			1,898
		PRINCIPAL AMOUNT (000S)	
SOVEREIGN ISSUES 2.9%			
Autonomous Community of Catalonia			
4.220% due 04/26/2035	EUR	200	300
Spain Government International Bond			
0.250% due 07/30/2024		2,200	2,552
0.500% due 10/31/2031		1,000	1,132
0.850% due 07/30/2037		2,100	2,344
1.250% due 10/31/2030		1,400	1,708
1.400% due 07/30/2028		5,200	6,424
1.450% due 10/31/2071		1,600	1,590
3.450% due 07/30/2066		2,700	4,627
			20,677
Total Spain (Cost $23,483)			**23,656**
SUPRANATIONAL 0.1%			
CORPORATE BONDS & NOTES 0.1%			
European Investment Bank			
0.500% due 06/21/2023	AUD	500	363
0.500% due 08/10/2023		400	289
Total Supranational (Cost $732)			**652**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SWITZERLAND 1.5%			
CORPORATE BONDS & NOTES 1.5%			
Credit Suisse AG			
6.500% due 08/08/2023 (g)	$	200	$ 216
Credit Suisse Group AG			
1.398% (US0003M + 1.200%) due 12/14/2023 ~		800	806
2.193% due 06/05/2026 •		1,200	1,208
3.800% due 06/09/2023		800	829
3.869% due 01/12/2029 •		800	857
4.194% due 04/01/2031 •		1,200	1,325
4.282% due 01/09/2028		250	272
7.500% due 12/11/2023 •(f)(g)		300	325
UBS AG			
5.125% due 05/15/2024 (g)		1,318	1,413
7.625% due 08/17/2022 (g)		1,600	1,662
UBS Group AG			
5.750% due 02/19/2022 •(f)(g)	EUR	1,100	1,263
Total Switzerland (Cost $10,130)			**10,176**
UNITED ARAB EMIRATES 0.1%			
CORPORATE BONDS & NOTES 0.0%			
First Abu Dhabi Bank PJSC			
3.000% due 03/30/2022	$	200	201
SOVEREIGN ISSUES 0.1%			
Emirate of Abu Dhabi Government International Bond			
3.875% due 04/16/2050		300	350
Total United Arab Emirates (Cost $489)			**551**
UNITED KINGDOM 10.7%			
CORPORATE BONDS & NOTES 5.6%			
Annington Funding PLC			
1.650% due 07/12/2024	EUR	800	943
Barclays Bank PLC			
7.625% due 11/21/2022 (g)	$	3,300	3,482
Barclays PLC			
1.586% (US0003M + 1.430%) due 02/15/2023 ~		700	701
3.650% due 03/16/2025		400	423
4.375% due 03/15/2028 •(f)(g)		200	196
4.610% due 02/15/2023 •		600	603
4.836% due 05/09/2028		1,000	1,102
5.088% due 06/20/2030 •		1,000	1,135
7.125% due 06/15/2025 •(f)(g)	GBP	500	747
7.250% due 03/15/2023 •(f)(g)		700	993
8.000% due 06/15/2024 •(f)(g)	$	400	443
HSBC Holdings PLC			
1.145% (BBSW3M + 1.100%) due 02/16/2024 ~	AUD	2,300	1,686
1.160% (US0003M + 1.000%) due 05/18/2024 ~	$	300	303
1.750% due 07/24/2027 •	GBP	700	936
3.803% due 03/11/2025 •	$	1,100	1,155
4.041% due 03/13/2028 •		1,000	1,082
4.583% due 06/19/2029 •		800	897
4.750% due 07/04/2029 •(f)(g)	EUR	200	250
5.875% due 09/28/2026 •(f)(g)	GBP	300	439
6.500% due 03/23/2028 •(f)(g)	$	700	772
Lloyds Bank PLC			
4.875% due 03/30/2027	GBP	500	805
5.125% due 03/07/2025		700	1,065
Lloyds Banking Group PLC			
3.500% due 04/01/2026 •	EUR	300	378
3.574% due 11/07/2028 •	$	200	214
3.900% due 11/23/2023	AUD	800	610
4.582% due 12/10/2025	$	500	546
4.650% due 03/24/2026		600	661
5.125% due 12/27/2024 •(f)(g)	GBP	500	704
7.625% due 06/27/2023 •(f)(g)		1,000	1,450
Marks & Spencer PLC			
3.750% due 05/19/2026		500	692
Nationwide Building Society			
3.766% due 03/08/2024 •	$	1,200	$ 1,236
Natwest Group PLC			
3.875% due 09/12/2023		300	313
4.445% due 05/08/2030 •		500	562
4.600% due 06/28/2031 •(f)(g)		200	197
5.125% due 05/12/2027 •(f)(g)	GBP	400	569
6.000% due 12/29/2025 •(f)(g)	$	800	877
8.000% due 08/10/2025 •(f)(g)		500	581
NatWest Markets PLC			
0.625% due 03/02/2022	EUR	300	342
1.000% due 05/28/2024		800	933
Reckitt Benckiser Treasury Services PLC			
2.375% due 06/24/2022	$	600	605
Rolls-Royce PLC			
5.750% due 10/15/2027	GBP	400	603
Santander UK Group Holdings PLC			
4.796% due 11/15/2024 •	$	2,400	2,548
7.375% due 06/24/2022 •(f)(g)	GBP	200	277
Santander UK PLC			
0.678% (SONIO/N + 0.550%) due 02/12/2027 ~		500	686
Standard Chartered PLC			
0.991% due 01/12/2025 •	$	1,200	1,188
1.456% due 01/14/2027 •		1,200	1,163
Tesco PLC			
6.125% due 02/24/2022	GBP	50	68
Tesco Property Finance PLC			
5.411% due 07/13/2044		186	320
5.661% due 10/13/2041		98	172
Virgin Media Secured Finance PLC			
5.000% due 04/15/2027		500	698
			39,351
NON-AGENCY MORTGAGE-BACKED SECURITIES 3.7%			
Avon Finance PLC			
0.948% due 09/20/2048 •		911	1,237
Business Mortgage Finance PLC			
2.102% due 02/15/2041 •		95	129
Eurohome UK Mortgages PLC			
0.248% due 06/15/2044 •		247	329
Eurosail PLC			
1.045% due 06/13/2045 •		321	435
Finsbury Square PLC			
0.849% due 03/16/2070 •		879	1,192
1.045% due 09/12/2068 •		332	449
Harben Finance PLC			
0.914% due 08/20/2056 •		780	1,056
Hawksmoor Mortgage Funding PLC			
1.100% due 05/25/2053 •		786	1,068
Hawksmoor Mortgages			
1.100% due 05/25/2053 •		1,430	1,941
Mansard Mortgages PLC			
0.748% due 12/15/2049 •		103	139
Newgate Funding PLC			
0.267% due 12/01/2050 •		224	294
1.098% due 12/15/2050 •		194	260
Precise Mortgage Funding PLC			
1.249% due 12/12/2055 •		1,200	1,640
Residential Mortgage Securities PLC			
1.298% due 06/20/2070 •		808	1,104
Ripon Mortgages PLC			
0.914% due 08/20/2056 •		2,580	3,496
RMAC PLC			
0.795% due 06/12/2046 •		1,823	2,468
RMAC Securities PLC			
0.245% due 06/12/2044 •		349	459
Stratton Mortgage Funding PLC			
0.950% due 07/20/2060 •		1,994	2,706
Towd Point Mortgage Funding			
0.950% due 07/20/2045 •		1,856	2,517
Towd Point Mortgage Funding PLC			
1.236% due 10/20/2051 •		960	1,309
Trinity Square PLC			
0.900% due 07/15/2059 •	GBP	1,061	$ 1,441
			25,669
		SHARES	
PREFERRED SECURITIES 0.0%			
Nationwide Building Society			
10.250% ~		960	249
		PRINCIPAL AMOUNT (000S)	
SOVEREIGN ISSUES 1.4%			
United Kingdom Gilt			
0.625% due 10/22/2050	GBP	1,600	1,904
1.500% due 07/31/2053		1,100	1,646
1.750% due 01/22/2049		1,300	2,007
3.250% due 01/22/2044		900	1,703
4.250% due 12/07/2040		1,200	2,474
			9,734
Total United Kingdom (Cost $72,181)			**75,003**
UNITED STATES 31.1%			
ASSET-BACKED SECURITIES 5.1%			
A10 Bridge Asset Financing LLC			
2.021% due 08/15/2040	$	748	749
ACE Securities Corp. Home Equity Loan Trust			
0.382% due 07/25/2036 •		1,125	954
Amortizing Residential Collateral Trust			
0.802% due 10/25/2031 •		1	1
AMRESCO Residential Securities Corp. Mortgage Loan Trust			
1.042% due 06/25/2029 •		1	1
Argent Mortgage Loan Trust			
0.582% due 05/25/2035 •		1,199	1,140
Argent Securities, Inc. Asset-Backed Pass-Through Certificates			
0.862% due 02/25/2036 •		1,429	1,326
Citigroup Mortgage Loan Trust			
0.262% due 12/25/2036 •		443	297
0.622% due 03/25/2036 •		418	411
Citigroup Mortgage Loan Trust, Inc.			
0.362% due 06/25/2037 •		2,700	2,675
1.092% due 07/25/2035 •		1,200	1,196
Countrywide Asset-Backed Certificates			
0.242% due 06/25/2035 •		273	264
0.242% due 06/25/2037 •		351	336
0.242% due 07/25/2037 •		246	238
0.242% due 06/25/2047 ^•		279	269
0.242% due 06/25/2047 •		871	844
0.252% due 04/25/2047 ^•		87	86
0.362% due 12/25/2036 ^•		301	301
0.382% due 03/25/2037 •		1,275	1,314
4.628% due 08/25/2035 ^~		195	191
Countrywide Asset-Backed Certificates Trust			
1.442% due 04/25/2035 •		716	717
Credit Suisse First Boston Mortgage Securities Corp.			
0.722% due 01/25/2032 •		1	1
First Franklin Mortgage Loan Trust			
0.217% due 07/25/2036 •		745	721
GSAMP Trust			
0.747% due 11/25/2035 ^•		1,238	1,195
0.822% due 11/25/2035 •		1,000	938
Home Equity Mortgage Loan Asset-Backed Trust			
0.342% due 04/25/2037 •		475	380
HSI Asset Securitization Corp. Trust			
0.362% due 04/25/2037 •		677	441
LL ABS Trust			
1.070% due 05/15/2029		1,096	1,090
Long Beach Mortgage Loan Trust			
0.662% due 10/25/2034 •		12	12

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Merrill Lynch Mortgage Investors Trust		
0.402% due 08/25/2037 •	$ 1,142	$ 741
Morgan Stanley ABS Capital, Inc. Trust		
0.232% due 10/25/2036 •	113	107
Morgan Stanley Home Equity Loan Trust		
0.202% due 12/25/2036 •	843	521
0.332% due 04/25/2037 •	707	468
Morgan Stanley Mortgage Loan Trust		
5.919% due 09/25/2046 ^þ	142	51
Nomura Home Equity Loan, Inc. Home Equity Loan Trust		
0.537% due 03/25/2036 •	549	547
NovaStar Mortgage Funding Trust		
0.232% due 03/25/2037 •	603	468
Option One Mortgage Loan Trust		
0.242% due 01/25/2037 •	356	273
Renaissance Home Equity Loan Trust		
2.652% due 12/25/2032 •	143	143
5.294% due 01/25/2037 þ	640	309
5.675% due 06/25/2037 ^þ	1,053	416
5.731% due 11/25/2036 þ	970	496
Residential Asset Mortgage Products Trust		
0.542% due 12/25/2035 •	260	247
0.562% due 12/25/2035 •	771	717
Residential Asset Securities Corp. Trust		
0.352% due 11/25/2036 ^•	1,980	1,962
Saxon Asset Securities Trust		
1.852% due 12/25/2037 •	331	329
Soundview Home Loan Trust		
0.252% due 06/25/2037 •	67	57
0.602% due 11/25/2036 •	1,371	1,350
Structured Asset Investment Loan Trust		
0.233% due 07/25/2036 •	370	307
0.722% due 01/25/2036 •	860	848
Terwin Mortgage Trust		
1.042% due 11/25/2033 •	17	16
Towd Point Mortgage Trust		
1.102% due 05/25/2058 •	514	516
1.636% due 04/25/2060 ~	1,011	1,006
2.710% due 01/25/2060 ~	947	962
2.900% due 10/25/2059 ~	3,202	3,268
Toyota Auto Loan Extended Note Trust		
2.560% due 11/25/2031	1,400	1,446
		35,659

CORPORATE BONDS & NOTES 5.8%

7-Eleven, Inc.			
0.625% due 02/10/2023		1,600	1,594
0.800% due 02/10/2024		200	198
American Airlines Pass-Through Trust			
3.000% due 04/15/2030		232	231
American Tower Corp.			
2.950% due 01/15/2025		800	831
Bayer U.S. Finance LLC			
1.213% (US0003M + 1.010%) due 12/15/2023 ~		500	504
3.875% due 12/15/2023		300	314
4.250% due 12/15/2025		300	325
4.375% due 12/15/2028		700	783
Boeing Co.			
1.950% due 02/01/2024		100	101
2.750% due 02/01/2026		1,800	1,853
3.250% due 02/01/2028		400	417
Broadcom, Inc.			
2.450% due 02/15/2031		400	393
2.600% due 02/15/2033		300	293
3.469% due 04/15/2034		300	314
Campbell Soup Co.			
3.650% due 03/15/2023		229	236
Charles Schwab Corp.			
0.750% due 03/18/2024		200	199
Charter Communications Operating LLC			
3.750% due 02/15/2028		100	107
3.950% due 06/30/2062		$ 900	$ 869
4.464% due 07/23/2022		1,300	1,319
D.R. Horton, Inc.			
5.750% due 08/15/2023		1,300	1,381
Dell International LLC			
6.100% due 07/15/2027		1,100	1,313
6.200% due 07/15/2030		200	253
Duke Energy Corp.			
0.851% (US0003M + 0.650%) due 03/11/2022 ~		1,300	1,301
Equitable Holdings, Inc.			
3.900% due 04/20/2023		65	67
Fidelity National Information Services, Inc.			
0.750% due 05/21/2023	EUR	300	345
1.700% due 06/30/2022	GBP	200	272
Ford Motor Credit Co. LLC			
0.000% due 12/07/2022 •	EUR	200	227
0.167% due 11/15/2023 •		100	113
1.744% due 07/19/2024		400	464
2.748% due 06/14/2024	GBP	400	546
3.087% due 01/09/2023	$	600	611
3.350% due 11/01/2022		700	710
3.370% due 11/17/2023		600	620
3.375% due 11/13/2025		400	416
3.810% due 01/09/2024		200	208
4.000% due 11/13/2030		200	216
4.375% due 08/06/2023		600	625
4.535% due 03/06/2025	GBP	500	716
General Motors Financial Co., Inc.			
3.550% due 07/08/2022	$	700	710
Goldman Sachs Group, Inc.			
1.625% due 07/27/2026	EUR	800	962
Goodman U.S. Finance Three LLC			
3.700% due 03/15/2028	$	600	648
Hyatt Hotels Corp.			
1.300% due 10/01/2023		300	300
Kilroy Realty LP			
3.450% due 12/15/2024		100	105
Morgan Stanley			
0.780% (CDOR03 + 0.300%) due 02/03/2023 ~(h)	CAD	3,300	2,610
MPT Operating Partnership LP			
2.500% due 03/24/2026	GBP	900	1,216
NextEra Energy Capital Holdings, Inc.			
0.898% (US0003M + 0.720%) due 02/25/2022 ~	$	800	801
Nissan Motor Acceptance Co. LLC			
0.910% due 09/28/2022 •		1,000	1,001
2.450% due 09/15/2028		500	486
Oracle Corp.			
2.875% due 03/25/2031 (h)		2,300	2,316
3.950% due 03/25/2051 (h)		300	312
4.100% due 03/25/2061 (h)		100	105
Organon & Co.			
5.125% due 04/30/2031		400	419
Pacific Gas & Electric Co.			
2.100% due 08/01/2027		100	97
2.950% due 03/01/2026		100	102
3.450% due 07/01/2025		100	104
4.000% due 12/01/2046		100	97
4.550% due 07/01/2030		200	216
Penske Truck Leasing Co. LP			
3.950% due 03/10/2025		1,400	1,493
SL Green Operating Partnership LP			
3.250% due 10/15/2022		500	508
Southern California Edison Co.			
0.690% (SOFRINDX + 0.640%) due 04/03/2023 ~		500	501
0.880% (SOFRRATE + 0.830%) due 04/01/2024 ~		100	100
1.100% due 04/01/2024		300	299
Spirit AeroSystems, Inc.			
3.950% due 06/15/2023		600	605
Sprint Spectrum Co. LLC			
4.738% due 09/20/2029		244	255
Walt Disney Co.			
3.500% due 05/13/2040		$ 100	$ 110
3.600% due 01/13/2051		200	227
West Virginia United Health System Obligated Group			
3.129% due 06/01/2050		800	790
Zimmer Biomet Holdings, Inc.			
3.150% due 04/01/2022		2,100	2,104
			40,884

LOAN PARTICIPATIONS AND ASSIGNMENTS 0.3%

Avolon TLB Borrower 1 (U.S.) LLC		
2.750% (LIBOR03M + 2.250%) due 12/01/2027 ~	1,191	1,194
CenturyLink, Inc.		
2.354% (LIBOR03M + 2.250%) due 03/15/2027 ~	378	374
Charter Communications Operating LLC		
1.860% (LIBOR03M + 1.750%) due 02/01/2027 ~	568	563
		2,131

MUNICIPAL BONDS & NOTES 0.1%

Golden State, California Tobacco Securitization Corp. Revenue Notes, Series 2021		
2.158% due 06/01/2026	600	604

NON-AGENCY MORTGAGE-BACKED SECURITIES 5.1%

American Home Mortgage Investment Trust		
1.746% due 09/25/2045 •	2	2
AREIT Trust		
1.190% due 07/17/2026 •	1,700	1,702
Banc of America Mortgage Trust		
2.684% due 02/25/2036 ^~	25	25
Bear Stearns Adjustable Rate Mortgage Trust		
2.478% due 08/25/2033 ~	1	1
Bear Stearns ALT-A Trust		
0.422% due 02/25/2034 •	22	22
2.785% due 11/25/2035 ^~	15	13
2.868% due 09/25/2035 ^~	14	11
3.294% due 03/25/2036 ^~	80	69
3.398% due 08/25/2036 ^~	27	17
Bear Stearns Structured Products, Inc. Trust		
2.511% due 12/26/2046 ^~	15	14
Chase Mortgage Finance Trust		
3.153% due 07/25/2037 ~	26	24
Citigroup Mortgage Loan Trust		
2.500% due 05/25/2051 ~	871	871
Citigroup Mortgage Loan Trust, Inc.		
0.452% due 10/25/2035 •	1,170	688
2.190% due 09/25/2035 •	2	2
Citigroup Mortgage Loan Trust, Inc. Mortgage Pass-Through Certificates		
2.226% due 09/25/2035 ^~	113	109
Countrywide Alternative Loan Trust		
0.524% due 03/20/2046 •	38	32
0.542% due 11/25/2035 •	7	7
0.662% due 02/25/2037 •	29	26
1.082% due 12/25/2035 •	28	26
5.250% due 06/25/2035 ^	4	4
Countrywide Home Loan Mortgage Pass-Through Trust		
0.562% due 05/25/2035 •	15	13
0.742% due 03/25/2035 •	24	21
0.762% due 02/25/2035 •	4	4
2.673% due 11/25/2034 ~	3	3
3.008% due 08/25/2034 ^~	2	2
5.500% due 01/25/2035	229	235
Credit Suisse Mortgage Capital Mortgage-Backed Trust		
5.500% due 08/25/2036 ^	895	793
5.863% due 02/25/2037 ^~	157	50
DBUBS Mortgage Trust		
0.735% due 11/10/2046 ~(a)	34	0

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Deutsche ALT-A Securities, Inc. Mortgage Loan Trust		
0.853% due 10/25/2047 •	$ 594	$ 558
Extended Stay America Trust		
1.190% due 07/15/2038 •	1,592	1,596
GS Mortgage-Backed Securities Trust		
2.500% due 12/25/2051 ~	384	385
2.500% due 01/25/2052 ~	1,646	1,650
2.500% due 02/25/2052 ~	775	781
2.500% due 04/25/2052 ~	494	494
GSR Mortgage Loan Trust		
0.432% due 12/25/2034 •	17	17
2.362% due 04/25/2035 ~	35	37
2.873% due 01/25/2036 ^~	20	20
Homeward Opportunities Fund Trust		
1.657% due 05/25/2065 ~	416	416
IndyMac INDX Mortgage Loan Trust		
0.522% due 05/25/2046 •	294	285
0.582% due 07/25/2035 •	11	11
JP Morgan Mortgage Trust		
2.688% due 02/25/2036 ^~	13	11
2.889% due 07/27/2037 ~	43	42
3.000% due 01/25/2052 ~	3,374	3,469
3.000% due 02/25/2052 «	3,100	3,162
3.000% due 05/25/2052 «~	5,100	5,083
Manhattan West Mortgage Trust		
2.130% due 09/10/2039	1,400	1,397
Mellon Residential Funding Corp. Mortgage Pass-Through Trust		
0.550% due 12/15/2030 •	2	2
MFA Trust		
1.381% due 04/25/2065 ~	986	983
1.947% due 04/25/2065 ~	358	359
Morgan Stanley Bank of America Merrill Lynch Trust		
0.907% due 12/15/2048 ~(a)	818	6
Morgan Stanley Capital Trust		
1.279% due 12/15/2023 •	1,700	1,703
Morgan Stanley Mortgage Loan Trust		
1.976% due 06/25/2036 ~	14	15
New Residential Mortgage Loan Trust		
2.750% due 07/25/2059 ~	1,120	1,142
2.750% due 11/25/2059 ~	930	947
One New York Plaza Trust		
1.060% due 01/15/2036 •	1,600	1,599
Residential Accredit Loans, Inc. Trust		
0.252% due 02/25/2047 •	22	11
0.462% due 06/25/2046 •	236	73
0.522% due 04/25/2046 •	389	146
1.010% due 10/25/2037 ~	188	186
6.000% due 06/25/2036	444	438
Structured Adjustable Rate Mortgage Loan Trust		
2.284% due 04/25/2034 ~	1	1
Structured Asset Mortgage Investments Trust		
0.322% due 09/25/2047 •	64	59
0.522% due 05/25/2036 •	6	6
0.542% due 05/25/2036 •	47	46
0.562% due 05/25/2045 •	11	10
0.684% due 07/19/2034 •	1	1
0.764% due 09/19/2032 •	1	1
0.804% due 03/19/2034 •	2	2
1.582% due 08/25/2047 ^•	22	22
Structured Asset Securities Corp.		
0.382% due 01/25/2036 •	195	185
Structured Asset Securities Corp. Mortgage Loan Trust		
0.392% due 10/25/2036 •	392	358
TBW Mortgage-Backed Trust		
6.470% due 09/25/2036 ^þ	189	11
Thornburg Mortgage Securities Trust		
1.811% due 06/25/2047 ^•	16	14
1.811% due 06/25/2047 •	1	1
UWM Mortgage Trust		
2.500% due 11/25/2051 ~	2,177	2,177
2.500% due 12/25/2051 ~	100	99
3.000% due 01/25/2052 ~	600	610
Wachovia Mortgage Loan Trust LLC		
2.225% due 10/20/2035 ^~	27	28
WaMu Mortgage Pass-Through Certificates Trust		
0.722% due 01/25/2045 •	$ 39	$ 39
1.062% due 06/25/2046 •	20	20
1.082% due 02/25/2046 •	43	44
1.475% due 02/27/2034 •	2	2
2.353% due 03/25/2033 ~	5	5
2.381% due 12/25/2036 ^~	99	95
2.725% due 03/25/2035 ~	16	17
2.831% due 04/25/2035 ~	15	15
Washington Mutual Mortgage Pass-Through Certificates Trust		
1.022% due 07/25/2046 ^•	17	12
		35,690

	SHARES	
PREFERRED SECURITIES 0.5%		
AT&T, Inc.		
2.875% due 03/02/2025 •(f)	300,000	343
Bank of America Corp.		
5.875% due 03/15/2028 •(f)	700,000	780
Charles Schwab Corp.		
5.375% due 06/01/2025 •(f)	500,000	546
Goldman Sachs Group, Inc.		
3.800% due 05/10/2026 •(f)	400,000	399
Wells Fargo & Co.		
3.900% due 03/15/2026 •(f)	1,500,000	1,542
		3,610

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
U.S. GOVERNMENT AGENCIES 10.0%		
Fannie Mae		
0.222% due 03/25/2034 •	$ 1	1
0.252% due 08/25/2034 •	1	1
0.442% due 09/25/2042 •	9	9
0.502% due 06/25/2036 •	12	12
1.284% due 10/01/2044 •	6	6
1.641% due 12/01/2034 •	1	1
1.905% due 05/25/2035 ~	3	4
2.423% due 11/01/2034 •	10	11
3.000% due 03/01/2060	726	770
3.500% due 01/01/2059	1,341	1,453
6.000% due 07/25/2044	5	6
Freddie Mac		
0.436% due 01/15/2038 •	182	182
0.610% due 12/15/2032 •	2	3
0.710% due 12/15/2037 •	4	4
1.282% due 10/25/2044 •	20	21
1.886% due 01/15/2038 ~(a)	182	11
2.000% due 03/01/2035 •	3	3
2.073% due 04/01/2035 •	11	11
Ginnie Mae		
0.881% due 05/20/2066 - 06/20/2066 •	2,761	2,796
0.931% due 11/20/2066 •	472	479
1.875% due 04/20/2028 - 06/20/2030 •	1	1
2.000% due 04/20/2030 - 05/20/2030 •	1	0
3.000% due 07/20/2046 - 05/20/2047	27	27
Uniform Mortgage-Backed Security		
2.500% due 02/01/2051	709	728
3.000% due 10/01/2049 - 06/01/2051	2,005	2,113
3.500% due 10/01/2034 - 07/01/2050	1,623	1,721
4.000% due 06/01/2050	646	688
Uniform Mortgage-Backed Security, TBA		
2.500% due 01/01/2052	6,100	6,224
3.500% due 03/01/2052	600	630
4.000% due 02/01/2052	49,000	52,095
		70,011

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
U.S. TREASURY OBLIGATIONS 4.2%		
U.S. Treasury Bonds		
1.375% due 11/15/2040	$ 2,400	$ 2,188
1.875% due 02/15/2041	700	693
U.S. Treasury Inflation Protected Securities (e)		
0.500% due 01/15/2028	9,981	11,174
3.875% due 04/15/2029	841	1,173
U.S. Treasury Notes		
0.625% due 05/15/2030	3,300	3,086
2.875% due 04/30/2025 (l)(n)	10,600	11,231
		29,545
Total United States (Cost $213,699)		**218,134**
SHORT-TERM INSTRUMENTS 2.5%		
COMMERCIAL PAPER 0.5%		
Samhallsbyggnadsbolaget i Norden AB		
0.000% due 01/13/2022	EUR 3,200	3,644
REPURCHASE AGREEMENTS (i) 0.0%		
		252
ISRAEL TREASURY BILLS 2.0%		
(0.024)% due 02/02/2022 - 12/07/2022 (c)(d)	ILS 42,600	13,701
Total Short-Term Instruments (Cost $17,089)		**17,597**
Total Investments in Securities (Cost $739,696)		**751,193**

	SHARES	
INVESTMENTS IN AFFILIATES 2.8%		
SHORT-TERM INSTRUMENTS 2.8%		
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 2.8%		
PIMCO Short Asset Portfolio	30,233	302
PIMCO Short-Term Floating NAV Portfolio III	2,022,173	19,651
Total Short-Term Instruments (Cost $20,227)		**19,953**
Total Investments in Affiliates (Cost $20,227)		**19,953**
Total Investments 109.8% (Cost $759,923)		$ **771,146**
Financial Derivative Instruments (k)(m) (0.4)% (Cost or Premiums, net $2,022)		**(3,302)**
Other Assets and Liabilities, net (9.4)%		**(65,790)**
Net Assets 100.0%		$ **702,054**

See Accompanying Notes

NOTES TO SCHEDULE OF INVESTMENTS:

* A zero balance may reflect actual amounts rounding to less than one thousand.

^ Security is in default.

« Security valued using significant unobservable inputs (Level 3).

~ Variable or Floating rate security. Rate shown is the rate in effect as of period end. Certain variable rate securities are not based on a published reference rate and spread, rather are determined by the issuer or agent and are based on current market conditions. Reference rate is as of reset date, which may vary by security. These securities may not indicate a reference rate and/or spread in their description.

• Rate shown is the rate in effect as of period end. The rate may be based on a fixed rate, a capped rate or a floor rate and may convert to a variable or floating rate in the future. These securities do not indicate a reference rate and spread in their description.

þ Coupon represents a rate which changes periodically based on a predetermined schedule or event. Rate shown is the rate in effect as of period end.

(a) Security is an Interest Only ("IO") or IO Strip.

(b) Payment in-kind security.

(c) Coupon represents a weighted average yield to maturity.

(d) Zero coupon security.

(e) Principal amount of security is adjusted for inflation.

(f) Perpetual maturity; date shown, if applicable, represents next contractual call date.

(g) Contingent convertible security.

(h) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
Deutsche Bank AG	3.729%	01/14/2032	01/11/2021	$ 1,100	$ 1,126	0.16%
Morgan Stanley	0.780	02/03/2023	01/30/2020	2,502	2,610	0.37
Oracle Corp.	2.875	03/25/2031	03/22/2021	2,297	2,316	0.33
Oracle Corp.	3.950	03/25/2051	03/22/2021	299	312	0.04
Oracle Corp.	4.100	03/25/2061	03/22/2021	100	105	0.02
				$ 6,298	$ 6,469	0.92%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(i) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received
FICC	0.000%	12/31/2021	01/03/2022	$ 252	U.S. Treasury Notes 1.250% due 09/30/2028	$ (257)	$ 252	$ 252
Total Repurchase Agreements						**$ (257)**	**$ 252**	**$ 252**

REVERSE REPURCHASE AGREEMENTS:

Counterparty	Borrowing Rate[1]	Settlement Date	Maturity Date	Amount Borrowed[1]	Payable for Reverse Repurchase Agreements
MYI	(0.720)%	11/22/2021	02/14/2022	EUR (11,538)	$ (13,125)
Total Reverse Repurchase Agreements					**$ (13,125)**

SHORT SALES:

Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales
United States (17.3)%					
U.S. Government Agencies (17.3)%					
Uniform Mortgage-Backed Security, TBA	2.000%	02/01/2037	$ 9,300	$ (9,477)	$ (9,507)
Uniform Mortgage-Backed Security, TBA	2.000	02/01/2052	58,750	(58,428)	(58,443)
Uniform Mortgage-Backed Security, TBA	2.500	01/01/2052	11,200	(11,533)	(11,428)
Uniform Mortgage-Backed Security, TBA	2.500	02/01/2052	31,500	(32,073)	(32,060)
Uniform Mortgage-Backed Security, TBA	3.000	03/01/2052	9,200	(9,496)	(9,510)
Uniform Mortgage-Backed Security, TBA	3.500	01/01/2037	400	(424)	(421)
Total Short Sales (17.3)%				**$ (121,431)**	**$ (121,369)**

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral pledged/(received) as of December 31, 2021:

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral Pledged/(Received)	Net Exposure[2]
Global/Master Repurchase Agreement						
FICC	$ 252	$ 0	$ 0	$ 252	$ (257)	$ (5)
MYI	0	(13,125)	0	(13,125)	13,010	(115)
Total Borrowings and Other Financing Transactions	**$ 252**	**$ (13,125)**	**$ 0**			

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

Remaining Contractual Maturity of the Agreements

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
Reverse Repurchase Agreements					
Sovereign Issues	$ 0	$ 0	$ (13,125)	$ 0	$ (13,125)
Total Borrowings	**$ 0**	**$ 0**	**$ (13,125)**	**$ 0**	**$ (13,125)**
Payable for reverse repurchase agreements					**$ (13,125)**

(j) Securities with an aggregate market value of $13,010 have been pledged as collateral under the terms of the above master agreements as of December 31, 2021.

(1) The average amount of borrowings outstanding during the period ended December 31, 2021 was $(22,694) at a weighted average interest rate of (0.327%). Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

(2) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(k) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

FUTURES CONTRACTS:

LONG FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
90-Day Eurodollar March Futures	03/2022	12	$ 2,990	$ (5)	$ 0	$ 0
Australia Government 3-Year Note March Futures	03/2022	242	20,098	16	0	(48)
Euro-BTP Italy Government Bond March Futures	03/2022	320	53,559	(687)	0	(80)
Euro-Buxl 30-Year Bond March Futures	03/2022	9	2,118	(87)	0	(3)
Euro-Schatz March Futures	03/2022	550	70,150	(86)	3	0
U.S. Treasury 10-Year Note March Futures	03/2022	232	30,269	157	15	0
U.S. Treasury Ultra Long-Term Bond March Futures	03/2022	9	1,774	25	14	0
				$ (667)	$ 32	$ (131)

SHORT FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
Australia Government 10-Year Bond March Futures	03/2022	6	$ (608)	$ 0	$ 6	$ 0
Canada Government 10-Year Bond March Futures	03/2022	98	(11,049)	(153)	0	(20)
Euro-Bobl March Futures	03/2022	377	(57,189)	317	17	0
Euro-Bund 10-Year Bond March Futures	03/2022	293	(57,166)	1,001	47	0
Euro-OAT France Government 10-Year Bond March Futures	03/2022	99	(18,389)	252	17	0
Japan Government 10-Year Bond March Futures	03/2022	7	(9,225)	18	16	0
U.S. Treasury 2-Year Note March Futures	03/2022	413	(90,105)	44	0	(19)
U.S. Treasury 5-Year Note March Futures	03/2022	28	(3,387)	(3)	0	(2)
U.S. Treasury 10-Year Ultra Long-Term Bond March Futures	03/2022	32	(4,686)	9	0	(9)
U.S. Treasury 30-Year Bond March Futures	03/2022	23	(3,690)	(24)	0	(13)
United Kingdom Long Gilt March Futures	03/2022	78	(13,187)	218	0	(42)
				$ 1,679	$ 103	$ (105)
Total Futures Contracts				**$ 1,012**	**$ 135**	**$ (236)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION[1]

Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2021[3]	Notional Amount[4]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value[5]	Variation Margin Asset	Variation Margin Liability
Auchan Holding S.A.	1.000%	Quarterly	12/20/2027	1.059%	EUR 1,100	$ (65)	$ 61	$ (4)	$ 0	$ (1)
Barclays Bank PLC	1.000	Quarterly	12/20/2022	0.248	300	2	1	3	0	0
Berkshire Hathaway, Inc.	1.000	Quarterly	12/20/2022	0.082	$ 700	13	(6)	7	0	0
British Telecommunications PLC	1.000	Quarterly	06/20/2028	1.504	EUR 1,000	(6)	(30)	(36)	0	(1)
General Motors Co.	5.000	Quarterly	12/20/2026	0.975	$ 300	60	(2)	58	1	0
Jaguar Land Rover Automotive	5.000	Quarterly	06/20/2026	3.521	EUR 800	53	4	57	0	0
Shell International Finance BV	1.000	Quarterly	12/20/2026	0.349	500	18	1	19	0	0
Tesco PLC	1.000	Quarterly	06/20/2022	0.124	800	0	4	4	0	0
Tesco PLC	1.000	Quarterly	06/20/2025	0.463	400	(13)	22	9	0	0
						$ 62	$ 55	$ 117	$ 1	$ (2)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - BUY PROTECTION[2]

Index/Tranches	Fixed (Pay) Rate	Payment Frequency	Maturity Date	Notional Amount[4]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value[5]	Variation Margin Asset	Variation Margin Liability
CDX.HY-36 5-Year Index	(5.000)%	Quarterly	06/20/2026	$ 4,100	$ (391)	$ 11	$ (380)	$ 0	$ (7)
CDX.IG-33 10-Year Index	(1.000)	Quarterly	12/20/2029	1,600	7	(21)	(14)	0	(1)
CDX.IG-35 5-Year Index	(1.000)	Quarterly	12/20/2025	900	(22)	0	(22)	0	0
CDX.IG-35 10-Year Index	(1.000)	Quarterly	12/20/2030	19,300	(119)	(176)	(295)	0	(12)
CDX.IG-37 10-Year Index	(1.000)	Quarterly	12/20/2031	23,500	(142)	(97)	(239)	0	(16)
iTraxx Europe Main 31 10-Year Index	(1.000)	Quarterly	06/20/2029	EUR 9,100	(66)	(148)	(214)	0	(10)
					$ (733)	$ (431)	$ (1,164)	$ 0	$ (46)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION[1]

Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount[4]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value[5]	Variation Margin Asset	Variation Margin Liability
CDX.IG-37 5-Year Index	1.000%	Quarterly	12/20/2026	$14,700	$ 344	$ 21	$ 365	$ 6	$ 0

INTEREST RATE SWAPS - BASIS SWAPS

Pay Floating Rate Index	Receive Floating Rate Index	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.091%	Quarterly	03/18/2022	$ 132,700	$ (1)	$ 1	$ 0	$ 0	$ 0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.084%	Quarterly	04/26/2022	30,400	0	(6)	(6)	0	(2)
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.084%	Quarterly	06/12/2022	5,100	0	(1)	(1)	0	0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.070%	Quarterly	06/12/2022	3,900	0	0	0	0	0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.085%	Quarterly	06/19/2022	19,800	(1)	(1)	(2)	0	(1)
3-Month USD-LIBOR[6]	01-Month USD-LIBOR + 0.073%	Quarterly	04/27/2023	17,000	0	(1)	(1)	0	0
3-Month USD-LIBOR[6]	01-Month USD-LIBOR + 0.070%	Quarterly	03/07/2024	4,300	0	1	1	0	(1)
3-Month USD-LIBOR[6]	01-Month USD-LIBOR + 0.088%	Quarterly	09/06/2024	12,700	1	4	5	0	0
3-Month USD-LIBOR[6]	01-Month USD-LIBOR + 0.105%	Quarterly	09/27/2024	12,700	0	2	2	0	0
3-Month USD-LIBOR[6]	01-Month USD-LIBOR + 0.102%	Quarterly	10/04/2024	10,100	0	2	2	0	0
					$ (1)	$ 1	$ 0	$ 0	$ (4)

INTEREST RATE SWAPS

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive[6]	1-Day GBP-SONIO Compounded-OIS	0.010%	Annual	02/07/2023	GBP 23,100	$ 103	$ 161	$ 264	$ 0	$ (11)
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.250	Annual	03/16/2024	6,100	(31)	(115)	(146)	3	0
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.500	Annual	03/16/2027	4,300	(21)	(142)	(163)	14	0
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.750	Annual	03/16/2032	8,200	(20)	(204)	(224)	59	0
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.750	Annual	03/16/2052	1,600	44	(91)	(47)	41	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/17/2022	JPY 1,790,000	0	2	2	0	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	06/19/2022	1,020,000	0	1	1	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Annual	12/15/2023	2,310,000	15	(1)	14	0	(2)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Annual	12/15/2028	1,060,000	0	(10)	(10)	0	(10)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.200	Semi-Annual	06/19/2029	900,000	152	(83)	69	0	(9)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/17/2031	1,790,000	(215)	43	(172)	0	(26)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.050	Annual	12/15/2031	350,000	2	6	8	6	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.500	Semi-Annual	06/19/2049	120,000	10	(18)	(8)	0	(8)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.398	Annual	08/13/2051	60,000	0	15	15	5	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.400	Annual	12/15/2051	70,000	(4)	23	19	5	0
Receive	1-Day SGD-SIBCSORA Compounded-OIS	1.250	Semi-Annual	09/15/2031	SGD 3,300	(18)	52	34	9	0
Receive	1-Day SGD-SIBCSORA Compounded-OIS	1.500	Semi-Annual	12/15/2031	2,700	7	(19)	(12)	8	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	0.768	Annual	12/31/2023	$ 88,100	(25)	(71)	(96)	0	(8)
Receive[6]	1-Day USD-SOFR Compounded-OIS	0.500	Annual	06/15/2024	16,300	158	8	166	4	0
Pay	1-Day USD-SOFR Compounded-OIS	1.000	Annual	12/15/2026	2,800	(17)	3	(14)	2	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.000	Annual	06/15/2027	6,100	(51)	(18)	(69)	3	0
Pay	1-Day USD-SOFR Compounded-OIS	1.250	Annual	12/15/2028	3,700	13	0	13	2	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.228	Annual	08/15/2031	22,700	(1)	(215)	(216)	9	0
Pay	1-Day USD-SOFR Compounded-OIS	1.500	Annual	12/15/2031	11,900	316	(98)	218	5	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.250	Annual	06/15/2032	5,700	(38)	(34)	(72)	3	0
Receive	1-Year BRL-CDI	2.850	Maturity	01/03/2022	BRL 18,500	0	51	51	0	0
Receive	1-Year BRL-CDI	2.859	Maturity	01/03/2022	44,800	0	121	121	0	0
Receive	1-Year BRL-CDI	2.860	Maturity	01/03/2022	23,600	0	65	65	0	0
Receive	1-Year BRL-CDI	2.870	Maturity	01/03/2022	13,000	0	35	35	0	0
Receive	1-Year BRL-CDI	2.871	Maturity	01/03/2022	18,700	0	51	51	0	0
Receive	1-Year BRL-CDI	2.883	Maturity	01/03/2022	15,200	0	40	40	0	0
Pay	1-Year BRL-CDI	3.300	Maturity	01/03/2022	258,900	(3)	(409)	(412)	0	0
Pay	1-Year BRL-CDI	3.345	Maturity	01/03/2022	5,500	0	(11)	(11)	0	0
Pay	1-Year BRL-CDI	3.350	Maturity	01/03/2022	117,200	(1)	(236)	(237)	0	0
Receive	1-Year BRL-CDI	3.360	Maturity	01/03/2022	38,900	(58)	107	49	0	0
Pay	1-Year BRL-CDI	3.700	Maturity	01/03/2022	60,800	(4)	(102)	(106)	0	0
Receive	1-Year BRL-CDI	7.197	Maturity	01/03/2022	142,267	0	24	24	0	0
Receive	1-Year BRL-CDI	7.198	Maturity	01/03/2022	136,200	0	24	24	0	0
Pay[6]	3-Month CAD-Bank Bill	2.060	Semi-Annual	10/28/2023	CAD 17,700	0	27	27	5	0
Pay[6]	3-Month CAD-Bank Bill	2.000	Semi-Annual	11/14/2023	8,000	0	7	7	2	0
Pay	3-Month CAD-Bank Bill	1.220	Semi-Annual	03/03/2025	6,000	0	(67)	(67)	4	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2025	3,200	(26)	3	(23)	3	0
Pay	3-Month CAD-Bank Bill	1.000	Semi-Annual	06/16/2026	3,200	(39)	(49)	(88)	3	0
Pay	3-Month CAD-Bank Bill	2.500	Semi-Annual	06/19/2029	5,900	173	39	212	7	0
Pay	3-Month CAD-Bank Bill	1.900	Semi-Annual	12/18/2029	8,200	109	(98)	11	11	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2030	11,700	(89)	(204)	(293)	16	0
Pay	3-Month CAD-Bank Bill	1.250	Semi-Annual	06/16/2031	6,500	(326)	14	(312)	8	0
Pay	3-Month CAD-Bank Bill	1.585	Semi-Annual	07/19/2031	1,100	(32)	9	(23)	2	0
Pay	3-Month CAD-Bank Bill	1.750	Semi-Annual	12/16/2046	600	(86)	48	(38)	2	0
Pay	3-Month CAD-Bank Bill	2.750	Semi-Annual	12/18/2048	600	20	43	63	3	0
Pay	3-Month CHF-SRFXON3 Compounded-OIS	(0.500)	Annual	09/15/2026	CHF 14,900	(16)	(167)	(183)	3	0
Pay[6]	3-Month NZD-BBR	3.000	Semi-Annual	11/01/2023	NZD 16,200	6	41	47	0	(2)
Pay[6]	3-Month NZD-BBR	3.000	Semi-Annual	12/15/2023	18,500	(2)	47	45	0	(3)
Pay	3-Month NZD-BBR	0.528	Semi-Annual	03/17/2024	400	0	(10)	(10)	0	0
Pay	3-Month SEK-STIBOR	1.000	Annual	06/19/2029	SEK 13,200	51	(28)	23	0	(4)
Receive	3-Month USD-LIBOR	0.250	Semi-Annual	03/30/2023	$ 14,965	3	59	62	0	0

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive	3-Month USD-LIBOR	0.250%	Semi-Annual	06/16/2023	$ 37,600	$ 33	$ 229	$ 262	$ 4	$ 0
Receive	3-Month USD-LIBOR	1.305	Semi-Annual	08/21/2023	6,950	0	(89)	(89)	0	0
Pay	3-Month USD-LIBOR	0.500	Semi-Annual	12/15/2023	1,400	(3)	14	11	0	0
Receive	3-Month USD-LIBOR	1.298	Semi-Annual	08/25/2024	5,950	0	(57)	(57)	0	0
Receive	3-Month USD-LIBOR	1.249	Semi-Annual	08/31/2024	7,050	0	(56)	(56)	0	0
Pay	3-Month USD-LIBOR	1.000	Semi-Annual	12/16/2025	6,500	176	(245)	(69)	0	0
Receive	3-Month USD-LIBOR	0.400	Semi-Annual	03/30/2026	27,150	248	745	993	0	0
Pay	3-Month USD-LIBOR	0.500	Semi-Annual	06/16/2026	38,710	(824)	(565)	(1,389)	3	0
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	12/15/2026	70,200	(784)	1,119	335	0	(27)
Pay	3-Month USD-LIBOR	0.400	Semi-Annual	01/15/2028	6,800	(54)	(339)	(393)	4	0
Pay	3-Month USD-LIBOR	0.500	Semi-Annual	06/16/2028	3,000	(164)	(13)	(177)	2	0
Receive	3-Month USD-LIBOR	2.250	Semi-Annual	06/20/2028	25,100	1,360	(2,648)	(1,288)	0	(14)
Pay	3-Month USD-LIBOR	1.500	Semi-Annual	12/15/2028	11,900	118	(89)	29	7	0
Receive	3-Month USD-LIBOR	1.500	Semi-Annual	12/15/2028	300	(1)	0	(1)	0	0
Receive	3-Month USD-LIBOR	2.000	Semi-Annual	01/15/2030	9,400	(44)	(397)	(441)	0	(3)
Receive	3-Month USD-LIBOR	1.000	Semi-Annual	12/16/2030	8,700	(113)	517	404	0	(3)
Receive	3-Month USD-LIBOR	1.120	Semi-Annual	02/02/2031	1,500	0	49	49	0	(1)
Receive	3-Month USD-LIBOR	0.750	Semi-Annual	03/30/2031	8,750	75	519	594	0	(4)
Pay	3-Month USD-LIBOR	0.750	Semi-Annual	06/16/2031	20,220	1,856	(389)	1,467	0	(8)
Receive	3-Month USD-LIBOR	1.508	Semi-Annual	07/15/2031	400	(2)	2	0	0	0
Receive	3-Month USD-LIBOR	1.370	Semi-Annual	07/19/2031	1,300	(3)	19	16	0	(1)
Receive	3-Month USD-LIBOR	1.400	Semi-Annual	07/19/2031	2,900	(19)	46	27	0	(2)
Receive	3-Month USD-LIBOR	1.448	Semi-Annual	08/10/2031	2,600	(17)	32	15	0	(1)
Pay	3-Month USD-LIBOR	1.950	Semi-Annual	10/04/2031	780	0	31	31	1	0
Receive	3-Month USD-LIBOR	1.720	Semi-Annual	10/15/2031	2,700	0	(45)	(45)	0	(2)
Pay	3-Month USD-LIBOR	1.750	Semi-Annual	12/15/2031	19,600	495	(177)	318	9	0
Receive	3-Month USD-LIBOR	1.750	Semi-Annual	12/15/2031	300	(11)	6	(5)	0	0
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	06/09/2041	2,400	42	159	201	0	(7)
Receive	3-Month USD-LIBOR	1.325	Semi-Annual	12/02/2050	1,100	(32)	138	106	0	(4)
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	12/16/2050	1,300	5	142	147	0	(6)
Pay	3-Month USD-LIBOR	1.460	Semi-Annual	02/02/2051	2,000	(23)	(97)	(120)	8	0
Receive	3-Month USD-LIBOR	1.150	Semi-Annual	03/30/2051	6,200	194	640	834	0	(28)
Receive	3-Month USD-LIBOR	1.940	Semi-Annual	06/15/2051	1,000	(7)	(43)	(50)	0	(4)
Pay	3-Month USD-LIBOR	1.250	Semi-Annual	06/16/2051	200	(43)	20	(23)	1	0
Receive	3-Month USD-LIBOR	1.935	Semi-Annual	06/22/2051	900	(6)	(37)	(43)	0	(4)
Receive	3-Month USD-LIBOR	1.968	Semi-Annual	06/23/2051	900	(7)	(43)	(50)	0	(4)
Receive	3-Month USD-LIBOR	1.665	Semi-Annual	10/27/2051	100	0	1	1	0	(1)
Pay	3-Month USD-LIBOR	2.000	Semi-Annual	12/15/2051	6,600	508	(76)	432	29	0
Receive	3-Month USD-LIBOR	2.000	Semi-Annual	12/15/2051	700	(42)	(6)	(48)	0	(4)
Receive	3-Month USD-LIBOR	2.090	Semi-Annual	12/23/2051	700	0	(63)	(63)	0	(4)
Receive[6]	3-Month USD-LIBOR	1.620	Semi-Annual	01/27/2052	500	0	13	13	0	(3)
Pay	3-Month ZAR-JIBAR	7.250	Quarterly	06/20/2023	ZAR 7,600	4	11	15	0	0
Receive	6-Month AUD-BBR-BBSW	1.250	Semi-Annual	06/17/2030	AUD 3,900	(84)	233	149	20	0
Pay	6-Month CZK-PRIBOR	1.913	Annual	01/30/2029	CZK 13,900	0	(55)	(55)	0	(2)
Pay[6]	6-Month EUR-EURIBOR	(0.500)	Annual	03/16/2024	EUR 14,900	(34)	(62)	(96)	0	(3)
Pay[6]	6-Month EUR-EURIBOR	(0.250)	Annual	03/16/2027	87,300	(162)	(1,471)	(1,633)	0	(93)
Pay[6]	6-Month EUR-EURIBOR	(0.250)	Annual	09/21/2027	13,700	(200)	(127)	(327)	0	(15)
Receive[6]	6-Month EUR-EURIBOR	0.190	Annual	01/27/2032	1,350	0	21	21	1	0
Receive[6]	6-Month EUR-EURIBOR	0.205	Annual	01/27/2032	1,700	0	23	23	1	0
Pay[6]	6-Month EUR-EURIBOR	0.250	Annual	03/16/2032	79,200	1,245	(2,085)	(840)	0	(75)
Pay[6]	6-Month EUR-EURIBOR	0.250	Annual	09/21/2032	3,300	25	(86)	(61)	0	(3)
Pay[6]	6-Month EUR-EURIBOR	(0.060)	Annual	11/17/2032	1,800	0	(101)	(101)	0	(2)
Receive	6-Month EUR-EURIBOR	0.000	Annual	03/17/2036	200	9	6	15	0	0
Receive[6]	6-Month EUR-EURIBOR	0.054	Annual	05/27/2050	300	0	43	43	0	0
Receive[6]	6-Month EUR-EURIBOR	0.500	Annual	03/16/2052	8,450	(393)	358	(35)	7	0
Receive[6]	6-Month EUR-EURIBOR	0.500	Annual	09/21/2052	900	(21)	21	0	1	0
Receive[6]	6-Month EUR-EURIBOR	0.064	Annual	11/17/2052	600	0	86	86	0	0
Pay	6-Month JPY-LIBOR	0.000	Semi-Annual	03/17/2022	JPY 1,790,000	0	5	5	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	06/19/2022	1,020,000	0	3	3	0	0
Pay	28-Day MXN-TIIE	4.870	Lunar	07/07/2025	MXN 29,200	5	(119)	(114)	0	(1)
Receive	UKRPI	3.397	Maturity	11/15/2030	850	6	144	150	0	(8)
Receive	UKRPI	3.445	Maturity	11/15/2030	710	0	119	119	0	(7)
Receive	UKRPI	3.510	Maturity	11/15/2030	430	0	68	68	0	(4)
Pay	UKRPI	3.740	Maturity	03/15/2031	1,300	1	(163)	(162)	10	0
Receive	UKRPI	3.700	Maturity	04/15/2031	2,100	20	(307)	(287)	15	0
Pay	UKRPI	3.217	Maturity	11/15/2040	1,450	(24)	(433)	(457)	12	0
Pay	UKRPI	3.272	Maturity	11/15/2040	500	0	(146)	(146)	4	0
Pay	UKRPI	3.273	Maturity	11/15/2040	710	0	(207)	(207)	6	0
Pay	UKRPI	3.340	Maturity	11/15/2040	730	0	(192)	(192)	6	0
Receive	UKRPI	3.000	Maturity	11/15/2050	600	21	271	292	0	(7)
Receive	UKRPI	3.051	Maturity	11/15/2050	500	0	224	224	0	(7)
Receive	UKRPI	3.143	Maturity	11/15/2050	300	0	113	113	0	(4)
						$ 3,388	$ (6,169)	$ (2,781)	$ 398	$ (449)
Total Swap Agreements						**$ 3,060**	**$ (6,523)**	**$ (3,463)**	**$ 405**	**$ (501)**

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset			Market Value	Variation Margin Liability		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	$ 0	$ 135	$ 405	$ 540	$ 0	$ (236)	$ (501)	$ (737)

(l) Securities with an aggregate market value of $3,263 and cash of $ 9,716 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of December 31, 2021. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(1) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(3) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on sovereign issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(4) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(5) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(6) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(m) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
BOA	01/2022	CNH	2,214	$	345	$ 0	$ (3)
	01/2022	CNY	15,766		2,448	0	(30)
	01/2022	JPY	60,100		532	10	0
	01/2022	PEN	755		187	0	(2)
	01/2022	$	5	CZK	107	0	0
	01/2022		809	GBP	610	17	0
	01/2022		51	MXN	1,069	1	0
	03/2022	MXN	3,991	$	191	0	(1)
	03/2022	MYR	16,247		3,887	0	(8)
	03/2022	SGD	904		660	0	(11)
	04/2022	DKK	30,284		4,783	139	0
BPS	01/2022	CAD	4,589		3,588	0	(40)
	01/2022	EUR	2,716		3,068	0	(24)
	01/2022	GBP	38,521		51,013	0	(1,128)
	01/2022	ILS	422		134	0	(2)
	01/2022	JPY	865,818		7,631	104	0
	01/2022	MXN	1,069		52	0	0
	01/2022	$	1,107	CNH	7,117	12	0
	01/2022		474	EUR	418	2	0
	01/2022		5,331	JPY	605,300	0	(69)
	01/2022		108	RUB	7,941	0	(3)
	02/2022	JPY	4,345,725	$	37,745	0	(42)
	03/2022	MYR	29,046		6,846	0	(117)
	04/2022	DKK	18,520		2,877	41	(4)
	10/2022	PEN	1,656		406	0	(1)
BRC	01/2022	JPY	3,479,417		30,667	419	0

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Liability
CBK	01/2022	BRL	1,522	$	273	$ 0	$ (1)
	01/2022	EUR	1,980		2,246	0	(9)
	01/2022	ILS	528		168	0	(2)
	01/2022	PEN	3,083		758	0	(14)
	01/2022	RUB	80,335		1,077	8	0
	01/2022	$	271	BRL	1,522	2	0
	01/2022		684	PEN	2,720	0	(2)
	02/2022	ILS	10,603	$	3,288	0	(123)
	02/2022	PEN	9,737		2,436	34	(33)
	03/2022	ILS	10,902		3,319	0	(189)
	03/2022	PEN	9,069		2,212	0	(53)
	04/2022	DKK	53,104		8,263	132	(14)
	04/2022	ILS	1,400		435	0	(16)
	04/2022	MXN	497		23	0	(1)
	04/2022	$	412	DKK	2,615	0	(11)
	05/2022	PEN	661	$	160	0	(4)
	06/2022	ILS	3,700		1,141	0	(52)
	08/2022		3,925		1,219	0	(49)
	08/2022	PEN	1,105		273	0	0
	10/2022	ILS	300		96	0	(1)
	12/2022		5,301		1,703	0	(16)
	12/2022	$	583	PEN	2,446	14	0
DUB	01/2022	CNH	242,275	$	37,879	0	(194)
	02/2022	ILS	300		95	0	(1)
GLM	01/2022		3,377		1,034	0	(52)
	01/2022	PEN	5,537		1,344	0	(42)
	01/2022	$	390	NOK	3,540	12	0
	01/2022		277	PEN	1,118	3	0
	01/2022		806	RUB	58,612	0	(26)
	02/2022	CAD	769	$	637	29	0
	03/2022	$	1,661	MXN	34,513	3	0
	11/2022	ILS	7,100	$	2,297	0	(3)
HUS	01/2022	CAD	2,649		2,073	0	(21)
	01/2022	CNH	120,834		18,831	0	(158)
	01/2022	GBP	359		478	0	(8)
	01/2022	ILS	2,111		654	0	(25)
	01/2022	JPY	747,400		6,512	15	0
	01/2022	$	5,514	CNY	35,156	2	0
	02/2022	ILS	4,997	$	1,612	4	0
	02/2022	RUB	38,638		515	2	0
	02/2022	$	525	RUB	38,021	0	(20)
	03/2022	MYR	3,071	$	725	0	(11)
	03/2022	SGD	2,887		2,108	0	(34)
	04/2022	DKK	4,560		711	12	0
	04/2022	$	569	DKK	3,645	0	(10)
JPM	01/2022	CNH	124,467	$	19,429	0	(130)
	01/2022	CNY	58,144		9,026	0	(113)
	01/2022	JPY	1,030,172		9,061	106	0
	01/2022	$	1,920	CAD	2,456	21	0
	01/2022		989	JPY	112,500	0	(11)
	03/2022	HKD	3,523	$	452	0	0
	03/2022	KRW	12,783,930		10,813	81	0
	03/2022	SGD	3,717		2,712	0	(46)
	12/2022	ILS	800		259	0	0
MYI	01/2022	CHF	112		121	0	(1)
	01/2022	NZD	6,974		4,760	0	(16)
	04/2022	DKK	90,442		14,275	403	0
RBC	01/2022	CAD	340		263	0	(6)
	01/2022	JPY	1,794,031		15,737	140	0
	01/2022	$	314	CAD	400	2	0
SCX	01/2022	CNH	47,112	$	7,328	0	(76)
	01/2022	CNY	43,276		6,762	0	(40)
	01/2022	EUR	63,493		71,573	0	(713)
	01/2022	$	719	CAD	921	9	0
	01/2022		30	CNH	193	0	0
	01/2022		3,133	NOK	28,381	90	0
	02/2022	EUR	67,771	$	77,113	0	(89)
	02/2022	GBP	38,237		51,787	34	0

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Liability
SSB	01/2022	BRL	1,522	$	268	$ 0	$ (6)
	02/2022	$	266	BRL	1,522	6	0
TOR	01/2022	AUD	1,693	$	1,212	0	(20)
	01/2022	CAD	17,032		13,284	0	(181)
	01/2022	$	13,376	CAD	16,896	0	(19)
	02/2022	CAD	16,897	$	13,376	19	0
	03/2022	MXN	31,095		1,468	0	(32)
UAG	01/2022	JPY	2,352,747		20,479	25	0
	01/2022	$	350	CAD	450	5	0
	01/2022		178	RUB	12,938	0	(6)
Total Forward Foreign Currency Contracts						**$ 1,958**	**$ (4,185)**

PURCHASED OPTIONS:

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Cost	Market Value
GLM	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.400%	01/25/2022	8,400	$ 106	$ 30
NGF	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.400	01/25/2022	7,700	95	28
							$ 201	$ 58

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Cost	Market Value
BPS	Put - OTC Euro-OAT France Government Bond 0.750% due 05/23/2025	EUR 97.000	05/23/2025	1,100	$ 83	$ 166
Total Purchased Options					**$ 284**	**$ 224**

WRITTEN OPTIONS:

CREDIT DEFAULT SWAPTIONS ON CREDIT INDICES

Counterparty	Description	Buy/Sell Protection	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
BOA	Put - OTC CDX.HY-37 5-Year Index	Sell	101.000%	01/19/2022	600	$ (3)	$ 0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.800	02/16/2022	2,200	(3)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	2,100	(3)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	01/19/2022	1,300	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	03/16/2022	1,000	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.850	04/20/2022	900	(1)	(1)
BRC	Put - OTC CDX.IG-37 5-Year Index	Sell	0.850	01/19/2022	1,600	(2)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950	03/16/2022	1,100	(1)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	3,200	(4)	(2)
	Put - OTC iTraxx Crossover 36 5-Year Index	Sell	3.750	01/19/2022	900	(5)	0
	Put - OTC iTraxx Crossover 36 5-Year Index	Sell	4.000	02/16/2022	900	(7)	(1)
	Put - OTC iTraxx Crossover 36 5-Year Index	Sell	4.250	03/16/2022	1,100	(5)	(2)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.750	01/19/2022	1,400	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	01/19/2022	1,300	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	03/16/2022	2,900	(3)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	03/16/2022	7,000	(9)	(2)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.950	03/16/2022	1,600	(2)	(1)
CBK	Put - OTC CDX.IG-37 5-Year Index	Sell	0.850	01/19/2022	1,300	(1)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	02/16/2022	1,600	(2)	0
DUB	Put - OTC CDX.HY-37 5-Year Index	Sell	101.000	01/19/2022	500	(2)	0
	Put - OTC CDX.HY-37 5-Year Index	Sell	96.000	03/16/2022	900	(4)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.800	01/19/2022	1,700	(2)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	03/16/2022	1,900	(2)	(1)
GST	Put - OTC CDX.IG-36 5-Year Index	Sell	0.750	01/19/2022	2,300	(2)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	03/16/2022	1,600	(2)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	1.000	03/16/2022	1,100	(1)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.850	04/20/2022	1,000	(1)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	900	(1)	(1)

Counterparty	Description	Buy/Sell Protection	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
JPM	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950%	03/16/2022	600	$ (1)	$ 0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	1,300	(2)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950	04/20/2022	1,200	(1)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	03/16/2022	3,100	(4)	(1)
MYC	Put - OTC CDX.IG-37 5-Year Index	Sell	0.800	01/19/2022	2,300	(3)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	1.000	03/16/2022	700	(1)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	1,000	(2)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950	04/20/2022	1,000	(1)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.850	04/20/2022	2,300	(4)	(2)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	04/20/2022	1,600	(2)	(1)
						$ (97)	$ (24)

FOREIGN CURRENCY OPTIONS

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
GLM	Call - OTC USD versus CAD	CAD 1.265	02/11/2022	3,298	$ (33)	$ (29)

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
AZD	Call - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Receive	1.790%	01/24/2022	1,600	$ (4)	$ (2)
	Put - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Pay	2.140	01/24/2022	1,600	(4)	(4)
BOA	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.355	01/20/2022	1,900	(6)	(1)
	Put - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.655	01/20/2022	1,900	(6)	(9)
BPS	Call - OTC 5-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	(0.100)	02/10/2022	8,000	(40)	(6)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.376	01/10/2022	3,700	(10)	(3)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.676	01/10/2022	3,700	(10)	(1)
	Put - OTC 25-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.451	05/23/2025	1,100	(83)	(154)
BRC	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.010	02/07/2022	6,400	(8)	0
	Put - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Pay	0.010	02/07/2022	6,400	(8)	(73)
DUB	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.345	01/10/2022	5,200	(13)	(3)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.645	01/10/2022	5,200	(13)	(3)
GLM	Call - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	0.870	11/02/2022	66,900	(133)	(68)
	Put - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.270	11/02/2022	66,900	(133)	(171)
	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.010	02/07/2022	6,400	(9)	0
	Put - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Pay	0.010	02/07/2022	6,400	(9)	(73)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.218	01/18/2022	1,100	(3)	0
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.518	01/18/2022	1,100	(3)	(4)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.330	01/24/2022	700	(2)	(1)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.630	01/24/2022	700	(2)	(1)
	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.435	01/10/2022	3,200	(10)	(2)
	Put - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.735	01/10/2022	3,200	(10)	(3)
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.320	01/25/2022	2,700	(72)	0
GST	Call - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Receive	1.770	01/17/2022	1,000	(2)	0
	Put - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Pay	2.120	01/17/2022	1,000	(2)	(2)
JPM	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.820	12/16/2024	6,200	(44)	(33)
MYC	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.270	01/10/2022	8,000	(16)	(5)
	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.570	01/10/2022	8,000	(16)	(2)
	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.118	01/18/2022	3,100	(5)	(1)
	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.418	01/18/2022	3,100	(5)	(7)
	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.185	02/14/2022	5,400	(15)	(8)
	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.585	02/14/2022	5,400	(15)	(12)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.330	01/18/2022	3,200	(7)	(3)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.630	01/18/2022	3,200	(7)	(4)
RYL	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.010	02/07/2022	33,400	(43)	0
	Put - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Pay	0.010	02/07/2022	33,400	(43)	(379)
							$ (811)	$ (1,038)

INTEREST RATE-CAPPED OPTIONS

Counterparty	Description	Exercise Rate	Floating Rate Index	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
MYC	Call - OTC 1-Year Interest Rate Floor	0.000%	1-Month USD-LIBOR	10/07/2022	9,500	$ (10)	$ (1)
	Call - OTC 1-Year Interest Rate Floor	0.000	1-Month USD-LIBOR	10/08/2022	5,250	(5)	0
						$ (15)	$ (1)

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
GSC	Call - OTC Fannie Mae, TBA 2.000% due 03/01/2052	$ 100.297	03/07/2022	500	$ (1)	$ (1)
	Call - OTC Uniform Mortgage-Backed Security, TBA 3.000% due 03/01/2052	103.758	03/07/2022	500	(1)	0
JPM	Call - OTC Fannie Mae, TBA 2.000% due 03/01/2052	100.352	03/07/2022	400	(1)	(1)
	Call - OTC Uniform Mortgage-Backed Security, TBA 3.000% due 03/01/2052	103.754	03/07/2022	500	0	(1)
					$ (3)	$ (3)
Total Written Options					**$ (959)**	**$ (1,095)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - BUY PROTECTION[2]

Counterparty	Reference Entity	Fixed (Pay) Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2021[4]	Notional Amount[5]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value[6] Asset	Liability
BOA	Japan Government International Bond	(1.000)%	Quarterly	06/20/2022	0.032%	$ 200	$ (7)	$ 6	$ 0	$ (1)
BPS	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,700	(61)	53	0	(8)
	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	3,000	(73)	32	0	(41)
BRC	China Government International Bond	(1.000)	Quarterly	06/20/2023	0.115	800	(15)	4	0	(11)
	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,200	(41)	35	0	(6)
	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	2,000	(51)	24	0	(27)
CBK	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,000	(35)	30	0	(5)
GST	China Government International Bond	(1.000)	Quarterly	06/20/2023	0.115	1,600	(31)	9	0	(22)
	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,700	(59)	51	0	(8)
HUS	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	800	(20)	9	0	(11)
JPM	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	200	(5)	2	0	(3)
							$ (398)	$ 255	$ 0	$ (143)

CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - SELL PROTECTION[3]

Counterparty	Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2021[4]	Notional Amount[5]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value[6] Asset	Liability
BRC	Italy Government International Bond	1.000%	Quarterly	06/20/2025	0.685%	$ 900	$ (22)	$ 32	$ 10	$ 0
CBK	Italy Government International Bond	1.000	Quarterly	06/20/2025	0.685	600	(15)	22	7	0
GST	Emirate of Abu Dhabi Government International Bond	1.000	Quarterly	12/20/2026	0.440	400	12	(1)	11	0
							$ (25)	$ 53	$ 28	$ 0

CROSS-CURRENCY SWAPS

Counterparty	Receive	Pay	Payment Frequency	Maturity Date[7]	Notional Amount of Currency Received	Notional Amount of Currency Delivered	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
AZD	Floating rate equal to 3-Month AUD-LIBOR plus 0.290% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	01/04/2031	AUD 5,200	$ 3,918	$ 25	$ (28)	$ 0	$ (3)
CBK	Floating rate equal to 3-Month AUD-LIBOR plus 0.420% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	07/31/2029	4,200	2,898	0	2	2	0
GLM	Floating rate equal to 3-Month AUD-LIBOR plus 0.423% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	08/01/2029	4,100	2,829	(14)	1	0	(13)
MYC	Floating rate equal to 3-Month AUD-LIBOR plus 0.298% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	10/14/2030	1,800	1,293	9	(9)	0	0
							$ 20	$ (34)	$ 2	$ (16)

INTEREST RATE SWAPS

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
BOA	Receive	3-Month MYR-KLIBOR[8]	3.000%	Quarterly	03/16/2027	MYR 3,800	$ (5)	$ 4	$ 0	$ (1)
	Receive	3-Month MYR-KLIBOR[8]	3.250	Quarterly	03/16/2032	18,900	62	(11)	51	0
BPS	Receive	3-Month MYR-KLIBOR[8]	3.500	Quarterly	03/16/2032	1,500	(4)	0	0	(4)
CBK	Receive	3-Month MYR-KLIBOR[8]	3.500	Quarterly	03/16/2032	500	(1)	0	0	(1)
JPM	Receive	3-Month MYR-KLIBOR[8]	3.500	Quarterly	03/16/2032	2,400	(5)	(1)	0	(6)
NGF	Receive	3-Month MYR-KLIBOR[8]	3.500	Quarterly	03/16/2032	2,200	(4)	(1)	0	(5)
SCX	Receive	3-Month MYR-KLIBOR[8]	3.000	Quarterly	03/16/2027	2,400	(2)	2	0	0
	Receive	3-Month MYR-KLIBOR[8]	3.500	Quarterly	03/16/2032	1,600	(5)	1	0	(4)
							$ 36	$ (6)	$ 51	$ (21)

TOTAL RETURN SWAPS ON INTEREST RATE INDICES

Counterparty	Pay/Receive[9]	Underlying Reference	# of Units	Financing Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
BPS	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.214% (3-Month USD-LIBOR plus a specified spread)	Maturity	09/20/2022	$ 7,500	$ 2	$ 56	$ 58	$ 0
GST	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.214% (3-Month USD-LIBOR plus a specified spread)	Maturity	06/20/2022	8,000	2	32	34	0
								$ 4	$ 88	$ 92	$ 0
Total Swap Agreements								**$ (363)**	**$ 356**	**$ 173**	**$ (180)**

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities						
Counterparty	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter	Net Market Value of OTC Derivatives	Collateral Pledged/ (Received)	Net Exposure[10]
AZD	$ 0	$ 0	$ 0	$ 0	$ 0	$ (6)	$ (3)	$ (9)	$ (9)	$ 0	$ (9)
BOA	167	0	51	218	(55)	(12)	(2)	(69)	149	(300)	(151)
BPS	159	166	58	383	(1,430)	(164)	(53)	(1,647)	(1,264)	997	(267)
BRC	419	0	10	429	0	(82)	(44)	(126)	303	(260)	43
CBK	190	0	9	199	(590)	0	(6)	(596)	(397)	356	(41)
DUB	0	0	0	0	(195)	(8)	0	(203)	(203)	0	(203)
GLM	47	30	0	77	(123)	(352)	(13)	(488)	(411)	350	(61)
GSC	0	0	0	0	0	(1)	0	(1)	(1)	0	(1)
GST	0	0	45	45	0	(5)	(30)	(35)	10	0	10
HUS	35	0	0	35	(287)	0	(11)	(298)	(263)	0	(263)
JPM	208	0	0	208	(300)	(38)	(9)	(347)	(139)	0	(139)
MYC	0	0	0	0	0	(48)	0	(48)	(48)	(430)	(478)
MYI	403	0	0	403	(17)	0	0	(17)	386	(480)	(94)
NGF	0	28	0	28	0	0	(5)	(5)	23	0	23
RBC	142	0	0	142	(6)	0	0	(6)	136	0	136
RYL	0	0	0	0	0	(379)	0	(379)	(379)	278	(101)
SCX	133	0	0	133	(918)	0	(4)	(922)	(789)	355	(434)
SSB	6	0	0	6	(6)	0	0	(6)	0	0	0
TOR	19	0	0	19	(252)	0	0	(252)	(233)	0	(233)
UAG	30	0	0	30	(6)	0	0	(6)	24	0	24
Total Over the Counter	**$ 1,958**	**$ 224**	**$ 173**	**$ 2,355**	**$ (4,185)**	**$ (1,095)**	**$ (180)**	**$ (5,460)**			

(n) Securities with an aggregate market value of $2,336 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of December 31, 2021.

(1) Notional Amount represents the number of contracts.

(2) If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(3) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(4) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on sovereign issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(5) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(6) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(7) At the maturity date, the notional amount of the currency received will be exchanged back for the notional amount of the currency delivered.

(8) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(9) Receive represents that the Portfolio receives payments for any positive net return on the underlying reference. The Portfolio makes payments for any negative net return on such underlying reference. Pay represents that the Portfolio receives payments for any negative net return on the underlying reference. The Portfolio makes payments for any positive net return on such underlying reference.

(10) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Portfolio's derivative instruments categorized by risk exposure. See Note 7, Principal and Other Risks, in the Notes to Financial Statements on risks of the Portfolio.

Fair Values of Financial Derivative Instruments on the Statement of Assets and Liabilities as of December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Assets						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 135	$ 135
Swap Agreements	0	7	0	0	398	405
	$ 0	$ 7	$ 0	$ 0	$ 533	$ 540
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 1,958	$ 0	$ 1,958
Purchased Options	0	0	0	0	224	224
Swap Agreements	0	28	0	2	143	173
	$ 0	$ 28	$ 0	$ 1,960	$ 367	$ 2,355
	$ 0	$ 35	$ 0	$ 1,960	$ 900	$ 2,895
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 236	$ 236
Swap Agreements	0	48	0	0	453	501
	$ 0	$ 48	$ 0	$ 0	$ 689	$ 737
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 4,185	$ 0	$ 4,185
Written Options	0	24	0	29	1,042	1,095
Swap Agreements	0	143	0	16	21	180
	$ 0	$ 167	$ 0	$ 4,230	$ 1,063	$ 5,460
	$ 0	$ 215	$ 0	$ 4,230	$ 1,752	$ 6,197

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ 1	$ 1
Written Options	0	0	0	0	50	50
Futures	0	0	0	0	(915)	(915)
Swap Agreements	0	(1,372)	0	0	196	(1,176)
	$ 0	$ (1,372)	$ 0	$ 0	$ (668)	$ (2,040)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 8,295	$ 0	$ 8,295
Purchased Options	0	0	0	0	139	139
Written Options	0	358	0	156	912	1,426
Swap Agreements	0	(118)	0	0	(23)	(141)
	$ 0	$ 240	$ 0	$ 8,451	$ 1,028	$ 9,719
	$ 0	$ (1,132)	$ 0	$ 8,451	$ 360	$ 7,679
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ (3)	$ (3)
Futures	0	0	0	0	620	620
Swap Agreements	0	265	0	0	(4,662)	(4,397)
	$ 0	$ 265	$ 0	$ 0	$ (4,045)	$ (3,780)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 2,885	$ 0	$ 2,885
Purchased Options	0	0	0	0	279	279
Written Options	0	20	0	(13)	(761)	(754)
Swap Agreements	0	138	0	(926)	212	(576)
	$ 0	$ 158	$ 0	$ 1,946	$ (270)	$ 1,834
	$ 0	$ 423	$ 0	$ 1,946	$ (4,315)	$ (1,946)

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of December 31, 2021 in valuing the Portfolio's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2021
Investments in Securities, at Value				
Argentina				
Sovereign Issues	$ 0	$ 124	$ 0	$ 124
Australia				
Asset-Backed Securities	0	65	0	65
Corporate Bonds & Notes	0	310	0	310
Non-Agency Mortgage-Backed Securities	0	624	0	624
Sovereign Issues	0	3,388	0	3,388
Canada				
Corporate Bonds & Notes	0	705	0	705
Non-Agency Mortgage-Backed Securities	0	1,457	0	1,457
Sovereign Issues	0	5,523	0	5,523
Cayman Islands				
Asset-Backed Securities	0	38,757	0	38,757
Corporate Bonds & Notes	0	2,862	0	2,862
Non-Agency Mortgage-Backed Securities	0	763	0	763
China				
Sovereign Issues	0	99,787	0	99,787
Denmark				
Corporate Bonds & Notes	0	30,533	0	30,533
France				
Corporate Bonds & Notes	0	4,504	0	4,504
Sovereign Issues	0	15,019	0	15,019
Germany				
Corporate Bonds & Notes	0	15,702	0	15,702
Hungary				
Sovereign Issues	0	296	0	296
India				
Corporate Bonds & Notes	0	709	0	709
Ireland				
Asset-Backed Securities	0	9,091	0	9,091
Corporate Bonds & Notes	0	2,027	0	2,027
Israel				
Sovereign Issues	0	5,915	0	5,915
Italy				
Corporate Bonds & Notes	0	6,187	0	6,187
Sovereign Issues	0	7,465	0	7,465
Japan				
Corporate Bonds & Notes	0	4,469	0	4,469
Sovereign Issues	0	87,689	0	87,689
Jersey, Channel Islands				
Asset-Backed Securities	0	1,700	0	1,700
Kuwait				
Sovereign Issues	0	2,182	0	2,182
Lithuania				
Sovereign Issues	0	724	0	724
Luxembourg				
Corporate Bonds & Notes	0	1,515	0	1,515
Malaysia				
Corporate Bonds & Notes	0	1,251	0	1,251
Sovereign Issues	0	11,452	0	11,452
Multinational				
Corporate Bonds & Notes	0	650	0	650
Netherlands				
Corporate Bonds & Notes	0	1,852	0	1,852
Preferred Securities	0	248	0	248
New Zealand				
Sovereign Issues	0	447	0	447
Norway				
Corporate Bonds & Notes	0	518	0	518
Peru				
Corporate Bonds & Notes	0	540	0	540
Sovereign Issues	0	6,254	0	6,254
Qatar				
Corporate Bonds & Notes	0	1,612	0	1,612
Sovereign Issues	0	4,871	0	4,871
Romania				
Sovereign Issues	0	3,144	0	3,144
Saudi Arabia				
Corporate Bonds & Notes	0	901	0	901
Sovereign Issues	0	1,834	0	1,834
Serbia				
Sovereign Issues	0	1,062	0	1,062
Singapore				
Corporate Bonds & Notes	$ 0	$ 731	$ 0	$ 731
Sovereign Issues	0	5,072	0	5,072
Slovenia				
Sovereign Issues	0	1,546	0	1,546
South Africa				
Sovereign Issues	0	518	0	518
South Korea				
Sovereign Issues	0	10,829	0	10,829
Spain				
Corporate Bonds & Notes	0	1,081	0	1,081
Preferred Securities	0	1,898	0	1,898
Sovereign Issues	0	20,677	0	20,677
Supranational				
Corporate Bonds & Notes	0	652	0	652
Switzerland				
Corporate Bonds & Notes	0	10,176	0	10,176
United Arab Emirates				
Corporate Bonds & Notes	0	201	0	201
Sovereign Issues	0	350	0	350
United Kingdom				
Corporate Bonds & Notes	0	39,351	0	39,351
Non-Agency Mortgage-Backed Securities	0	25,669	0	25,669
Preferred Securities	0	249	0	249
Sovereign Issues	0	9,734	0	9,734
United States				
Asset-Backed Securities	0	35,659	0	35,659
Corporate Bonds & Notes	0	40,884	0	40,884
Loan Participations and Assignments	0	2,131	0	2,131
Municipal Bonds & Notes	0	604	0	604
Non-Agency Mortgage-Backed Securities	0	27,445	8,245	35,690
Preferred Securities	0	3,610	0	3,610
U.S. Government Agencies	0	70,011	0	70,011
U.S. Treasury Obligations	0	29,545	0	29,545
Short-Term Instruments				
Commercial Paper	0	3,644	0	3,644
Repurchase Agreements	0	252	0	252
Israel Treasury Bills	0	13,701	0	13,701
	$ 0	$ 742,948	$ 8,245	$ 751,193
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 19,953	$ 0	$ 0	$ 19,953
Total Investments	$ 19,953	$ 742,948	$ 8,245	$ 771,146
Short Sales, at Value - Liabilities				
United States				
U.S. Government Agencies	$ 0	$ (121,369)	$ 0	$ (121,369)
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	106	434	0	540
Over the counter	0	2,355	0	2,355
	$ 106	$ 2,789	$ 0	$ 2,895
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(193)	(544)	0	(737)
Over the counter	0	(5,460)	0	(5,460)
	$ (193)	$ (6,004)	$ 0	$ (6,197)
Total Financial Derivative Instruments	$ (87)	$ (3,215)	$ 0	$ (3,302)
Totals	$ 19,866	$ 618,364	$ 8,245	$ 646,475

See Accompanying Notes

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Portfolio during the period ended December 31, 2021:

Category and Subcategory	Beginning Balance at 12/31/2020	Net Purchases	Net Sales/ Settlements	Accrued Discounts/ (Premiums)	Realized Gain/(Loss)	Net Change in Unrealized Appreciation/ (Depreciation)[1]	Transfers into Level 3	Transfers out of Level 3	Ending Balance at 12/31/2021	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 12/31/2021[1]
Investments in Securities, at Value										
United Kingdom										
Non-Agency Mortgage-Backed Securities	$ 3,118	$ 0	$ (3,061)	$ 0	$ 0	$ (57)	$ 0	$ 0	$ 0	$ 0
United States										
Non-Agency Mortgage-Backed Securities	0	8,404	0	0	0	(159)	0	0	8,245	(159)
	$ 3,118	$8,404	$ (3,061)	$ 0	$ 0	$ (216)	$ 0	$ 0	$ 8,245	$ (159)
Financial Derivative Instruments - Liabilities										
Over the counter	$ (2)	$ 0	$ 2	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Totals	$ 3,116	$8,404	$ (3,059)	$ 0	$ 0	$ (216)	$ 0	$ 0	$ 8,245	$ (159)

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

				(% Unless Noted Otherwise)	
Category and Subcategory	Ending Balance at 12/31/2021	Valuation Technique	Unobservable Inputs	Input Value(s)	Weighted Average
Investments in Securities, at Value					
United States					
Non-Agency Mortgage-Backed Securities	$ 8,245	Proxy Pricing	Base Price	102.250-102.891	102.496
Total	$ 8,245				

[1] Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at December 31, 2021 may be due to an investment no longer held or categorized as Level 3 at period end.

1. ORGANIZATION

PIMCO Variable Insurance Trust (the "Trust") is a Delaware statutory trust established under a trust instrument dated October 3, 1997. The Trust is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust is designed to be used as an investment vehicle by separate accounts of insurance companies that fund variable annuity contracts and variable life insurance policies and by qualified pension and retirement plans. Information presented in these financial statements pertains to the Institutional Class, Administrative Class and Advisor Class shares of the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (the "Portfolio") offered by the Trust. Pacific Investment Management Company LLC ("PIMCO") serves as the investment adviser (the "Adviser") for the Portfolio.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Portfolio in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Portfolio is treated as an investment company under the reporting requirements of U.S. GAAP. The functional and reporting currency for the Portfolio is the U.S. dollar. The preparation of financial statements in accordance 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.

(a) Securities Transactions and Investment Income Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date. Realized gains (losses) from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Portfolio is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date. For convertible securities, premiums attributable to the conversion feature are not amortized. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized appreciation (depreciation) on investments on the Statement of Operations, as appropriate. Tax liabilities realized as a result of such security sales are reflected as a component of net realized gain (loss) on investments on the Statement of Operations. Paydown gains (losses) on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income on the Statement of Operations. Income or short-term capital gain distributions received from registered investment companies, if any, are recorded as dividend income. Long-term capital gain distributions received from registered investment companies, if any, are recorded as realized gains.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

(b) Foreign Currency Translation The market values of foreign securities, currency holdings and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the current exchange rates each business day. Purchases and sales of securities and income and expense items denominated in foreign currencies, if any, are translated into U.S. dollars at the exchange rate in effect on the transaction date. The Portfolio does not separately report the effects of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized gain (loss) and net change in unrealized appreciation (depreciation) from investments on the Statement of Operations. The Portfolio may invest in foreign currency-denominated securities and may engage in foreign currency transactions either on a spot (cash) basis at the rate prevailing in the currency exchange market at the time or through a forward foreign currency contract. Realized foreign exchange gains (losses) arising from sales of spot foreign currencies, currency gains (losses) realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid are included in net realized gain (loss) on foreign currency transactions on the Statement of Operations. Net unrealized foreign exchange gains (losses) arising from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period are included in net change in unrealized appreciation (depreciation) on foreign currency assets and liabilities on the Statement of Operations.

(c) Multi-Class Operations Each class offered by the Trust has equal rights as to assets and voting privileges (except that shareholders of a class have exclusive voting rights regarding any matter relating solely to that class of shares). Income and non-class specific expenses are

allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains (losses) are allocated daily based on the relative net assets of each class of the Portfolio. Class specific expenses, where applicable, currently include supervisory and administrative and distribution and servicing fees. Under certain circumstances, the per share net asset value ("NAV") of a class of the Portfolio's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

(d) Distributions to Shareholders Distributions from net investment income, if any, are declared daily and distributed to shareholders monthly. In addition, the Portfolio distributes any net capital gains it earns from the sale of portfolio securities to shareholders no less frequently than annually.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on the Portfolio's annual financial statements presented under U.S. GAAP.

Separately, if the Portfolio determines or estimates, as applicable, that a portion of a distribution may be comprised of amounts from sources other than net investment income in accordance with its policies, accounting records (if applicable), and accounting practices, the Portfolio will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the Portfolio determines or estimates, as applicable, the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is determined or estimated, as applicable, that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Portfolio's daily internal accounting records and practices, the Portfolio's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. For instance, the Portfolio's internal accounting records and practices may take into account, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include but are not limited to, for certain Portfolios, the treatment of periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Portfolio may not issue a Section 19 Notice in situations where the Portfolio's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please visit www.pimco.com for the most recent Section 19 Notice, if applicable, for additional information regarding the estimated composition of distributions. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

Distributions classified as a tax basis return of capital at the Portfolio's fiscal year end, if any, are reflected on the Statements of Changes in Net Assets and have been recorded to paid in capital on the Statement of Assets and Liabilities. In addition, other amounts have been reclassified between distributable earnings (accumulated loss) and paid in capital on the Statement of Assets and Liabilities to more appropriately conform U.S. GAAP to tax characterizations of distributions.

(e) New Accounting Pronouncements and Regulatory Updates In March 2020, the Financial Accounting Standards Board issued an Accounting Standards Update ("ASU"), ASU 2020-04, which provides optional guidance to ease the potential accounting burden associated with transitioning away from the London Interbank Offered Rate and other reference rates that are expected to be discontinued. The ASU is effective immediately upon release of the update on March 12, 2020 through December 31, 2022. At this time, management is evaluating implications of these changes on the financial statements.

In October 2020, the U.S. Securities and Exchange Commission ("SEC") adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, the rule requires funds to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. The rule went into effect on February 19, 2021 and funds will have an eighteen-month transition period to comply with the rule and related reporting requirements. At this time, management is evaluating the implications of these changes on the financial statements.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Act without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief

from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Porfolio's financial statements.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition would apply in all contexts under the Act. The effective date for the rule was March 8, 2021. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. At this time, management is evaluating the implications of these changes on the financial statements.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

(a) Investment Valuation Policies The price of the Portfolio's shares is based on the Portfolio's NAV. The NAV of the Portfolio, or each of its share classes, as applicable, is determined by dividing the total value of portfolio investments and other assets, less any liabilities attributable to the Portfolio or class, by the total number of shares outstanding of the Portfolio or class.

On each day that the New York Stock Exchange ("NYSE") is open, Portfolio shares are ordinarily valued as of the close of regular trading (normally 4:00 p.m., Eastern time) ("NYSE Close"). Information that becomes known to the Portfolio or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. If regular trading on the NYSE closes earlier than scheduled, the Portfolio reserves the right to either (i) calculate its NAV as of the earlier closing time or (ii) calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day. The Portfolio generally does not calculate its NAV on days during which the NYSE is closed. However, if the NYSE is closed on a day it would normally be open for business, the Portfolio reserves the right to calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day or such other time that the Portfolio may determine.

For purposes of calculating NAV, portfolio securities and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices (including evaluated prices) supplied by the Portfolio's approved pricing services, quotation reporting systems and other third-party sources (together, "Pricing Services"). The Portfolio will normally use pricing data for domestic equity securities received shortly after the NYSE Close and does not normally take into account trading, clearances or settlements that take place after the NYSE Close. If market value pricing is used, a foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by PIMCO to be the primary exchange. A foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange. Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using such data reflecting the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange, quotes obtained from a quotation reporting system, established market makers or pricing services. Swap agreements are valued on the basis of market-based prices supplied by Pricing Services or quotes obtained from brokers and dealers. The Portfolio's investments in open-end management investment companies, other than exchange-traded funds ("ETFs"), are valued at the NAVs of such investments. Open-end management investment companies may include affiliated funds.

If a foreign (non-U.S.) equity security's value has materially changed after the close of the security's primary exchange or principal market but before the NYSE Close, the security may be valued at fair value based on procedures established and approved by the Board of Trustees of the Trust (the "Board"). Foreign (non-U.S.) equity securities that do not trade when the NYSE is open are also valued at fair value. With respect to foreign (non-U.S.) equity securities, the Portfolio may determine the fair value of investments based on information provided by Pricing Services and other third-party vendors, which may recommend fair value or adjustments with reference to other securities, indices or assets. In considering whether fair valuation is required and in determining fair values, the Portfolio may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur

after the close of the relevant market and before the NYSE Close. The Portfolio may utilize modeling tools provided by third-party vendors to determine fair values of foreign (non-U.S.) securities. For these purposes, any movement in the applicable reference index or instrument ("zero trigger") between the earlier close of the applicable foreign market and the NYSE Close may be deemed to be a significant event, prompting the application of the pricing model (effectively resulting in daily fair valuations). Foreign exchanges may permit trading in foreign (non-U.S.) equity securities on days when the Trust is not open for business, which may result in the Portfolio's portfolio investments being affected when shareholders are unable to buy or sell shares.

Senior secured floating rate loans for which an active secondary market exists to a reliable degree are valued at the mean of the last available bid/ask prices in the market for such loans, as provided by a Pricing Service. Senior secured floating rate loans for which an active secondary market does not exist to a reliable degree are valued at fair value, which is intended to approximate market value. In valuing a senior secured floating rate loan at fair value, the factors considered may include, but are not limited to, the following: (a) the creditworthiness of the borrower and any intermediate participants, (b) the terms of the loan, (c) recent prices in the market for similar loans, if any, and (d) recent prices in the market for instruments of similar quality, rate, period until next interest rate reset and maturity.

Investments valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from Pricing Services. As a result, the value of such investments and, in turn, the NAV of the Portfolio's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Trust is not open for business. As a result, to the extent that the Portfolio holds foreign (non-U.S.) investments, the value of those investments may change at times when shareholders are unable to buy or sell shares and the value of such investments will be reflected in the Portfolio's next calculated NAV.

Investments for which market quotes or market based valuations are not readily available are valued at fair value as determined in good faith by the Board or persons acting at their direction. The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated to the Adviser the responsibility for applying the fair valuation methods. In the event that market quotes or market based valuations are not readily available, and the security or asset cannot be valued pursuant to a Board approved valuation method, the value of the security or asset will be determined in good faith by the Board. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, indicative market quotations ("Broker Quotes"), Pricing Services' prices), including where events occur after the close of the relevant market, but prior to the NYSE Close, that materially affect the values of the Portfolio's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available. The Board has delegated, to the Adviser, the responsibility for monitoring significant events that may materially affect the values of the Portfolio's securities or assets and for determining whether the value of the applicable securities or assets should be reevaluated in light of such significant events.

When the Portfolio uses fair valuation to determine the value of a portfolio security or other asset for purposes of calculating its NAV, such investments will not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the Board or persons acting at their direction believe reflects fair value. Fair valuation may require subjective determinations about the value of a security. While the Trust's policy is intended to result in a calculation of the Portfolio's NAV that fairly reflects security values as of the time of pricing, the Trust cannot ensure that fair values determined by the Board or persons acting at their direction would accurately reflect the price that the Portfolio could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Portfolio may differ from the value that would be realized if the securities were sold. The Portfolio's use of fair valuation may also help to deter "stale price arbitrage" as discussed under the "Frequent or Excessive Purchases, Exchanges and Redemptions" section in the Portfolio's prospectus.

(b) Fair Value Hierarchy U.S. GAAP describes fair value as the price that the Portfolio would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices in active markets or exchanges for identical assets and liabilities.
- Level 2 — Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in

markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

In accordance with the requirements of U.S. GAAP, the amounts of transfers into and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments for the Portfolio.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers into and out of the Level 3 category during the period. The end of period value is used for the transfers between Levels of the Portfolio's assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for the Portfolio.

(c) Valuation Techniques and the Fair Value Hierarchy

Level 1, Level 2 and Level 3 trading assets and trading liabilities, at fair value The valuation methods (or "techniques") and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1, Level 2 and Level 3 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Services' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis or as a repurchase commitment in a sale-buyback transaction are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Common stocks, ETFs, exchange-traded notes and financial derivative instruments, such as futures contracts, rights and warrants, or options on futures that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the NYSE Close. These securities are valued using Pricing Services that consider the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments. Securities using these valuation adjustments are categorized as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorized as Level 2 of the fair value hierarchy.

Valuation adjustments may be applied to certain exchange traded futures and options to account for market movement between the exchange settlement and the NYSE close. These securities are valued using quotes obtained from a quotation reporting system, established market makers or pricing services. Financial derivatives using these valuation adjustments are categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment companies (other than ETFs) will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment companies will be calculated based upon the NAVs of such investments and are considered Level 1 provided that the NAVs are observable, calculated daily and are the value at which both purchases and sales will be conducted.

Equity exchange-traded options and over the counter financial derivative instruments, such as forward foreign currency contracts and options contracts derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of quotes obtained from a quotation reporting system, established market makers or Pricing Services (normally determined as of the NYSE Close). Depending on the product and the terms of the transaction, financial derivative instruments can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as quoted prices, issuer details, indices, bid/ask spreads, interest rates, implied volatilities, yield curves, dividends and exchange rates. Financial derivative instruments that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by Pricing Services (normally determined as of the NYSE Close). Centrally cleared swaps and over the counter swaps can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models may use inputs that are observed from actively quoted markets such as the overnight index swap rate, London Interbank Offered Rate forward rate, interest rates, yield curves and credit spreads. These securities are categorized as Level 2 of the fair value hierarchy.

When a fair valuation method is applied by the Adviser that uses significant unobservable inputs, investments will be priced by a method that the Board or persons acting at their direction believe reflects fair value and are categorized as Level 3 of the fair value hierarchy.

Proxy pricing procedures set the base price of a fixed income security and subsequently adjust the price proportionally to market value changes of a pre-determined security deemed to be comparable in duration, generally a U.S. Treasury or sovereign note based on country of issuance. The base price may be a broker-dealer quote, transaction price, or an internal value as derived by analysis of market data. The base price of the security may be reset on a periodic basis based on the availability of market data and procedures approved by the Valuation Oversight Committee. Significant changes in the unobservable inputs of the proxy pricing process (the base price) would result in direct and proportional changes in the fair value of the security. These securities are categorized as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. These securities are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

4. SECURITIES AND OTHER INVESTMENTS

(a) Investments in Affiliates

The Portfolio may invest in the PIMCO Short Asset Portfolio and the PIMCO Short-Term Floating NAV Portfolio III ("Central Funds") to the extent permitted by the Act and rules thereunder. The Central Funds are registered investment companies created for use solely by the series of the Trust and other series of registered investment companies advised by the Adviser, in connection with their cash management activities. The main investments of the Central Funds are money market and short maturity fixed income instruments. The Central Funds may incur expenses related to their investment activities, but do not pay Investment Advisory Fees or Supervisory and Administrative Fees to the Adviser. The Central Funds are considered to be affiliated with the Portfolio. A complete schedule of portfolio holdings for each affiliate fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available at the SEC's website at www.sec.gov. A copy of each affiliate fund's shareholder report is also available at the SEC's website at www.sec.gov, on the Portfolios' website at www.pimco.com, or upon request, as applicable. The tables below show the Portfolio's transactions in and earnings from investments in the affiliated Funds for the period ended December 31, 2021 (amounts in thousands†):

Investment in PIMCO Short Asset Portfolio

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income[1]	Realized Net Capital Gain Distributions[1]
$ 300	$ 3	$ 0	$ 0	$ (1)	$ 302	$ 3	$ 0

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income[1]	Realized Net Capital Gain Distributions[1]
$ 8,729	$ 177,985	$ (166,600)	$ (187)	$ (276)	$ 19,651	$ 485	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) The tax characterization of distributions is determined in accordance with Federal income tax regulations and may contain a return of capital. The actual tax characterization of distributions received is determined at the end of the fiscal year of the affiliated fund. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(b) Investments in Securities

The Portfolio may utilize the investments and strategies described below to the extent permitted by the Portfolio's investment policies.

Delayed-Delivery Transactions involve a commitment by the Portfolio to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery transactions are outstanding, the Portfolio will designate or receive as collateral liquid assets in an amount sufficient to meet the purchase price or respective obligations. When purchasing a security on a delayed-delivery basis, the Portfolio assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining its NAV. The Portfolio may dispose of or renegotiate a delayed-delivery transaction after it is entered into, which may result in a realized gain (loss). When the Portfolio has sold a security on a delayed-delivery basis, the Portfolio does not participate in future gains (losses) with respect to the security.

Inflation-Indexed Bonds are fixed income securities whose principal value is periodically adjusted by the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury Inflation-Protected Securities. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

Loans and Other Indebtedness, Loan Participations and Assignments are direct debt instruments which are interests in amounts owed to lenders or lending syndicates by corporate, governmental, or other borrowers. The Portfolio's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties or investments in or originations of loans by the Portfolio. A loan is often administered by a bank or other financial institution (the "agent") that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. The Portfolio may invest in multiple series or tranches of a loan, which may have varying terms and carry different associated risks. When the Portfolio purchases assignments from agents it acquires direct rights against the borrowers of the loans. These loans may include participations in bridge loans, which are loans taken out by borrowers for a short period (typically less than one year) pending arrangement of more permanent financing through, for example, the issuance of bonds, frequently high yield bonds issued for the purpose of acquisitions.

The types of loans and related investments in which the Portfolio may invest include, among others, senior loans, subordinated loans (including second lien loans, B-Notes and mezzanine loans), whole loans, commercial real estate and other commercial loans and structured loans. The Portfolio may originate loans or acquire direct interests in loans through primary loan distributions and/or in private transactions. In the case of subordinated loans, there may be significant indebtedness ranking ahead of the borrower's obligation to the holder of such a loan, including in the event of the borrower's insolvency. Mezzanine loans are typically secured by a pledge of an equity interest in the mortgage borrower that owns the real estate rather than an interest in a mortgage.

Investments in loans may include unfunded loan commitments, which are contractual obligations for funding. Unfunded loan commitments may include revolving credit facilities, which may obligate the Portfolio to supply additional cash to the borrower on demand. Unfunded loan commitments represent a future obligation in full, even though a percentage of the committed amount may not be utilized by the borrower. When investing in a loan participation, the Portfolio has the right to receive payments of principal, interest and any fees to which it is entitled only from the agent selling the loan agreement and only upon receipt of payments by the agent from the borrower. The Portfolio may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a loan. In certain circumstances, the Portfolio may receive a penalty fee upon the prepayment of a loan by a borrower. Fees earned or paid are recorded as a component of interest income or interest expense, respectively, on the Statement of Operations. Unfunded loan commitments are reflected as a liability on the Statement of Assets and Liabilities.

Mortgage-Related and Other Asset-Backed Securities directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage-related securities is guaranteed with the full faith and credit of the U.S. Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage-related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage-related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including, but not limited to, auto loans, accounts receivable, such as credit card receivables and hospital account receivables, home equity loans, student loans, boat loans, mobile home loans, recreational vehicle loans, manufactured housing loans, aircraft leases, computer leases and syndicated bank loans.

Collateralized Debt Obligations ("CDOs") include Collateralized Bond Obligations ("CBOs"), Collateralized Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Portfolio invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Portfolio's prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) the risk that the Portfolio may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

Collateralized Mortgage Obligations ("CMOs") are debt obligations of a legal entity that are collateralized by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage-related or asset-backed securities.

Stripped Mortgage-Backed Securities ("SMBS") are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. An SMBS will have one class that will receive all of the interest (the interest-only or "IO" class), while the other class will receive the entire principal (the principal-only or "PO" class). Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturity of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are included in interest income on the Statement of Operations. Payments received for POs are treated as reductions to the cost and par value of the securities.

Payment In-Kind Securities may give the issuer the option at each interest payment date of making interest payments in either cash and/or additional debt securities. Those additional debt securities usually have the same terms, including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a dirty price) and require a pro rata adjustment from the unrealized appreciation (depreciation) on investments to interest receivable on the Statement of Assets and Liabilities.

Perpetual Bonds are fixed income securities with no maturity date but pay a coupon in perpetuity (with no specified ending or maturity date). Unlike typical fixed income securities, there is no obligation for perpetual bonds to repay principal. The coupon payments, however, are mandatory. While perpetual bonds have no maturity date, they may have a callable date in which the perpetuity is eliminated and the issuer

may return the principal received on the specified call date. Additionally, a perpetual bond may have additional features, such as interest rate increases at periodic dates or an increase as of a predetermined point in the future.

Restricted Investments are subject to legal or contractual restrictions on resale and may generally be sold privately, but may be required to be registered or exempted from such registration before being sold to the public. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933. Disposal of restricted investments may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve. Restricted investments held by the Portfolio as of December 31, 2021, as applicable, are disclosed in the Notes to Schedule of Investments.

Securities Issued by U.S. Government Agencies or Government-Sponsored Enterprises are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association, are supported by the full faith and credit of the U.S. Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the "U.S. Treasury"); and others, such as those of the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations. U.S. Government securities may include zero coupon securities which do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities of similar maturities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation Certificates ("PCs"), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

In June 2019, FNMA and FHLMC started issuing Uniform Mortgage Backed Securities in place of their current offerings of TBA-eligible securities (the "Single Security Initiative"). The Single Security Initiative seeks to support the overall liquidity of the TBA market and aligns the characteristics of FNMA and FHLMC certificates. The effects that the Single Security Initiative may have on the market for TBA and other mortgage-backed securities are uncertain.

Roll-timing strategies can be used where the Portfolio seeks to extend the expiration or maturity of a position, such as a TBA security on an underlying asset, by closing out the position before expiration and opening a new position with respect to substantially the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively. Recently finalized FINRA rules include mandatory margin requirements for the TBA market that requires the Portfolio to post collateral in connection with its TBA transactions. There is no similar requirement applicable to the Portfolio's TBA counterparties. The required collateralization of TBA trades could increase the cost of TBA transactions to the Portfolio and impose added operational complexity.

When-Issued Transactions are purchases or sales made on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. Transactions to purchase or sell securities on a when-issued basis involve a commitment by the Portfolio to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. The Portfolio may sell when-issued securities before they are delivered, which may result in a realized gain (loss).

5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The Portfolio may enter into the borrowings and other financing transactions described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on the Portfolio's ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by the Portfolio. The location of these instruments in the Portfolio's financial statements is described below.

(a) Repurchase Agreements Under the terms of a typical repurchase agreement, the Portfolio purchases an underlying debt obligation (collateral) subject to an obligation of the seller to repurchase, and the Portfolio to resell, the obligation at an agreed-upon price and time. In an open maturity repurchase agreement, there is no pre-determined

repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The underlying securities for all repurchase agreements are held by the Portfolio's custodian or designated subcustodians under tri-party repurchase agreements and in certain instances will remain in custody with the counterparty. The market value of the collateral must be equal to or exceed the total amount of the repurchase obligations, including interest. Repurchase agreements, if any, including accrued interest, are included on the Statement of Assets and Liabilities. Interest earned is recorded as a component of interest income on the Statement of Operations. In periods of increased demand for collateral, the Portfolio may pay a fee for the receipt of collateral, which may result in interest expense to the Portfolio.

(b) Reverse Repurchase Agreements In a reverse repurchase agreement, the Portfolio delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. In an open maturity reverse repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The Portfolio is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Portfolio to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under reverse repurchase agreements.

(c) Sale-Buybacks A sale-buyback financing transaction consists of a sale of a security by the Portfolio to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed-upon price and date. The Portfolio is not entitled to receive principal and interest payments, if any, made on the security sold to the counterparty during the term of the agreement. The agreed-upon proceeds for securities to be repurchased by the Portfolio are reflected as a liability on the Statement of Assets and Liabilities. The Portfolio will recognize net income represented by the price differential between the price received for the transferred security and the agreed-upon repurchase price. This is commonly referred to as the 'price drop.' A price drop consists of (i) the foregone interest and inflationary income adjustments, if any, the Portfolio would have otherwise received had the security not been sold and (ii) the negotiated financing terms between the Portfolio and counterparty. Foregone interest and inflationary income adjustments, if any, are recorded as components of interest income on the Statement of Operations. Interest payments based upon negotiated financing terms made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under sale-buyback transactions.

(d) Short Sales Short sales are transactions in which the Portfolio sells a security that it may not own. The Portfolio may make short sales of securities to (i) offset potential declines in long positions in similar securities, (ii) to increase the flexibility of the Portfolio, (iii) for investment return, (iv) as part of a risk arbitrage strategy, and (v) as part of its overall portfolio management strategies involving the use of derivative instruments. When the Portfolio engages in a short sale, it may borrow the security sold short and deliver it to the counterparty. The Portfolio will ordinarily have to pay a fee or premium to borrow a security and be obligated to repay the lender of the security any dividend or interest that accrues on the security during the period of the loan. Securities sold in short sale transactions and the dividend or interest payable on such securities, if any, are reflected as payable for short sales on the Statement of Assets and Liabilities. Short sales expose the Portfolio to the risk that it will be required to cover its short position at a time when the security or other asset has appreciated in value, thus resulting in losses to the Portfolio. A short sale is "against the box" if the Portfolio holds in its portfolio or has the right to acquire the security sold short, or securities identical to the security sold short, at no additional cost. The Portfolio will be subject to additional risks to the extent that it engages in short sales that are not "against the box." The Portfolio's loss on a short sale could theoretically be unlimited in cases where the Portfolio is unable, for whatever reason, to close out its short position.

(e) Interfund Lending In accordance with an exemptive order (the "Order") from the SEC, each Portfolio of the Trust may participate in a joint lending and borrowing facility for temporary purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by each Portfolio's investment policies and restrictions. Each Portfolio is currently permitted to borrow under the Interfund Lending Program. A lending portfolio may lend in aggregate up to 15% of its current net assets at the time of the interfund loan, but may not lend more than 5% of its net assets to any one borrowing portfolio through the Interfund Lending Program. A borrowing portfolio may not borrow through the Interfund Lending Program or from any other source if its

total outstanding borrowings immediately after the borrowing would be more than 33 1/3% of its total assets (or any lower threshold provided for by the portfolio's investment restrictions). If a borrowing portfolio's total outstanding borrowings exceed 10% of its total assets, each of its outstanding interfund loans will be subject to collateralization of at least 102% of the outstanding principal value of the loan. All interfund loans are for temporary or emergency purposes and the interfund loan rate to be charged will be the average of the highest current overnight repurchase agreement rate available to a lending portfolio and the bank loan rate, as calculated according to a formula established by the Board.

On March 23, 2020, the SEC issued an exemptive order (the "Temporary Order") to provide temporary relief to each Portfolio of the Trust in relation to the Interfund Lending Program, and the Board has authorized the Portfolios to rely on the Temporary Order. With respect to interfund lending, the Temporary Order permitted, under certain conditions, a lending portfolio to lend in aggregate up to 25% of its current net assets at the time of the interfund loan and to make interfund loans with term limits of up to the expiration of the Temporary Order, notwithstanding the current limit of seven business days under the Order. The SEC provided notice in April 2021 that the Temporary Order would be terminated on April 30, 2021.

During the period ended December 31, 2021, the Portfolio did not participate in the Interfund Lending Program.

6. FINANCIAL DERIVATIVE INSTRUMENTS

The Portfolio may enter into the financial derivative instruments described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on how and why the Portfolio uses financial derivative instruments, and how financial derivative instruments affect the Portfolio's financial position, results of operations and cash flows. The location and fair value amounts of these instruments on the Statement of Assets and Liabilities and the net realized gain (loss) and net change in unrealized appreciation (depreciation) on the Statement of Operations, each categorized by type of financial derivative contract and related risk exposure, are included in a table in the Notes to Schedule of Investments. The financial derivative instruments outstanding as of period end and the amounts of net realized gain (loss) and net change in unrealized appreciation (depreciation) on financial derivative instruments during the period, as disclosed in the Notes to Schedule of Investments, serve as indicators of the volume of financial derivative activity for the Portfolio.

(a) Forward Foreign Currency Contracts may be engaged, in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of the Portfolio's securities or as part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by the Portfolio as an unrealized gain (loss). Realized gains (losses) are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealized gain (loss) reflected on the Statement of Assets and Liabilities. In addition, the Portfolio could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

(b) Futures Contracts are agreements to buy or sell a security or other asset for a set price on a future date and are traded on an exchange. The Portfolio may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by the Portfolio and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, the Portfolio is required to deposit with its futures broker an amount of cash, U.S. Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Portfolio ("Futures Variation Margin"). Futures Variation Margins, if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Gains (losses) are recognized but not considered realized until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Futures Variation Margin included within exchange traded or centrally cleared financial derivative instruments on the Statement of Assets and Liabilities.

(c) Options Contracts may be written or purchased to enhance returns or to hedge an existing position or future investment. The Portfolio may write call and put options on securities and financial derivative instruments it owns or in which it may invest. Writing put options tends

to increase the Portfolio's exposure to the underlying instrument. Writing call options tends to decrease the Portfolio's exposure to the underlying instrument. When the Portfolio writes a call or put, an amount equal to the premium received is recorded and subsequently marked to market to reflect the current value of the option written. These amounts are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency transaction to determine the realized gain (loss). Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The Portfolio as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavorable change in the price of the instrument underlying the written option. There is the risk the Portfolio may not be able to enter into a closing transaction because of an illiquid market.

Purchasing call options tends to increase the Portfolio's exposure to the underlying instrument. Purchasing put options tends to decrease the Portfolio's exposure to the underlying instrument. The Portfolio pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain (loss) when the underlying transaction is executed.

Credit Default Swaptions may be written or purchased to hedge exposure to the credit risk of an investment without making a commitment to the underlying instrument. A credit default swaption is an option to sell or buy credit protection on a specific reference by entering into a pre-defined swap agreement by some specified date in the future.

Foreign Currency Options may be written or purchased to be used as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Interest Rate-Capped Options may be written or purchased to enhance returns or for hedging opportunities. The purpose of purchasing interest rate-capped options is to protect the Portfolio from floating rate risk above a certain rate on a given notional exposure. A floor can be used to give downside protection to investments in interest rate linked products.

Interest Rate Swaptions may be written or purchased to enter into a pre-defined swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

Options on Exchange-Traded Futures Contracts ("Futures Option") may be written or purchased to hedge an existing position or future investment, for speculative purposes or to manage exposure to market movements. A Futures Option is an option contract in which the underlying instrument is a single futures contract.

Options on Securities may be written or purchased to enhance returns or to hedge an existing position or future investment. An option on a security uses a specified security as the underlying instrument for the option contract.

(d) Swap Agreements are bilaterally negotiated agreements between the Portfolio and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements may be privately negotiated in the over the counter market ("OTC swaps") or may be cleared through a third party, known as a central counterparty or derivatives clearing organization ("Centrally Cleared Swaps"). The Portfolio may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally Cleared Swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organization. Changes in market value, if any, are reflected as a component of net change in unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Swap Variation Margin"), if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Centrally Cleared and OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent

premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realized gain (loss) on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain (loss) on the Statement of Operations. Net periodic payments received or paid by the Portfolio are included as part of realized gain (loss) on the Statement of Operations.

For purposes of applying certain of the Portfolio's investment policies and restrictions, swap agreements, like other derivative instruments, may be valued by the Portfolio at market value, notional value or full exposure value. In the case of a credit default swap, in applying certain of the Portfolio's investment policies and restrictions, the Portfolio will value the credit default swap at its notional value or its full exposure value (i.e., the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Portfolio's other investment policies and restrictions. For example, the Portfolio may value credit default swaps at full exposure value for purposes of the Portfolio's credit quality guidelines (if any) because such value in general better reflects the Portfolio's actual economic exposure during the term of the credit default swap agreement. As a result, the Portfolio may, at times, have notional exposure to an asset class (before netting) that is greater or lesser than the stated limit or restriction noted in the Portfolio's prospectus. In this context, both the notional amount and the market value may be positive or negative depending on whether the Portfolio is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Portfolio for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into swap agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates or the values of the asset upon which the swap is based.

The Portfolio's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk may be mitigated by having a master netting arrangement between the Portfolio and the counterparty and by the posting of collateral to the Portfolio to cover the Portfolio's exposure to the counterparty.

To the extent the Portfolio has a policy to limit the net amount owed to or to be received from a single counterparty under existing swap agreements, such limitation only applies to counterparties to OTC swaps and does not apply to centrally cleared swaps where the counterparty is a central counterparty or derivatives clearing organization.

Credit Default Swap Agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues are entered into to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where the Portfolio owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Portfolio will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio would effectively add leverage to its portfolio because, in addition to its total net assets, the Portfolio would be subject to investment exposure on the notional amount of the swap.

If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred,

the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. Credit default swaps on credit indices may be used to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues as of period end, if any, are disclosed in the Notes to Schedule of Investments. They serve as an indicator of the current status of payment/performance risk and represent the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Portfolio as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of period end for which the Portfolio is the seller of protection are disclosed in the Notes to Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Portfolio for the same referenced entity or entities.

Cross-Currency Swap Agreements are entered into to gain or mitigate exposure to currency risk. Cross-currency swap agreements involve two parties exchanging two different currencies with an agreement to reverse the exchange at a later date at specified exchange rates. The exchange of currencies at the inception date of the contract takes place at the current spot rate. The re-exchange at maturity may take place at the same exchange rate, a specified rate, or the then current spot rate. Interest payments, if applicable, are made between the parties based on interest rates available in the two currencies at the inception of the contract. The terms of cross-currency swap contracts may extend for many years. Cross-currency swaps are usually negotiated with commercial and investment banks. Some cross-currency swaps may not provide for exchanging principal cash flows, but only for exchanging interest cash flows.

Interest Rate Swap Agreements may be entered into to help hedge against interest rate risk exposure and to maintain the Portfolio's ability to generate income at prevailing market rates. The value of the fixed rate bonds that the Portfolio holds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, the Portfolio may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Portfolio with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap," (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor," (iii) interest rate collars, under which a party sells a cap and

purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost and at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

Total Return Swap Agreements are entered into to gain or mitigate exposure to the underlying reference asset. Total return swap agreements involve commitments where single or multiple cash flows are exchanged based on the price of an underlying reference asset and on a fixed or variable interest rate. Total return swap agreements may involve commitments to pay interest in exchange for a market-linked return. One counterparty pays out the total return of a specific underlying reference asset, which may include a single security, a basket of securities, or an index, and in return receives a fixed or variable rate. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Portfolio would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. As the payer, the Portfolio would owe payments on any net positive total return, and would receive payments in the event of a net negative total return.

7. PRINCIPAL AND OTHER RISKS

(a) Principal Risks

The principal risks of investing in the Portfolio, which could adversely affect its net asset value, yield and total return, are listed below. Please see "Description of Principal Risks" in the Portfolio's prospectus for a more detailed description of the risks of investing in the Portfolio.

Interest Rate Risk is the risk that fixed income securities will decline in value because of an increase in interest rates; a portfolio with a longer average portfolio duration will be more sensitive to changes in interest rates than a portfolio with a shorter average portfolio duration.

Call Risk is the risk that an issuer may exercise its right to redeem a fixed income security earlier than expected (a call). Issuers may call outstanding securities prior to their maturity for a number of reasons (e.g., declining interest rates, changes in credit spreads and improvements in the issuer's credit quality). If an issuer calls a security that the Portfolio has invested in, the Portfolio may not recoup the full amount of its initial investment and may be forced to reinvest in lower-yielding securities, securities with greater credit risks or securities with other, less favorable features.

Credit Risk is the risk that the Portfolio could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to meet its financial obligations.

High Yield Risk is the risk that high yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit, call and liquidity risks. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments, and may be more volatile than higher-rated securities of similar maturity.

Market Risk is the risk that the value of securities owned by the Portfolio may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Issuer Risk is the risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk is the risk that a particular investment may be difficult to purchase or sell and that the Portfolio may be unable to sell illiquid investments at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income funds may be higher than normal, causing increased supply in the market due to selling activity.

Derivatives Risk is the risk of investing in derivative instruments (such as futures, swaps and structured securities), including leverage, liquidity, interest rate, market, credit and management risks, and valuation complexity. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and the Portfolio could lose more than the initial amount invested. The Portfolio's use of derivatives may result in losses to the Portfolio, a reduction in the Portfolio's returns and/or increased volatility. Over-the-counter ("OTC") derivatives are also subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally-cleared derivative transactions might not be available for OTC derivatives. The primary credit risk on derivatives that are exchange-traded or traded through a central clearing counterparty resides with the Portfolio's clearing broker or the clearinghouse. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or

impact the Portfolio's ability to invest in derivatives, limit the Portfolio's ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives and the Portfolio's performance.

Equity Risk is the risk that the value of equity securities, such as common stocks and preferred securities, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Mortgage-Related and Other Asset-Backed Securities Risk is the risk of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk and credit risk.

Foreign (Non-U.S.) Investment Risk is the risk that investing in foreign (non-U.S.) securities may result in the Portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation, currency blockage, or political changes or diplomatic developments. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Emerging Markets Risk is the risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

Sovereign Debt Risk is the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from an issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Currency Risk is the risk that foreign (non-U.S.) currencies will change in value relative to the U.S. dollar and affect the Portfolio's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Issuer Non-Diversification Risk is the risk of focusing investments in a small number of issuers, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Portfolios that are "non-diversified" may invest a greater percentage of their assets in the securities of a single issuer (such as bonds issued by a particular state) than portfolios that are "diversified".

Leveraging Risk is the risk that certain transactions of the Portfolio, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, magnifying gains and losses and causing the Portfolio to be more volatile than if it had not been leveraged. This means that leverage entails a heightened risk of loss.

Management Risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results and that actual or potential conflicts of interest, legislative, regulatory, or tax restrictions, policies or developments may affect the investment techniques available to PIMCO and the individual portfolio manager in connection with managing the Portfolio and may cause PIMCO to restrict or prohibit participation in certain investments. There is no guarantee that the investment objective of the Portfolio will be achieved.

Short Exposure Risk is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale will not fulfill its contractual obligations, causing a loss to the Portfolio.

LIBOR Transition Risk is the risk related to the anticipated discontinuation of the London Interbank Offered Rate ("LIBOR"). Certain instruments held by a Portfolio rely in some fashion upon LIBOR. Although the transition process away from LIBOR has become increasingly well-defined in advance of the anticipated discontinuation date, there remains uncertainty regarding the nature of any replacement rate, and any potential effects of the transition away from LIBOR on a Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR and may result in a reduction in the value of certain instruments held by a Portfolio.

(b) Other Risks

In general, the Portfolio may be subject to additional risks, including, but not limited to, risks related to government regulation and intervention in financial markets, operational risks, risks associated with financial, economic and global market disruptions, and cybersecurity risks. Please see the Portfolio's prospectus and Statement of Additional Information for a more detailed description of the risks of investing in the Portfolio. Please see the Important Information section of this report for additional discussion of certain regulatory and market developments that may impact the Portfolio's performance.

Market Disruption Risk The Portfolio is subject to investment and operational risks associated with financial, economic and other global

market developments and disruptions, including those arising from war, terrorism, market manipulation, government interventions, defaults and shutdowns, political changes or diplomatic developments, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters, which can all negatively impact the securities markets and cause the Portfolio to lose value. These events can also impair the technology and other operational systems upon which the Portfolio's service providers, including PIMCO as the Portfolio's investment adviser, rely, and could otherwise disrupt the Portfolio's service providers' ability to fulfill their obligations to the Portfolio. For example, the recent spread of an infectious respiratory illness caused by a novel strain of coronavirus (known as COVID-19) has caused volatility, severe market dislocations and liquidity constraints in many markets, including markets for the securities the Portfolio holds, and may adversely affect the Portfolio's investments and operations. Please see the Important Information section for additional discussion of the COVID-19 pandemic.

Government Intervention in Financial Markets Federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the regulation of the instruments in which the Portfolio invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which the Portfolio itself is regulated. Such legislation or regulation could limit or preclude the Portfolio's ability to achieve its investment objective. Furthermore, volatile financial markets can expose the Portfolio to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by the Portfolio. The value of the Portfolio's holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which the Portfolio invests. In addition, it is not certain that the U.S. Government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Regulatory Risk Financial entities, such as investment companies and investment advisers, are generally subject to extensive government regulation and intervention. Government regulation and/or intervention may change the way the Portfolio is regulated, affect the expenses incurred directly by the Portfolio and the value of its investments, and limit and/or preclude the Portfolio's ability to achieve its investment objective. Government regulation may change frequently and may have significant adverse consequences. Moreover, government regulation may have unpredictable and unintended effects.

Operational Risk An investment in the Portfolio, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel and errors caused by third-party service providers. The occurrence of any of these failures, errors or breaches could result in a loss of information, regulatory scrutiny, reputational damage or other events, any of which could have a material adverse effect on the Portfolio. While the Portfolio seeks to minimize such events through controls and oversight, there may still be failures that could cause losses to the Portfolio.

Cyber Security Risk As the use of technology has become more prevalent in the course of business, the Portfolio has become potentially more susceptible to operational and information security risks resulting from breaches in cyber security. A breach in cyber security refers to both intentional and unintentional cyber events that may, among other things, cause the Portfolio to lose proprietary information, suffer data corruption and/or destruction or lose operational capacity, result in the unauthorized release or other misuse of confidential information, or otherwise disrupt normal business operations. Cyber security failures or breaches may result in financial losses to the Portfolio and its shareholders. These failures or breaches may also result in disruptions to business operations, potentially resulting in financial losses; interference with the Portfolio's ability to calculate its net asset value, process shareholder transactions or otherwise transact business with shareholders; impediments to trading; violations of applicable privacy and other laws; regulatory fines; penalties; reputational damage; reimbursement or other compensation costs; additional compliance and cyber security risk management costs and other adverse consequences. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future.

8. MASTER NETTING ARRANGEMENTS

The Portfolio may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that is intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Portfolio to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty. For financial reporting purposes the

Statement of Assets and Liabilities generally presents derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to $250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Portfolio's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively "Master Repo Agreements") govern repurchase, reverse repurchase, and certain sale-buyback transactions between the Portfolio and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern certain forward settling transactions, such as TBA securities, delayed-delivery or certain sale-buyback transactions by and between the Portfolio and select counterparties. The Master Forward Agreements maintain provisions for, among other things, transaction initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

Customer Account Agreements and related addenda govern cleared derivatives transactions such as futures, options on futures, and cleared OTC derivatives. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant ("FCM") registered with the Commodity Futures Trading Commission. In the United States, counterparty risk may be reduced as creditors of an FCM cannot have a claim to Portfolio assets in the segregated account. Portability of exposure reduces risk to the Portfolio. Variation margin, which reflects changes in market value, is generally exchanged daily, but may not be netted between futures and cleared OTC derivatives unless the parties have agreed to a separate arrangement in respect of portfolio margining. The market value or accumulated unrealized appreciation (depreciation), initial margin posted, and any unsettled variation margin as of period end are disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA Master Agreements") govern bilateral OTC derivative transactions entered into by the Portfolio with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral posting and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. The ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if the counterparty has a decline in credit quality below a predefined level or as required by regulation. Similarly, if required by regulation, the Portfolio may be required to post additional collateral beyond coverage of daily exposure. These amounts, if any, may (or if required by law, will) be segregated with a third-party custodian. To the extent the Portfolio is required by regulation to post additional collateral beyond coverage of daily exposure, it could potentially incur costs, including in procuring eligible assets to meet collateral requirements, associated with such posting. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

9. FEES AND EXPENSES

(a) Investment Advisory Fee PIMCO is a majority-owned subsidiary of Allianz Asset Management of America L.P. ("Allianz Asset Management") and serves as the Adviser to the Trust, pursuant to an investment advisory contract. The Adviser receives a monthly fee from the Portfolio at an annual rate based on average daily net assets (the "Investment Advisory Fee"). The Investment Advisory Fee for all classes is charged at an annual rate as noted in the table in note (b) below.

(b) Supervisory and Administrative Fee PIMCO serves as administrator (the "Administrator") and provides supervisory and administrative services to the Trust for which it receives a monthly supervisory and administrative fee based on each share class's average daily net assets (the "Supervisory and Administrative Fee"). As the Administrator, PIMCO bears the costs of various third-party services, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs.

The Investment Advisory Fee and Supervisory and Administrative Fees for all classes, as applicable, are charged at the annual rate as noted in the following table (calculated as a percentage of the Portfolio's average daily net assets attributable to each class):

Investment Advisory Fee	Supervisory and Administrative Fee		
All Classes	Institutional Class	Administrative Class	Advisor Class
0.25%	0.50%	0.50%	0.50%

(c) Distribution and Servicing Fees PIMCO Investments LLC, a wholly-owned subsidiary of PIMCO, serves as the distributor ("Distributor") of the Trust's shares.

The Trust has adopted an Administrative Services Plan with respect to the Administrative Class shares of the Portfolio pursuant to Rule 12b-1 under the Act (the "Administrative Plan"). Under the terms of the Administrative Plan, the Trust is permitted to compensate the Distributor, out of the Administrative Class assets of the Portfolio, in an amount up to 0.15% on an annual basis of the average daily net assets of that class, for providing or procuring through financial intermediaries administrative, recordkeeping and investor services for Administrative Class shareholders of the Portfolio.

The Trust has adopted a separate Distribution and Servicing Plan for the Advisor Class shares of the Portfolio (the "Distribution and Servicing Plan"). The Distribution and Servicing Plan has been adopted pursuant to Rule 12b-1 under the Act. The Distribution and Servicing Plan permits the Portfolio to compensate the Distributor for providing or procuring through financial intermediaries, distribution, administrative, recordkeeping, shareholder and/or related services with respect to Advisor Class shares. The Distribution and Servicing Plan permits the Portfolio to make total payments at an annual rate of up to 0.25% of its average daily net assets attributable to its Advisor Class shares.

	Distribution Fee	Servicing Fee
Administrative Class	—	0.15%
Advisor Class	0.25%	—

(d) Portfolio Expenses PIMCO provides or procures supervisory and administrative services for shareholders and also bears the costs of various third-party services required by the Portfolio, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs. The Trust is responsible for the following expenses: (i) salaries and other compensation of any of the Trust's executive officers and employees who are not officers, directors, stockholders, or employees of PIMCO or its subsidiaries or affiliates; (ii) taxes and governmental fees; (iii) brokerage fees and commissions and other portfolio transaction expenses; (iv) the costs of borrowing money, including interest expenses; (v) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit; (vi) extraordinary expenses, including costs of litigation and indemnification expenses; (vii) organizational expenses; and (viii) any expenses allocated or allocable to a specific class of shares, which include service fees payable with respect to the Administrative Class Shares, and may include certain other expenses as permitted by the Trust's Multi-Class Plan adopted pursuant to Rule 18f-3 under the Act and subject to review and approval by the Trustees. The ratio of expenses to average net assets per share class, as disclosed on the Financial Highlights, may differ from the annual portfolio operating expenses per share class.

The Trust pays no compensation directly to any Trustee or any other officer who is affiliated with the Administrator, all of whom receive remuneration for their services to the Trust from the Administrator or its affiliates.

(e) Expense Limitation Pursuant to the Expense Limitation Agreement, PIMCO has agreed, through May 1, 2022, to waive a portion of the Portfolio's Supervisory and Administrative Fee, or reimburse the Portfolio, to the extent that the Portfolio's organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata share of Trustee Fees exceed 0.0049%, the "Expense Limit" (calculated as a percentage of the Portfolio's average daily net assets attributable to each class). The Expense Limitation Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term. The waiver is reflected on the Statement of Operations as a component of Waiver and/or Reimbursement by PIMCO.

In any month in which the supervision and administration agreement is in effect, PIMCO is entitled to reimbursement by the Portfolio of any portion of the supervisory and administrative fee waived or reimbursed as set forth above (the "Reimbursement Amount") during the previous thirty-six months from the date of the waiver, provided that such amount paid to PIMCO will not: i) together with any organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata Trustee fees, exceed, for such month, the Expense Limit (or the amount of the expense limit in place at the time the amount being recouped was originally waived if lower than the Expense Limit); ii) exceed the total Reimbursement Amount; or iii) include any amounts previously reimbursed to PIMCO. At December 31, 2021, there were no recoverable amounts.

10. RELATED PARTY TRANSACTIONS

The Adviser, Administrator, and Distributor are related parties. Fees paid to these parties are disclosed in Note 9, Fees and Expenses, and the accrued related party fee amounts are disclosed on the Statement of Assets and Liabilities.

The Portfolio is permitted to purchase or sell securities from or to certain related affiliated portfolios under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Portfolio from or to another fund or portfolio that are, or could be, considered an affiliate, or an affiliate of an affiliate, by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 under the Act. Further, as defined under the procedures, each transaction is effected at the current market price. Purchases and sales of securities pursuant to Rule 17a-7 under the Act for the period ended December 31, 2021, were as follows (amounts in thousands†):

Purchases	Sales
$ 9,767	$ 1,778

† A zero balance may reflect actual amounts rounding to less than one thousand.

11. GUARANTEES AND INDEMNIFICATIONS

Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust (including the Trust's investment manager) is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Portfolio. Additionally, in the normal course of business, the Portfolio enters into contracts that contain a variety of indemnification clauses. The Portfolio's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, the Portfolio has not had prior claims or losses pursuant to these contracts.

12. PURCHASES AND SALES OF SECURITIES

The length of time the Portfolio has held a particular security is not generally a consideration in investment decisions. A change in the securities held by the Portfolio is known as "portfolio turnover." The Portfolio may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover may involve correspondingly greater transaction costs, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which are borne by the Portfolio. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates when distributed to shareholders). The transaction costs associated with portfolio turnover may adversely affect the Portfolio's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended December 31, 2021, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 2,368,659	$ 2,595,042	$ 300,617	$ 222,356

† A zero balance may reflect actual amounts rounding to less than one thousand.

13. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a $0.001 par value. Changes in shares of beneficial interest were as follows (shares and amounts in thousands†):

	Year Ended 12/31/2021		Year Ended 12/31/2020	
	Shares	Amount	Shares	Amount
Receipts for shares sold				
Institutional Class	8,828	$ 97,288	6,857	$ 75,955
Administrative Class	2,456	26,988	2,710	30,232
Advisor Class	3,183	35,064	3,520	39,044
Issued as reinvestment of distributions				
Institutional Class	220	2,400	108	1,179
Administrative Class	176	1,915	407	4,421
Advisor Class	1,080	11,780	2,458	26,678
Cost of shares redeemed				
Institutional Class	(5,365)	(59,277)	(240)	(2,639)
Administrative Class	(1,935)	(21,404)	(3,185)	(35,302)
Advisor Class	(1,315)	(14,412)	(4,692)	(51,804)
Net increase (decrease) resulting from Portfolio share transactions	7,328	$ 80,342	7,943	$ 87,764

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, one shareholder owned 10% or more of the Portfolio's total outstanding shares comprising 72% of the Portfolio.

14. REGULATORY AND LITIGATION MATTERS

The Portfolio is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

The foregoing speaks only as of the date of this report.

15. FEDERAL INCOME TAX MATTERS

The Portfolio intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code (the "Code") and distribute all of its taxable income and net realized gains, if applicable, to shareholders. Accordingly, no provision for Federal income taxes has been made.

The Portfolio may be subject to local withholding taxes, including those imposed on realized capital gains. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

In accordance with U.S. GAAP, the Adviser has reviewed the Portfolio's tax positions for all open tax years. As of December 31, 2021, the Portfolio has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions it has taken or expects to take in future tax returns.

The Portfolio files U.S. federal, state, and local tax returns as required. The Portfolio's tax returns are subject to examination by relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Shares of the Portfolio currently are sold to segregated asset accounts ("Separate Accounts") of insurance companies that fund variable annuity contracts and variable life insurance policies ("Variable Contracts"). Please refer to the prospectus for the Separate Account and Variable Contract for information regarding Federal income tax treatment of distributions to the Separate Account.

As of December 31, 2021, the components of distributable taxable earnings are as follows (amounts in thousands†):

	Undistributed Ordinary Income[1]	Undistributed Long-Term Capital Gains	Net Tax Basis Unrealized Appreciation/ (Depreciation)[2]	Other Book-to-Tax Accounting Differences[3]	Accumulated Capital Losses[4]	Qualified Late-Year Loss Deferral - Capital[5]	Qualified Late-Year Loss Deferral - Ordinary[6]	Total Components of Distributable Earnings
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 0	$ 241	$ (5,473)	$ 0	$ 0	$ 0	$ 0	$ (5,232)

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) Includes undistributed short-term capital gains, if any.

(2) Adjusted for open wash sale loss deferrals and the accelerated recognition of unrealized gain or loss on certain futures and forward contracts for federal income tax purposes. Also adjusted for differences between book and tax realized and unrealized gain (loss) on swap contracts, straddle loss deferrals, treasury inflation-protected securities (TIPS), sale/buyback transactions, and interest accrued on defaulted securities.

(3) Represents differences in income tax regulations and financial accounting principles generally accepted in the United States of America.

(4) Capital losses available to offset future net capital gains expire in varying amounts as shown below.

(5) Capital losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.

(6) Specified losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.

Under the Regulated Investment Company Modernization Act of 2010, a Portfolio is permitted to carry forward any new capital losses for an unlimited period. Additionally, such capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term under previous law.

As of December 31, 2021, the Portfolio had the following post-effective capital losses with no expiration (amounts in thousands†):

	Short-Term	Long-Term
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, the aggregate cost and the net unrealized appreciation/(depreciation) of investments for federal income tax purposes are as follows (amounts in thousands†):

	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)[7]
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 650,035	$ 38,274	$ (44,087)	$ (5,813)

† A zero balance may reflect actual amounts rounding to less than one thousand.

(7) Primary differences, if any, between book and tax net unrealized appreciation/(depreciation) on investments are attributable to open wash sale loss deferrals, unrealized gain or loss on certain futures and forward contracts, swap contracts, straddle loss deferrals, treasury inflation-protected securities (TIPS), sale/buyback transactions, and interest accrued on defaulted securities.

For the fiscal year ended December 31, 2021 and December 31, 2020, respectively, the Portfolio made the following tax basis distributions (amounts in thousands†):

	December 31, 2021			December 31, 2020		
	Ordinary Income Distributions[8]	Long-Term Capital Gain Distributions	Return of Capital[9]	Ordinary Income Distributions[8]	Long-Term Capital Gain Distributions	Return of Capital[9]
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 14,532	$ 1,564	$ 0	$ 32,278	$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

(8) Includes short-term capital gains distributed, if any.

(9) A portion of the distributions made represents a tax return of capital. Return of capital distributions have been reclassified from undistributed net investment income to paid-in capital to more appropriately conform financial accounting to tax accounting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of PIMCO Variable Insurance Trust and Shareholders of PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (one of the portfolios constituting PIMCO Variable Insurance Trust, hereafter referred to as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Portfolio's management. Our responsibility is to express an opinion on the Portfolio's financial statements 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 Portfolio 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, brokers and agent banks; when replies were not received from brokers or agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Kansas City, Missouri

February 17, 2022

We have served as the auditor of one or more investment companies in PIMCO Variable Insurance Trust since 1998.

Glossary: (abbreviations that may be used in the preceding statements) (Unaudited)

Counterparty Abbreviations:

AZD	Australia and New Zealand Banking Group	**GLM**	Goldman Sachs Bank USA	**NGF**	Nomura Global Financial Products, Inc.
BOA	Bank of America N.A.	**GSC**	Goldman Sachs & Co. LLC	**RBC**	Royal Bank of Canada
BPS	BNP Paribas S.A.	**GST**	Goldman Sachs International	**RYL**	NatWest Markets Plc
BRC	Barclays Bank PLC	**HUS**	HSBC Bank USA N.A.	**SCX**	Standard Chartered Bank, London
CBK	Citibank N.A.	**JPM**	JP Morgan Chase Bank N.A.	**SSB**	State Street Bank and Trust Co.
DUB	Deutsche Bank AG	**MYC**	Morgan Stanley Capital Services LLC	**TOR**	The Toronto-Dominion Bank
FICC	Fixed Income Clearing Corporation	**MYI**	Morgan Stanley & Co. International PLC	**UAG**	UBS AG Stamford

Currency Abbreviations:

ARS	Argentine Peso	**EUR**	Euro	**NOK**	Norwegian Krone
AUD	Australian Dollar	**GBP**	British Pound	**NZD**	New Zealand Dollar
BRL	Brazilian Real	**HKD**	Hong Kong Dollar	**PEN**	Peruvian New Sol
CAD	Canadian Dollar	**ILS**	Israeli Shekel	**RUB**	Russian Ruble
CHF	Swiss Franc	**JPY**	Japanese Yen	**SEK**	Swedish Krona
CNH	Chinese Renminbi (Offshore)	**KRW**	South Korean Won	**SGD**	Singapore Dollar
CNY	Chinese Renminbi (Mainland)	**MXN**	Mexican Peso	**USD (or $)**	United States Dollar
CZK	Czech Koruna	**MYR**	Malaysian Ringgit	**ZAR**	South African Rand
DKK	Danish Krone				

Exchange Abbreviations:

OTC	Over the Counter

Index/Spread Abbreviations:

BADLARPP	Argentina Badlar Floating Rate Notes	**CDX.IG**	Credit Derivatives Index - Investment Grade	**SOFR**	Secured Overnight Financing Rate
BBSW1M	1 Month Bank Bill Swap Rate	**EUR003M**	3 Month EUR Swap Rate	**SONIO**	Sterling Overnight Interbank Average Rate
BBSW3M	3 Month Bank Bill Swap Rate	**LIBOR03M**	3 Month USD-LIBOR	**SRFXON3**	Swiss Overnight Rate Average (6PM)
CDOR03	3 month CDN Swap Rate	**MUTKCALM**	Tokyo Overnight Average Rate	**UKRPI**	United Kingdom Retail Prices Index
CDX.HY	Credit Derivatives Index - High Yield	**SIBCSORA**	Singapore Overnight Rate Average	**US0003M**	ICE 3-Month USD LIBOR

Other Abbreviations:

ABS	Asset-Backed Security	**DAC**	Designated Activity Company	**OIS**	Overnight Index Swap
ALT	Alternate Loan Trust	**EURIBOR**	Euro Interbank Offered Rate	**PIK**	Payment-in-Kind
BBR	Bank Bill Rate	**JIBAR**	Johannesburg Interbank Agreed Rate	**PRIBOR**	Prague Interbank Offered Rate
BBSW	Bank Bill Swap Reference Rate	**KLIBOR**	Kuala Lumpur Interbank Offered Rate	**STIBOR**	Stockholm Interbank Offered Rate
BTP	Buoni del Tesoro Poliennali "Long-term Treasury Bond"	**LIBOR**	London Interbank Offered Rate	**TBA**	To-Be-Announced
CDI	Brazil Interbank Deposit Rate	**Lunar**	Monthly payment based on 28-day periods. One year consists of 13 periods.	**TIIE**	Tasa de Interés Interbancaria de Equilibrio "Equilibrium Interbank Interest Rate"
CLO	Collateralized Loan Obligation	**OAT**	Obligations Assimilables du Trésor		

Federal Income Tax Information

(Unaudited)

As required by the Internal Revenue Code (the "Code") and Treasury Regulations, if applicable, shareholders must be notified regarding the status of qualified dividend income and the dividend received deduction.

Dividend Received Deduction. Corporate shareholders are generally entitled to take the dividend received deduction on the portion of a Portfolio's dividend distribution that qualifies under tax law. The percentage of the following Portfolio's fiscal 2021 ordinary income dividend that qualifies for the corporate dividend received deduction is set forth in the table below.

Qualified Dividend Income. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), the percentage of ordinary dividends paid during the calendar year designated as "qualified dividend income", as defined in the Act, subject to reduced tax rates in 2021 is set forth for the Portfolio in the table below.

Qualified Interest Income and Qualified Short-Term Capital Gain (for non-U.S. resident shareholders only). Under the American Jobs Creation Act of 2004, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified interest income," as defined in Section 871(k)(1)(E) of the Code, and therefore designated as interest-related dividends, as defined in Section 871(k)(1)(C) of the Code are set forth in the table below. Further, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified short-term capital gain," as defined in Section 871(k)(2)(D) of the Code, and therefore designated as qualified short-term gain dividends, as defined by Section 871(k)(2)(C) of the Code are also set forth in the table below.

Section 163(j) Interest Dividends. The Portfolio intends to pass through the maximum amount allowable as Section 163(j) Interest Dividends as defined in Proposed Treasury Regulation § 1.163(j)-1(b). The 163(j) percentage of ordinary income distributions as follows:

	Dividend Received Deduction %	Qualified Dividend Income %	Qualified Interest Income (000s†)	Qualified Short-Term Capital Gain (000s†)	163(j) Interest Dividends
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	0.00%	0.00%	$ 6,846	$ 5,800	0.00%

† A zero balance may reflect actual amounts rounding to less than one thousand.

Shareholders are advised to consult their own tax advisor with respect to the tax consequences of their investment in the Trust. In January 2022, you will be advised on IRS Form 1099-DIV as to the federal tax status of the dividends and distributions received by you in calendar year 2021.

Management of the Trust

(Unaudited)

The charts below identify the Trustees and executive officers of the Trust. Unless otherwise indicated, the address of all persons below is 650 Newport Center Drive, Newport Beach, CA 92660.

The Portfolio's Statement of Additional Information includes more information about the Trustees and Officers. To request a free copy, call PIMCO at (888) 87-PIMCO or visit the Portfolio's website at www.pimco.com/pvit.

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served†	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Public Company and Investment Company Directorships Held by Trustee During the Past 5 Years
Interested Trustees[1]				
Peter G. Strelow (1970) *Chairman of the Board and Trustee*	05/2017 to present Chairman of the Board - 02/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President of the Trust, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.	149	Chairman and Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Kimberley G. Stafford (1978) *Trustee*	02/2021 to present	Managing Director, Global Head of Product Strategy, PIMCO; and Member of Executive Committee, PIMCO. Formerly, Head of Asia-Pacific, Global Head of Consultant Relations and Head of US Institutional and Alternatives Sales, PIMCO.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Independent Trustees				
George E. Borst (1948) *Trustee*	04/2015 to present	Executive Advisor, McKinsey & Company (since 10/14); Formerly, Executive Advisor, Toyota Financial Services (10/13-12/14); and CEO, Toyota Financial Services (1/01-9/13).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, MarineMax Inc.
Jennifer Holden Dunbar (1963) *Trustee*	04/2015 to present	Managing Director, Dunbar Partners, LLC (business consulting and investments). Formerly, Partner, Leonard Green & Partners, L.P.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, PS Business Parks; Director, Big 5 Sporting Goods Corporation.
Kym M. Hubbard (1957) *Trustee*	02/2017 to present	Formerly, Global Head of Investments, Chief Investment Officer and Treasurer, Ernst & Young.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, State Auto Financial Corporation.
Gary F. Kennedy (1955) *Trustee*	04/2015 to present	Formerly, Senior Vice President, General Counsel and Chief Compliance Officer, American Airlines and AMR Corporation (now American Airlines Group) (1/03-1/14).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Peter B. McCarthy (1950) *Trustee*	04/2015 to present	Formerly, Assistant Secretary and Chief Financial Officer, United States Department of Treasury; Deputy Managing Director, Institute of International Finance.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Ronald C. Parker (1951) *Lead Independent Trustee*	07/2009 to present Lead Independent Trustee - 02/2017 to present	Director of Roseburg Forest Products Company. Formerly, Chairman of the Board, The Ford Family Foundation; and President, Chief Executive Officer, Hampton Affiliates (forestry products).	149	Lead Independent Trustee, PIMCO Funds and PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

[1] Ms. Stafford and Mr. Strelow are "interested persons" of the Trust (as that term is defined in the 1940 Act) because of their affiliations with PIMCO.

† Trustees serve until their successors are duly elected and qualified.

Executive Officers

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years†
Eric D. Johnson (1970) *President*	06/2019 to present	Executive Vice President and Head of Funds Business Group Americas, PIMCO. President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Ryan G. Leshaw (1980) *Chief Legal Officer and Secretary*	08/2021 to present	Executive Vice President and Senior Counsel, PIMCO. Chief Legal Officer and Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Chief Legal Officer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Associate, Willkie Farr & Gallagher LLP.
Keisha Audain-Pressley (1975)** *Chief Compliance Officer*	01/2020 to present	Executive Vice President and Deputy Chief Compliance Officer, PIMCO. Chief Compliance Officer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Joshua D. Ratner (1976)** *Senior Vice President*	05/2019 to present	Executive Vice President and Head of Americas Operations, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Peter G. Strelow (1970) *Senior Vice President*	06/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.
Wu-Kwan Kit (1981) *Assistant Secretary*	08/2017 to present	Senior Vice President and Senior Counsel, PIMCO. Assistant Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Vice President, Senior Counsel and Secretary, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Assistant General Counsel, VanEck Associates Corp.
Jeffrey A. Byer (1976) *Vice President*	02/2020 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Elizabeth A. Duggan (1964) *Vice President*	02/2021 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Mark A. Jelic (1981) *Vice President*	08/2021 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brian J. Pittluck (1977) *Vice President*	01/2020 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Bijal Y. Parikh (1978) *Treasurer*	01/2021 to present	Executive Vice President, PIMCO. Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Jason J. Nagler (1982)*** *Deputy Treasurer*	11/2021 to present	Senior Vice President, PIMCO. Deputy Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Assistant Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Erik C. Brown (1967)*** *Assistant Treasurer*	02/2001 to present	Executive Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brandon T. Evans (1982) *Assistant Treasurer*	05/2019 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Colleen D. Miller (1980)** *Assistant Treasurer*	02/2017 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Deputy Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

† The term "PIMCO-Sponsored Closed-End Funds" as used herein includes: PIMCO California Municipal Income Fund, PIMCO California Municipal Income Fund II, PIMCO California Municipal Income Fund III, PIMCO Municipal Income Fund, PIMCO Municipal Income Fund II, PIMCO Municipal Income Fund III, PIMCO New York Municipal Income Fund, PIMCO New York Municipal Income Fund II, PIMCO New York Municipal Income Fund III, PCM Fund Inc., PIMCO Access Income Fund, PIMCO Corporate & Income Opportunity Fund, PIMCO Corporate & Income Strategy Fund, PIMCO Dynamic Credit and Mortgage Income Fund, PIMCO Dynamic Income Fund, PIMCO Dynamic Income Opportunities Fund, PIMCO Energy and Tactical Credit Opportunities Fund, PIMCO Global StocksPLUS® & Income Fund, PIMCO High Income Fund, PIMCO Income Opportunity Fund, PIMCO Income Strategy Fund, PIMCO Income Strategy Fund II and PIMCO Strategic Income Fund, Inc.; the term "PIMCO-Sponsored Interval Funds" as used herein includes: PIMCO Flexible Credit Income Fund, PIMCO Flexible Municipal Income Fund and PIMCO Flexible Emerging Markets Income Fund.

** The address of these officers is Pacific Investment Management Company LLC, 1633 Broadway, New York, New York 10019.

*** The address of these officers is Pacific Investment Management Company LLC, 401 Congress Ave., Austin, Texas 78701.

Privacy Policy[1]

(Unaudited)

The Trust[2,3] consider customer privacy to be a fundamental aspect of their relationships with shareholders and are committed to maintaining the confidentiality, integrity and security of their current, prospective and former shareholders' non-public personal information. The Trust has developed policies that are designed to protect this confidentiality, while allowing shareholder needs to be served.

OBTAINING NON-PUBLIC PERSONAL INFORMATION

In the course of providing shareholders with products and services, the Trust and certain service providers to the Trust, such as the Trust's investment advisers or sub-advisers ("Advisers"), may obtain non-public personal information about shareholders, which may come from sources such as account applications and other forms, from other written, electronic or verbal correspondence, from shareholder transactions, from a shareholder's brokerage or financial advisory firm, financial professional or consultant, and/or from information captured on applicable websites.

RESPECTING YOUR PRIVACY

As a matter of policy, the Trust does not disclose any non-public personal information provided by shareholders or gathered by the Trust to non-affiliated third parties, except as required or permitted by law or as necessary for such third parties to perform their agreements with respect to the Trust. As is common in the industry, non-affiliated companies may from time to time be used to provide certain services, such as preparing and mailing prospectuses, reports, account statements and other information, conducting research on shareholder satisfaction and gathering shareholder proxies. The Trust or its affiliates may also retain non-affiliated companies to market Trust's shares or products which use Trust's shares and enter into joint marketing arrangements with them and other companies. These companies may have access to a shareholder's personal and account information, but are permitted to use this information solely to provide the specific service or as otherwise permitted by law. In most cases, the shareholders will be clients of a third party, but the Trust may also provide a shareholder's personal and account information to the shareholder's respective brokerage or financial advisory firm and/or financial professional or consultant.

SHARING INFORMATION WITH THIRD PARTIES

The Trust reserves the right to disclose or report personal or account information to non-affiliated third parties in limited circumstances where the Trust believes in good faith that disclosure is required under law, to cooperate with regulators or law enforcement authorities, to protect their rights or property, or upon reasonable request by any fund in which a shareholder has invested. In addition, the Trust may disclose information about a shareholder or a shareholder's accounts to a non-affiliated third party at the shareholder's request or with the consent of the shareholder.

SHARING INFORMATION WITH AFFILIATES

The Trust may share shareholder information with their affiliates in connection with servicing shareholders' accounts, and subject to applicable law may provide shareholders with information about products and services that the Trust or its Advisers, distributors or their affiliates ("Service Affiliates") believe may be of interest to such shareholders. The information that the Trust may share may include, for example, a shareholder's participation in the Trust or in other investment programs sponsored by a Service Affiliate, a shareholder's ownership of certain types of accounts (such as IRAs), information about the Trust's experiences or transactions with a shareholder, information captured on applicable websites, or other data about a shareholder's accounts, subject to applicable law. The Trust's Service Affiliates, in turn, are not permitted to share shareholder information with non-affiliated entities, except as required or permitted by law.

PROCEDURES TO SAFEGUARD PRIVATE INFORMATION

The Trust takes seriously the obligation to safeguard shareholder non-public personal information. In addition to this policy, the Trust has implemented procedures that are designed to restrict access to a shareholder's non-public personal information to internal personnel who need to know that information to perform their jobs, such as servicing shareholder accounts or notifying shareholders of new products or services. Physical, electronic and procedural safeguards are in place to guard a shareholder's non-public personal information.

INFORMATION COLLECTED FROM WEBSITES

The Trust or its service providers and partners may collect information from shareholders via websites they maintain. The information collected via websites maintained by the Trust or their service providers includes client non-public personal information.

CHANGES TO THE PRIVACY POLICY

From time to time, the Trust may update or revise this privacy policy. If there are changes to the terms of this privacy policy, documents containing the revised policy on the relevant website will be updated.

[1] Amended as of June 25, 2020.
[2] PIMCO Investments LLC ("PI") serves as the Trust's distributor and does not provide brokerage services or any financial advice to investors in the Trust solely because it distributes the Trust. This Privacy Policy applies to the activities of PI to the extent that PI regularly effects or engages in transactions with or for a shareholder of a series of a Trust who is the record owner of such shares. For purposes of this Privacy Policy, references to "the Trust" shall include PI when acting in this capacity.
[3] When distributing this Policy, the Trust may combine the distribution with any similar distribution of its investment adviser's privacy policy. The distributed, combined, policy may be written in the first person (*i.e.* by using "we" instead of "the Trust").

Approval of Investment Advisory Contract and Other Agreements

At a meeting held on August 24-25, 2021, the Board of Trustees (the "Board") of PIMCO Variable Insurance Trust (the "Trust"), including the Trustees who are not "interested persons" of the Trust under the Investment Company Act of 1940, as amended (the "Independent Trustees"), considered and unanimously approved the renewal of the Amended and Restated Investment Advisory Contract (the "Investment Advisory Contract") between the Trust, on behalf of the Trust's series (each a "Portfolio" and collectively, the "Portfolios"), and Pacific Investment Management Company LLC ("PIMCO"), for an additional one-year term through August 31, 2022. The Board also considered and unanimously approved the renewal of the Amended and Restated Supervision and Administration Agreement (the "Supervision and Administration Agreement") between the Trust, on behalf of the Portfolios, and PIMCO for an additional one-year term through August 31, 2022. In addition, the Board considered and unanimously approved the renewal of the Amended and Restated Asset Allocation Sub-Advisory Agreement (the "Asset Allocation Agreement" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements") between PIMCO, on behalf of PIMCO All Asset Portfolio, a series of the Trust, and Research Affiliates, LLC ("Research Affiliates") for an additional one-year term through August 31, 2022.

In addition, the Board considered and unanimously approved the renewal of the Investment Management Agreements between PIMCO and each of the wholly-owned subsidiaries (each, a "Subsidiary" and, collectively, the "Subsidiaries") of certain of the Portfolios (collectively, the "Subsidiary Agreements"), each for the same additional one-year term through August 31, 2022.

The information, material factors and conclusions that formed the basis for the Board's approvals are summarized below.

1. INFORMATION RECEIVED

(a) Materials Reviewed: During the course of the past year, the Trustees received a wide variety of materials relating to the services provided by PIMCO and Research Affiliates to the Trust. At each of its quarterly meetings, the Board reviewed the Portfolios' investment performance and a significant amount of information relating to Portfolio operations, including shareholder services, valuation and custody, the Portfolios' compliance program and other information relating to the nature, extent and quality of services provided by PIMCO and Research Affiliates to the Trust and each of the Portfolios, as applicable. In considering whether to approve the renewal of the Agreements and the Subsidiary Agreements, the Board reviewed additional information, including, but not limited to: comparative industry data with regard to investment performance; advisory and supervisory and administrative fees and expenses; financial information for PIMCO and, where relevant, financial information for Research Affiliates; information regarding the profitability to PIMCO of its relationship with the Portfolios; information about the personnel providing investment management services, other advisory services and supervisory and administrative services to the Portfolios; and information about the fees charged and services provided to other clients with similar investment mandates as the Portfolios, where applicable. In addition, the Board reviewed materials provided by counsel to the Trust and the Independent Trustees ("Counsel"), which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and Subsidiary Agreements.

With respect to the Subsidiary Agreements, the Trustees considered that each Portfolio that has a Subsidiary may utilize its Subsidiary to execute its investment strategy and that PIMCO provides investment advisory and administrative services to the Subsidiaries pursuant to the Subsidiary Agreements in the same manner as it does for such Portfolios that have Subsidiaries under the Investment Advisory Contract and Supervision and Administration Agreement. The Trustees also considered that, with respect to each Subsidiary, PIMCO does not retain a separate advisory or other fee from the Subsidiary, and that PIMCO's profitability with respect to each Portfolio that has a Subsidiary is not positively impacted as a result of the Subsidiary Agreements. The Trustees determined, therefore, that it was appropriate to consider the approval of the Subsidiary Agreements collectively with their consideration of the Agreements.

(b) Review Process: In connection with considering the renewal of the Agreements, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from Counsel encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other things, applicable legal standards from Counsel, and reviewed comparative fee and performance data prepared at the Board's request by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company performance information and fee and expense data. The Board received presentations on matters related to the Agreements and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 24-25, 2021 meeting. The Independent Trustees also met via video conference with Counsel on July 15, 2021 and August 3, 2021, and conducted a video conference meeting on August 6, 2021 with management and Counsel to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements. In connection with its review of the Agreements, the Board received comparative information on the performance, the risk-adjusted performance and the fees and expenses of other peer group funds and share classes. The Independent Trustees also requested and

received supplemental information, including information regarding Broadridge peer classifications, Portfolio performance and profitability.

The approval determinations were made on the basis of each Trustee's business judgment after consideration and evaluation of all the information presented. Individual Trustees may have given different weights to certain factors and assigned various degrees of materiality to information received in connection with the approval process. In deciding to approve the renewal of the Agreements, the Board did not identify any single factor or particular information that, in isolation, was controlling. The discussion below is intended to summarize the broad factors and information that figured prominently in the Board's consideration of the renewal of the Agreements, but is not intended to summarize all of the factors considered by the Board.

2. NATURE, EXTENT AND QUALITY OF SERVICES

(a) PIMCO, Research Affiliates, their Personnel and Resources: The Board considered the depth and quality of PIMCO's investment management process, including, but not limited to: the experience, capability and integrity of its senior management and other personnel; the overall financial strength and stability of its organization; and the ability of its organizational structure to address changes in the Portfolios' asset levels. The Board also considered the various services in addition to portfolio management that PIMCO provides under the Investment Advisory Contract. The Board noted that PIMCO makes available to its investment professionals a variety of resources and systems relating to investment management, compliance, trading, performance and portfolio accounting. The Board also noted PIMCO's commitment to enhancing and investing in its global infrastructure, technology capabilities, risk management processes and the specialized talent needed to stay at the forefront of the competitive investment management industry and to strengthen its ability to deliver services under the Agreements. The Board considered PIMCO's policies, procedures and systems reasonably designed to assure compliance with applicable laws and regulations, including new regulations impacting the Portfolios, and its commitment to further developing and strengthening these programs; its oversight of matters that may involve conflicts of interest between the Portfolios' investments and those of other accounts managed by PIMCO; and its efforts to keep the Trustees informed about matters relevant to the Portfolios and their shareholders. The Board also considered PIMCO's investment in new disciplines and talented personnel, which has enhanced PIMCO's services to the Portfolios and has allowed PIMCO to introduce innovative new portfolios over time. In addition, the Board considered the nature, extent and quality of services provided by PIMCO to the Subsidiaries of certain applicable Portfolios.

In addition, the Trustees considered new services and service enhancements that PIMCO has implemented, including, but not limited to investing in its cybersecurity program and business continuity functions, including completion of the build-out of a new data center; funding projects and initiatives in support of the Portfolios; investing in trading and technology infrastructure; oversight by the Americas Fund Oversight Committee, which provides senior-level oversight and supervision focused on new and ongoing fund-related business opportunities; expanding engagement with a third party service provider to provide certain additional fund administration services subject to PIMCO's oversight; investing in the Fund Treasurer's Office; development of a global tax management application that enables investment professionals to access foreign market and security tax information on a real-time basis; enhancing PIMCO's oversight over certain of the Portfolios' service providers, including with respect to a service provider's review of certain financial reporting procedures and the use of proprietary software and managed service model to timely meet N-PORT and N-CEN regulatory requirements; upgrading a proprietary application to improve user interface efficiency and experience; implementing a contingent NAV process; advocating in the public policy arena; developing a proprietary tool to monitor and facilitate potential interfund lending; launching an internal process to seek to automate a number of operational processes; and developing technology solutions to leverage artificial intelligence and machine learning. Similarly, the Board considered the asset allocation services provided by Research Affiliates to the PIMCO All Asset Portfolio. The Board further considered PIMCO's oversight of Research Affiliates in connection with Research Affiliates providing asset allocation services to the All Asset Portfolio. The Board also considered the depth and quality of Research Affiliates' investment management and research capabilities, the experience and capabilities of its portfolio management personnel and the overall financial strength of the organization.

Ultimately, the Board concluded that the nature, extent and quality of services provided or procured by PIMCO under the Agreements and the Subsidiary Agreements and provided by Research Affiliates under the Asset Allocation Agreement are likely to continue to benefit the Portfolios and their shareholders, as applicable.

(b) Other Services: The Board also considered the nature, extent and quality of supervisory and administrative services provided by PIMCO to the Portfolios under the Supervision and Administration Agreement.

The Board considered the terms of the Supervision and Administration Agreement, under which the Trust pays for the supervisory and administrative services provided pursuant to that agreement under what is essentially an all-in fee structure (the "unified fee"). In return, PIMCO provides or procures certain supervisory and administrative services and bears the costs of various third party services required by

the Portfolios, including, but not limited to, audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board also noted that the scope and complexity, as well as the costs, of the supervisory and administrative services provided by PIMCO under the Supervision and Administration Agreement continue to increase. The Board considered PIMCO's provision of supervisory and administrative services and its supervision of the Trust's third party service providers to assure that these service providers continue to provide a high level of service relative to alternatives available in the market.

Ultimately, the Board concluded that the nature, extent and quality of the services provided or procured by PIMCO has benefited, and will likely continue to benefit, the Portfolios and their shareholders.

3. INVESTMENT PERFORMANCE

The Board reviewed information from PIMCO concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 and other performance data, as available, over short- and long-term periods ended June 30, 2021 (the "PIMCO Report") and from Broadridge concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term relative and absolute investment performance of each Portfolio relative to its peer group, where appropriate, and relevant benchmark index as provided to the Board in advance of each of its quarterly meetings throughout the year, including the PIMCO Report and Broadridge Report. The Trustees reviewed information indicating that classes of each Portfolio would have substantially similar performance to that of the Administrative Class of the relevant Portfolio on a relative basis because all of the classes are invested in the same portfolio of investments and that differences in performance among classes could principally be attributed to differences in the supervisory and administrative fees and distribution and servicing expenses of each class. The Board noted that, due to differences (such as specific investment strategies or fee structures) between certain of the Portfolios and their so-called peers in the Broadridge categories, performance comparisons may not be particularly relevant to the consideration of Portfolio performance, but found the comparative information supported its overall evaluation.

The Board noted that a majority of the Portfolios have outperformed their respective benchmark indexes over the one-, three- and five-year periods ended March 31, 2021, and that a majority of the Portfolios have outperformed their benchmarks since inception for the period ended March 31, 2021. With respect to Portfolios that underperformed to a certain degree over such periods, the Board discussed with PIMCO the reasons for the underperformance of such Portfolios. The Board also considered actions that have been taken by PIMCO throughout the year to attempt to address underperformance.

The Board ultimately concluded, within the context of all of its considerations in connection with the Agreements and the Subsidiary Agreements, that PIMCO's performance record and process in managing the Portfolios indicates that its continued management is likely to benefit the Portfolios and their shareholders, and merits the approval of the renewal of the Agreements and the Subsidiary Agreements.

4. ADVISORY FEES, SUPERVISORY AND ADMINISTRATIVE FEES AND TOTAL EXPENSES

The Board considered that PIMCO seeks to price new funds to scale at the outset . The Board noted that PIMCO generally seeks to price new funds competitively against the median total expense ratio of the respective Broadridge peer group, if available, while acknowledging that a fee premium may be appropriate for innovative investment offerings. PIMCO reported to the Board that, in proposing fees for any Portfolio or class of shares, it considers a number of factors, including, but not limited to, the type and complexity of the services provided, the cost of providing services, the risk assumed by PIMCO in the development of products and the provision of services and the competitive marketplace for financial products.

The Board reviewed the advisory fees, supervisory and administrative fees and total expenses of the Portfolios (each as a percentage of average net assets) and compared such amounts with the average and median fee and expense levels of other similar funds. The Board also reviewed information relating to the sub-advisory fees paid to Research Affiliates with respect to applicable Portfolios, taking into account that PIMCO compensates Research Affiliates from the advisory fees paid by such Portfolios to PIMCO. With respect to advisory fees, the Board reviewed data from the Broadridge Report that compared the average and median advisory fees of other funds in a "Peer Group" of comparable funds, where appropriate, as well as the universe of other similar funds. The Board reviewed materials, where appropriate, indicating that a number of Portfolios have total expense ratios that fall below the average and median expense ratios in their Peer Group and Broadridge universe. In addition, the Board considered the expense limitation agreement in place for all of the Portfolios and fee waivers in place for certain of the Portfolios and also noted the fee waivers in place with respect to the advisory fee and supervisory and administrative fee that might result from investments by applicable Portfolios in their respective Subsidiaries. The Board also considered that PIMCO reviews the Portfolios' fee levels and carefully considers changes where appropriate.

The Board also reviewed data comparing the Portfolios' advisory fees to the fee rates PIMCO charged to registered funds (open-end and

closed-end), private funds, and non-U.S. registered funds, separate accounts, sub-advised clients and collective investment trusts with similar investment strategies. In cases where the fees for other clients were lower than those charged to the Portfolios, the Trustees noted that the differences in fees were attributable to various factors, including, but not limited to, differences in the advisory and other services provided by PIMCO to the Portfolios, differences in the number or extent of the services provided by PIMCO to the Portfolios, the manner in which similar portfolios may be managed, different requirements with respect to liquidity management and the implementation of other regulatory requirements, and the fact that separate accounts may have other contractual arrangements or arrangements across PIMCO strategies that justify different levels of fees. The Board considered that, with respect to collective investment trusts, PIMCO performs fewer or less extensive services because collective investment trusts are generally exempt from SEC regulation; investors in a collective investment trust may receive shareholder services from a trustee bank, rather than PIMCO; collective investment trusts have less regulatory disclosure; and the management structure of collective investment trusts differs from that of funds. The Trustees also considered that PIMCO faces increased entrepreneurial, legal and regulatory risk in sponsoring and managing mutual funds and ETFs as compared to separate accounts, external sub-advised funds or other investment products. In addition, the Trustees considered that PIMCO may charge certain private funds with similar investment mandates lower fees than the Portfolios because such private funds are not required to accept daily redemptions or price their assets on a daily basis, generally do not accept small investors with small account balances and operate under a less complex regulatory regime.

Regarding advisory fees charged by PIMCO in its capacity as sub-adviser to third party/unaffiliated funds, the Trustees took into account that such fees may be lower than the fees charged by PIMCO to serve as adviser to the Portfolios. The Trustees also took into account that there are various reasons for any such differences in fees, including, but not limited to, the fact that PIMCO may be subject to varying levels of entrepreneurial, legal and regulatory risk and different servicing requirements when PIMCO does not serve as the sponsor of a fund and is not principally responsible for all aspects of a fund's investment program and operations as compared to when PIMCO serves as investment adviser and sponsor.

The Board considered the Portfolios' supervisory and administrative fees, comparing them to similar funds managed by other investment advisers in the Broadridge Report. The Board also considered that, as the Portfolios' business has become increasingly complex and the number of Portfolios has grown over time, PIMCO has provided an increasingly broad array of fund supervisory and administrative functions. In addition, the Board considered the Trust's unified fee structure, under which the Trust pays for the supervisory and administrative services it requires for one set fee. In return for this unified fee, PIMCO provides or procures supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board further considered that many other funds pay for comparable services separately, and thus it is difficult to directly compare the Trust's unified supervisory and administrative fees with the fees paid by other funds for administrative services alone. The Board also considered that the unified supervisory and administrative fee leads to Portfolio fees that are fixed over the contract period, rather than variable. The Board noted that, although the unified fee structure does not have breakpoints, it inherently reflects certain economies of scale by fixing the absolute level of Portfolio fees at competitive levels over the contract period even if the Portfolios' operating costs rise when assets remain flat or decrease. Other factors the Board considered in assessing the unified fee include PIMCO's approach of pricing Portfolios at scale at inception and reinvesting in other important areas of the business that support the Portfolios. The Board considered historical advisory and supervisory and administrative fee reductions implemented for different Portfolios and classes, noting that the unified fee can be increased or decreased in subsequent contractual periods with Board approval and is subject to the periodic reviews discussed above. The Board noted that, with few exceptions, PIMCO has generally maintained Portfolio fees at the same level as implemented when the unified fee was adopted, and has reduced fees for a number of Portfolios in prior years. The Board concluded that the Portfolios' supervisory and administrative fees were reasonable in relation to the value of the services provided, including the services provided to different classes of shareholders, and that the expenses assumed contractually by PIMCO under the Supervision and Administration Agreement represent, in effect, a cap on overall Portfolio fees during the contractual period, which is beneficial to the Portfolios and their shareholders.

The Board considered the Portfolios' total expenses and discussed with PIMCO certain Portfolios and/or classes of Portfolios that had above median total expenses. Upon comparing the Portfolios' total expenses to other funds in the "Peer Groups" provided by the Broadridge Report, where appropriate, the Board found total expenses of each Portfolio to be reasonable.

The Trustees also considered the advisory fees charged to the Portfolios that operate as funds of funds (the "Funds of Funds") and the advisory services provided in exchange for such fees. The Trustees determined that such services were in addition to the advisory services provided to the underlying funds in which the Funds of Funds may invest and, therefore, such services were not duplicative of the advisory services

provided to the underlying funds. The Board also considered the various fee waiver agreements in place for the Funds of Funds. The Board noted that PIMCO is continuing waivers for these Funds of Funds, as well as for certain other Portfolios of the Trust.

Based on the information presented by PIMCO and Research Affiliates, members of the Board determined, in the exercise of their business judgment, that the level of the advisory fees and supervisory and administrative fees charged by PIMCO under the Agreements and the Subsidiary Agreements, that the fees charged by Research Affiliates under the Asset Allocation Agreement, and that the total expenses of each Portfolio, are reasonable.

5. ADVISER COSTS, LEVEL OF PROFITS AND ECONOMIES OF SCALE

The Board reviewed information regarding PIMCO's costs of providing services to, as well as the resulting level of profits from, the Portfolios. To the extent applicable, the Board also reviewed information regarding the portion of a Portfolio's advisory fee retained by PIMCO, following the payment of sub-advisory fees to Research Affiliates, with respect to the Portfolios. Additionally, the Board discussed PIMCO's pre- and post-distribution profit margin ranges with respect to the Portfolios, as compared to the prior year. The Board also noted that it had received information regarding the structure and manner in which PIMCO's investment professionals were compensated, and PIMCO's view of the relationship of such compensation to the attraction and retention of quality personnel. The Board considered PIMCO's investment in global infrastructure, technology capabilities, risk management processes and qualified personnel to reinforce and offer new services and to accommodate changing regulatory requirements.

The Board considered the existence of any economies of scale and noted that, to the extent that PIMCO achieves economies of scale in managing the Portfolios, PIMCO shares the benefits of economies of scale, if any, with the Portfolios and their shareholders in a number of ways, including investing in portfolio and trade operations management, firm technology, middle and back office support, legal and compliance, and fund administration logistics; senior management supervision, governance and oversight of those services; and through fee reductions or waivers, the pricing of Portfolios to scale from inception and the enhancement of services provided to the Portfolios in return for fees paid. The Board reviewed the history of the Portfolios' fee structure. The Board considered that the Portfolios' unified fee rates had been set competitively and/or priced to scale from inception, had been held steady during the contractual period at that scaled competitive rate for most Portfolios as assets grew, or as assets declined in the case of some Portfolios, and continued to be competitive compared with peers. The Board also considered that the unified fee is a transparent means of informing a Portfolio's shareholders of the fees associated with the Portfolio, and that the Portfolio bears certain expenses that are not covered by the advisory fee or the unified fee. The Board further considered the challenges that arise when managing large funds, which can result in certain "diseconomies" of scale and noted that PIMCO has continued to reinvest in many areas of the business to support the Portfolios.

The Trustees considered that the unified fee has provided inherent economies of scale because a Portfolio maintains competitive fixed fees over the annual contract period even if the particular Portfolio's assets decline and/or operating costs rise. The Trustees further considered that, in contrast, breakpoints may be a proxy for charging higher fees on lower asset levels and that when a fund's assets decline, breakpoints may reverse, which causes expense ratios to increase. The Trustees also considered that, unlike the Portfolios' unified fee structure, funds with "pass through" administrative fee structures may experience increased expense ratios when fixed dollar fees are charged against declining fund assets. In addition, the Trustees considered that the unified fee protects shareholders from a rise in operating costs that may result from, among other things, PIMCO's investments in various business enhancements and infrastructure, including those referenced above. The Trustees noted that PIMCO's investments in these areas are extensive.

The Board concluded that the Portfolios' cost structures were reasonable and that PIMCO is appropriately sharing economies of scale, if any, through the Portfolios' unified fee structure, generally pricing Portfolios to scale at inception and reinvesting in its business to provide enhanced and expanded services to the Portfolios and their shareholders.

6. ANCILLARY BENEFITS

The Board considered other benefits realized by PIMCO and its affiliates as a result of PIMCO's relationship with the Trust. Such benefits may include possible ancillary benefits to PIMCO's institutional investment management business due to the reputation and market penetration of the Trust or third party service providers' relationship-level fee concessions, which decrease fees paid by PIMCO. The Board also considered that affiliates of PIMCO provide distribution and/or shareholder services to the Portfolios and their shareholders, for which they may be compensated through distribution and servicing fees paid pursuant to the Portfolios' Rule 12b-1 plans or otherwise. The Board noted that, while PIMCO has the authority to receive the benefit of research provided by broker-dealers executing portfolio transactions on behalf of the Portfolios, it has adopted a policy not to enter into contractual soft dollar arrangements.

7. CONCLUSIONS

Based on their review, including their comprehensive consideration and evaluation of each of the broad factors and information summarized

above, the Independent Trustees and the Board as a whole concluded that the nature, extent and quality of the services rendered to the Portfolios by PIMCO and Research Affiliates supported the renewal of the Agreements and the Subsidiary Agreements. The Independent Trustees and the Board as a whole concluded that the Agreements and the Subsidiary Agreements continued to be fair and reasonable to the Portfolios and their shareholders, that the Portfolios' shareholders received reasonable value in return for the fees paid to PIMCO by the Portfolios under the Investment Advisory Contract, Supervision and Administration Agreement and the Subsidiary Agreements and the fees paid to Research Affiliates by PIMCO under the Asset Allocation Agreement, and that the renewal of the Agreements and the Subsidiary Agreements was in the best interests of the Portfolios and their shareholders.

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This report is submitted for the general information of the shareholders of the PIMCO Variable Insurance Trust.

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PIMCO

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PIMCO

PIMCO VARIABLE INSURANCE TRUST

Annual Report

December 31, 2021

PIMCO Low Duration Portfolio

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This material is authorized for use only when preceded or accompanied by the current PIMCO Variable Insurance Trust (the "Trust") prospectus for the Portfolio. (The variable product prospectus may be obtained by contacting your Investment Consultant.)

Dear Shareholder,

We hope that you and your family are remaining safe and healthy during these challenging times. We continue to work tirelessly to navigate markets and manage the assets that you have entrusted to us. Following this letter is the PIMCO Variable Insurance Trust Annual Report, which covers the 12-month reporting period ended December 31, 2021. On the subsequent pages, you will find specific details regarding investment results and a discussion of the factors that most affected performance during the reporting period.

For the 12-month reporting period ended December 31, 2021

The global economy continued to be affected by the COVID-19 pandemic ("COVID-19") and its variants. Looking back, first quarter 2021 U.S. annualized gross domestic product ("GDP") was 6.3%. The economy gained momentum during the second quarter, as GDP growth in the U.S. was 6.7%. Growth then moderated to 2.3% during the third quarter of the year. Finally, the Commerce Department's initial estimate for fourth quarter annualized GDP growth — released after the reporting period ended — was 6.9%.

In the U.S., while the Federal Reserve Board (the "Fed") maintained the federal funds rate at an all-time low of a range between 0.00% and 0.25%, it took a step toward tightening its monetary policy. At its meeting in early November 2021, the Fed began reducing the monthly pace of its net asset purchases of Treasury securities and agency mortgage-backed securities. At its meeting in mid-December, the Fed further reduced the monthly pace of its purchases. At the current pace, the U.S. central bank will conclude its asset purchases in mid-March 2022, and could raise interest rates during its March 2022 meeting.

Economies outside the U.S. also continued to be impacted by COVID-19. In its October 2021 *World Economic Outlook*, the International Monetary Fund ("IMF") said it expects U.S. GDP growth to be 6.0% in 2021, compared to a 3.4% contraction in 2020. Elsewhere, the IMF expects 2021 GDP growth in the eurozone, U.K. and Japan will be 5.0%, 6.8% and 2.4%, respectively. For comparison purposes, the GDP of these economies contracted by -6.3%, -9.8% and -4.6%, respectively, in 2020.

The Bank of England (the "BoE") also tightened its monetary policy, while several other developed country central banks maintained their accommodative stances. In December 2021, the BoE surprised the market and raised rates for the first time since COVID-19 began. The BoE cited underlying inflation pressures and expects inflation to remain high in the coming months. In contrast, the European Central Bank (the "ECB") diverged from the Fed and the BoE, as President Christine Lagarde said, "It is very unlikely that we will raise interest rates in the year 2022." The eurozone economy is still below its pre-pandemic level and the Omicron variant is threatening growth in the region. Elsewhere, the Bank of Japan (the "BoJ") pared back its emergency pandemic funding in late 2021, but maintained its loose monetary policy. The BoJ appears likely to remain accommodative in the near future given the headwinds facing its economy.

Both short- and long-term U.S. Treasury yields moved higher during the reporting period. The yield on the benchmark 10-year U.S. Treasury note was 1.52% at the end of the reporting period, versus 0.93% on December 31, 2020. The Bloomberg Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment-grade countries, including both developed and emerging markets, returned -1.86%. Meanwhile, the Bloomberg Global Aggregate Credit Index (USD Hedged), a widely used index of global investment-grade credit bonds, returned -0.95%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, produced mixed returns. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned 5.06%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned -1.51%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -8.75%.

Amid periods of volatility, global equities largely posted solid results. All told, U.S. equities, as represented by the S&P 500 Index, returned 28.71%, fueled by strong investor demand and growth in the economy. Global equities, as represented by the MSCI World Index, gained 21.82%, whereas emerging market equities, as measured by the MSCI Emerging Markets Index, returned -2.54%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 6.62% and European equities, as represented by the MSCI Europe Index (in EUR), gained 25.13%.

Commodity prices were volatile and generated mixed results. When the reporting period began, Brent crude oil was approximately $52 a barrel. Brent crude oil ended the reporting period at roughly $78 a barrel. We believe that a driver of the sharp increase in oil price was stronger demand as global growth improved. Elsewhere, copper prices moved higher, whereas gold prices declined.

Finally, there were also periods of volatility in the foreign exchange markets, in our view due to economic growth expectations, changing central bank monetary policies, rising inflation, COVID-19 variants, and several geopolitical events. The U.S. dollar strengthened against several major currencies. For example, the U.S. dollar returned 6.93%, 1.01% and 10.28% versus the euro, the British pound and the Japanese yen, respectively.

Thank you for the assets you have placed with us. We deeply value your trust, and we will continue to work diligently to meet your broad investment needs.



Sincerely,

Peter G. Strelow
Chairman of the Board
PIMCO Variable Insurance Trust

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

Important Information About the PIMCO Low Duration Portfolio

PIMCO Variable Insurance Trust (the "Trust") is an open-end management investment company that includes the PIMCO Low Duration Portfolio (the "Portfolio"). The Portfolio is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies ("Variable Contracts"). Individuals may not purchase shares of the Portfolio directly. Shares of the Portfolio also may be sold to qualified pension and retirement plans outside of the separate account context.

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond funds, and fixed income securities and other instruments held by the Portfolio are likely to decrease in value. A wide variety of factors can cause interest rates or yields of U.S. Treasury securities (or yields of other types of bonds) to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). In addition, changes in interest rates can be sudden and unpredictable, and there is no guarantee that management will anticipate such movement accurately. The Portfolio may lose money as a result of movements in interest rates.

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, are at or near historically low levels. Thus, the Portfolio currently faces a heightened level of risk associated with rising interest rates and/or bond yields. This could be driven by a variety of factors, including but not limited to central bank monetary policies, changing inflation or real growth rates, general economic conditions, increasing bond issuances or reduced market demand for low yielding investments. Further, while bond markets have steadily grown over the past three decades, dealer inventories of corporate bonds are near historic lows in relation to market size. As a result, there has been a significant reduction in the ability of dealers to "make markets."

Bond funds and individual bonds with a longer duration (a measure used to determine the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets or negatively impact the Portfolio's performance or cause the Portfolio to incur losses. As a result, the Portfolio may experience increased shareholder redemptions, which, among other things, could further reduce the net assets of the Portfolio.

The Portfolio may be subject to various risks as described in the Portfolio's prospectus and in the Principal and Other Risks in the Notes to Financial Statements.

Classifications of the Portfolio's portfolio holdings in this report are made according to financial reporting standards. The classification of a particular portfolio holding as shown in the Allocation Breakdown and Schedule of Investments sections of this report may differ from the classification used for the Portfolio's compliance calculations, including those used in the Portfolio's prospectus, investment objectives, regulatory, and other investment limitations and policies, which may be based on different asset class, sector or geographical classifications. The Portfolio is separately monitored for compliance with respect to prospectus and regulatory requirements.

The geographical classification of foreign (non-U.S.) securities in this report, if any, are classified by the country of incorporation of a holding. In certain instances, a security's country of incorporation may be different from its country of economic exposure.

Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the Portfolio's performance. In addition, COVID-19 and governmental responses to COVID-19 may negatively impact the capabilities of the Portfolio's service providers and disrupt the Portfolio's operations.

The United States' enforcement of restrictions on U.S. investments in certain issuers and tariffs on goods from other countries, each with a focus on China, has contributed to international trade tensions and may impact portfolio securities.

The United Kingdom's withdrawal from the European Union may impact Portfolio returns. The withdrawal may cause substantial volatility in foreign exchange markets, lead to weakness in the exchange rate of the British pound, result in a sustained period of market uncertainty, and destabilize some or all of the other European Union member countries and/or the Eurozone.

The Portfolio may invest in certain instruments that rely in some fashion upon the London Interbank Offered Rate ("LIBOR"). LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to ultimately phase out the use of LIBOR. There remains uncertainty regarding future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured Overnight Financing Rate, which is intended to replace U.S. dollar

LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain, and they may vary depending on a variety of factors. The transition may also result in a reduction in the value of certain instruments held by the Portfolio or a reduction in the effectiveness of related Portfolio transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to the Portfolio.

On the Portfolio Summary page in this Shareholder Report, the Average Annual Total Return table and Cumulative Returns chart measure performance assuming that any dividend and capital gain distributions were reinvested. The Cumulative Returns chart reflects only Administrative Class performance. Performance may vary by share class based on each class's expense ratios. The Portfolio measures its performance against at least one broad-based securities market index ("benchmark index"). The benchmark index does not take into account fees, expenses, or taxes. The Portfolio's past performance, before and after taxes, is not necessarily an indication of how the Portfolio will perform in the future. There is no assurance that the Portfolio, even if the Portfolio has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) the Portfolio's total return in excess of that of the Portfolio's benchmark between reporting periods or 2) the Portfolio's total return in excess of the Portfolio's historical returns between reporting periods. Unusual performance is defined as a significant change in the Portfolio's performance as compared to one or more previous reporting periods. Historical performance for the Portfolio or a share class thereof may have been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.

The following table discloses the inception dates of the Portfolio and its share classes along with the Portfolio's diversification status as of period end:

Portfolio Name	Portfolio Inception	Institutional Class	Administrative Class	Advisor Class	Diversification Status
PIMCO Low Duration Portfolio	02/16/99	04/10/00	02/16/99	03/31/06	Diversified

An investment in the Portfolio is not a bank deposit and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Portfolio.

The Trustees are responsible generally for overseeing the management of the Trust. The Trustees authorize the Trust to enter into service agreements with the Adviser, the Distributor, the Administrator and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Trust and the Portfolio. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither this Portfolio's prospectus nor summary prospectus, the Trust's Statement of Additional Information ("SAI"), any contracts filed as exhibits to the Trust's registration statement, nor any other communications, disclosure documents or regulatory filings (including this report) from or on behalf of the Trust or the Portfolio creates a contract between or among any shareholder of the Portfolio, on the one hand, and the Trust, the Portfolio, a service provider to the Trust or the Portfolio, and/or the Trustees or officers of the Trust, on the other hand. The Trustees (or the Trust and its officers, service providers or other delegates acting under authority of the Trustees) may amend the most recent prospectus or use a new prospectus, summary prospectus or SAI with respect to the Portfolio or the Trust, and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which the Trust or the Portfolio is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to the Portfolio, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in the Trust's then-current prospectus or SAI.

PIMCO has adopted written proxy voting policies and procedures ("Proxy Policy") as required by Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. The Proxy Policy has been adopted by the Trust as the policies and procedures that PIMCO will use when voting proxies on behalf of the Portfolio. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Trust at (888) 87-PIMCO, on the Portfolio's website at www.pimco.com/pvit, and on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

The Portfolio files portfolio holdings information with the SEC on Form N-PORT within 60 days of the end of each fiscal quarter. The

Portfolio's complete schedule of securities holdings as of the end of each fiscal quarter will be made available to the public on the SEC's website at www.sec.gov and on PIMCO's website at www.pimco.com/pvit, and will be made available, upon request by calling PIMCO at (888) 87-PIMCO.

The SEC adopted a rule that allows shareholder reports to be delivered to investors by providing access to such reports online free of charge and by mailing a notice that the report is electronically available. Pursuant to the rule, investors may elect to receive all future reports in paper free of charge by contacting their insurance company. Any election to receive reports in paper will apply to all portfolio companies available under the investor's contract at the insurance company.

In August 2020, the SEC proposed changes to the mutual fund and ETF shareholder report and registration statement disclosure requirements and the registered fund advertising rules, which, if adopted, will change the disclosures provided to shareholders.

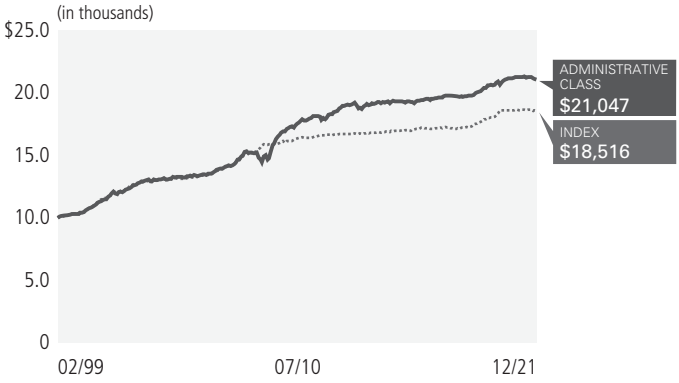
In October 2020, the SEC adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, and after an eighteen-month transition period, the rule requires portfolios to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. These requirements may limit the ability of the Portfolio to use derivatives and reverse repurchase agreements and similar financing transactions as part of its investment strategies and may increase the cost of the Portfolio's investments and cost of doing business, which could adversely affect investors.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Investment Company Act of 1940 (the "Act") without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition will apply in all contexts under the Act. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. The impact of the new rule on the Portfolio is uncertain at this time.

PIMCO Low Duration Portfolio

Cumulative Returns Through December 31, 2021



$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

Allocation Breakdown as of December 31, 2021†§

Short-Term Instruments‡	38.9%
Corporate Bonds & Notes	26.6%
U.S. Government Agencies	12.7%
Non-Agency Mortgage-Backed Securities	8.7%
Asset-Backed Securities	7.9%
Sovereign Issues	5.2%

† % of Investments, at value.

§ Allocation Breakdown and % of investments exclude securities sold short and financial derivative instruments, if any.

‡ Includes Central Funds Used for Cash Management Purposes.

Average Annual Total Return for the period ended December 31, 2021

		1 Year	5 Years	10 Years	Inception≈
	PIMCO Low Duration Portfolio Institutional Class	(0.78)%	1.69%	1.74%	3.44%
—	PIMCO Low Duration Portfolio Administrative Class	(0.93)%	1.54%	1.59%	3.29%
	PIMCO Low Duration Portfolio Advisor Class	(1.03)%	1.44%	1.49%	2.80%
·····	ICE BofAML 1-3 Year U.S. Treasury Index±	(0.55)%	1.61%	1.09%	2.72%◆

All Portfolio returns are net of fees and expenses and include applicable fee waivers and/or expense limitations. Absent any applicable fee waivers and/or expense limitations, performance would have been lower and there can be no assurance that any such waivers or limitations will continue in the future.

≈ For class inception dates please refer to the Important Information.

◆ Average annual total return since 02/16/1999.

± The ICE BofAML 1-3 Year U.S. Treasury Index is an unmanaged index comprised of U.S. Treasury securities, other than inflation-protection securities and STRIPS, with at least $1 billion in outstanding face value and a remaining term to final maturity of at least one year and less than three years.

It is not possible to invest directly in an unmanaged index.

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. The Portfolio's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in Variable Contracts, which will reduce returns. Differences in the Portfolio's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the prices of individual positions (which may be sourced from different pricing vendors or other sources) used by the Portfolio and the index. For performance current to the most recent month-end, visit www.pimco.com/pvit or via (888) 87-PIMCO.

The Portfolio's total annual operating expense ratio in effect as of period end were 0.54% for Institutional Class shares, 0.69% for Administrative Class shares, and 0.79% for Advisor Class shares. Details regarding any changes to the Portfolio's operating expenses, subsequent to period end, can be found in the Portfolio's current prospectus, as supplemented.

Investment Objective and Strategy Overview

PIMCO Low Duration Portfolio seeks maximum total return, consistent with preservation of capital and prudent investment management, by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives, such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. Portfolio strategies may change from time to time. Please refer to the Portfolio's current prospectus for more information regarding the Portfolio's strategy.

Portfolio Insights

The following affected performance (on a gross basis) during the reporting period:

» Select holdings of securitized credit contributed to relative performance, as holdings of collateralized loan obligations provided positive total return.

» Holdings of investment grade corporate credit contributed to relative performance, as the asset class provided positive excess return.

» Underweight exposure to U.K. duration on the 7-year and 10-year portions of the yield curve contributed to relative performance, as local interest rates rose.

» Overweight exposure to Brazilian duration on the 3-month and 1-year portions of the yield curve detracted from relative performance, as local interest rates rose.

» Holdings of government agency securities detracted from relative performance due to security selection within agency bonds.

» A long bias to the Australian dollar versus the U.S. dollar detracted from relative performance, as the Australian dollar depreciated.

Example

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees, supervisory and administrative fees, distribution and/or service (12b-1) fees (if applicable), and other Portfolio expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds.

The Expense Example does not reflect any fees or other expenses imposed by the Variable Contracts. If it did, the expenses reflected in the Expense Example would be higher. The Example is based on an investment of $1,000 invested at the beginning of the period and held from July 1, 2021 to December 31, 2021 unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.60), then multiply the result by the number in the appropriate row for your share class, in the column titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's 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 Portfolio and other portfolios. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other portfolios.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transactional costs were included, your costs would have been higher.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the investment advisory fees and supervisory and administrative fees, such as fees and expenses of the independent trustees and their counsel, extraordinary expenses and interest expense.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Net Annualized Expense Ratio**
Institutional Class	$ 1,000.00	$ 993.20	$ 2.54	$ 1,000.00	$ 1,022.93	$ 2.58	0.50%
Administrative Class	1,000.00	992.40	3.30	1,000.00	1,022.17	3.35	0.65
Advisor Class	1,000.00	991.90	3.81	1,000.00	1,021.66	3.86	0.75

* Expenses Paid During Period are equal to the net annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 186/365 (to reflect the one-half year period). Overall fees and expenses of investing in the Portfolio will be higher because the example does not reflect variable contract fees and expenses.

** Net Annualized Expense Ratio is reflective of any applicable contractual fee waivers and/or expense reimbursements or voluntary fee waivers. Details regarding fee waivers, if any, can be found in Note 9, Fees and Expenses, in the Notes to Financial Statements.

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Selected Per Share Data for the Year Ended^:	Net Asset Value Beginning of Year[a]	Investment Operations: Net Investment Income (Loss)[b]	Investment Operations: Net Realized/ Unrealized Gain (Loss)	Investment Operations: Total	Less Distributions[c]: From Net Investment Income	Less Distributions[c]: From Net Realized Capital Gain	Less Distributions[c]: Tax Basis Return of Capital	Less Distributions[c]: Total
Institutional Class								
12/31/2021	$ 10.38	$ 0.07	$ (0.14)	$ (0.07)	$ (0.07)	$ 0.00	$ 0.00	$ (0.07)
12/31/2020	10.20	0.13	0.19	0.32	(0.14)	0.00	0.00	(0.14)
12/31/2019	10.08	0.29	0.13	0.42	(0.24)	0.00	(0.06)	(0.30)
12/31/2018	10.24	0.20	(0.15)	0.05	(0.21)	0.00	0.00	(0.21)
12/31/2017	10.24	0.15	0.00	0.15	(0.13)	0.00	(0.02)	(0.15)
Administrative Class								
12/31/2021	10.38	0.05	(0.14)	(0.09)	(0.05)	0.00	0.00	(0.05)
12/31/2020	10.20	0.11	0.19	0.30	(0.12)	0.00	0.00	(0.12)
12/31/2019	10.08	0.28	0.12	0.40	(0.22)	0.00	(0.06)	(0.28)
12/31/2018	10.24	0.20	(0.17)	0.03	(0.19)	0.00	0.00	(0.19)
12/31/2017	10.24	0.13	0.01	0.14	(0.12)	0.00	(0.02)	(0.14)
Advisor Class								
12/31/2021	10.38	0.04	(0.14)	(0.10)	(0.04)	0.00	0.00	(0.04)
12/31/2020	10.20	0.10	0.19	0.29	(0.11)	0.00	0.00	(0.11)
12/31/2019	10.08	0.27	0.12	0.39	(0.21)	0.00	(0.06)	(0.27)
12/31/2018	10.24	0.19	(0.17)	0.02	(0.18)	0.00	0.00	(0.18)
12/31/2017	10.24	0.12	0.01	0.13	(0.11)	0.00	(0.02)	(0.13)

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.

(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

(b) Per share amounts based on average number of shares outstanding during the year.

(c) The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(d) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio. Additionally, excludes initial sales charges and contingent deferred sales charges.

		Ratios/Supplemental Data						
			Ratios to Average Net Assets					
Net Asset Value End of Year[a]	Total Return[d]	Net Assets End of Year (000s)	Expenses	Expenses Excluding Waivers	Expenses Excluding Interest Expense	Expenses Excluding Interest Expense and Waivers	Net Investment Income (Loss)	Portfolio Turnover Rate
$ 10.24	(0.68)%	$ 17,953	0.50%	0.50%	0.50%	0.50%	0.65%	446%
10.38	3.15	11,436	0.54	0.54	0.50	0.50	1.21	427
10.20	4.18	11,474	0.89	0.89	0.50	0.50	2.86	308
10.08	0.49	8,588	0.59	0.59	0.50	0.50	2.02	624
10.24	1.50	15,368	0.50	0.50	0.50	0.50	1.44	544
10.24	(0.83)	1,031,779	0.65	0.65	0.65	0.65	0.49	446
10.38	2.99	1,130,716	0.69	0.69	0.65	0.65	1.04	427
10.20	4.03	1,007,149	1.04	1.04	0.65	0.65	2.76	308
10.08	0.34	1,197,654	0.74	0.74	0.65	0.65	1.94	624
10.24	1.35	1,272,418	0.65	0.65	0.65	0.65	1.31	544
10.24	(0.93)	867,452	0.75	0.75	0.75	0.75	0.39	446
10.38	2.89	831,900	0.79	0.79	0.75	0.75	0.95	427
10.20	3.92	754,355	1.14	1.14	0.75	0.75	2.65	308
10.08	0.24	757,166	0.84	0.84	0.75	0.75	1.85	624
10.24	1.25	761,611	0.75	0.75	0.75	0.75	1.21	544

(Amounts in thousands†, except per share amounts)

Assets:	
Investments, at value	
Investments in securities*	$ 1,711,591
Investments in Affiliates	103,508
Financial Derivative Instruments	
Exchange-traded or centrally cleared	778
Over the counter	4,545
Deposits with counterparty	7,360
Foreign currency, at value	4,552
Receivable for investments sold	161,054
Receivable for TBA investments sold	211,369
Receivable for Portfolio shares sold	419
Interest and/or dividends receivable	3,241
Dividends receivable from Affiliates	146
Total Assets	2,208,563
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for short sales	$ 20,283
Financial Derivative Instruments	
Exchange-traded or centrally cleared	535
Over the counter	5,274
Payable for investments in Affiliates purchased	146
Payable for TBA investments purchased	259,715
Deposits from counterparty	3,607
Payable for Portfolio shares redeemed	610
Overdraft due to custodian	5
Accrued investment advisory fees	434
Accrued supervisory and administrative fees	434
Accrued distribution fees	196
Accrued servicing fees	140
Total Liabilities	291,379
Net Assets	$ 1,917,184
Net Assets Consist of:	
Paid in capital	$ 1,954,913
Distributable earnings (accumulated loss)	(37,729)
Net Assets	$ 1,917,184
Net Assets:	
Institutional Class	$ 17,953
Administrative Class	1,031,779
Advisor Class	867,452
Shares Issued and Outstanding:	
Institutional Class	1,754
Administrative Class	100,804
Advisor Class	84,749
Net Asset Value Per Share Outstanding[(a)]:	
Institutional Class	$ 10.24
Administrative Class	10.24
Advisor Class	10.24
Cost of investments in securities	$ 1,710,314
Cost of investments in Affiliates	$ 101,168
Cost of foreign currency held	$ 4,535
Proceeds received on short sales	$ 20,309
Cost or premiums of financial derivative instruments, net	$ 7,572
* Includes repurchase agreements of:	$ 5,084

† A zero balance may reflect actual amounts rounding to less than one thousand.
(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

Statement of Operations PIMCO Low Duration Portfolio

Year Ended December 31, 2021
(Amounts in thousands†)

Investment Income:	
Interest	$ 18,923
Dividends from Investments in Affiliates	3,521
Total Income	22,444
Expenses:	
Investment advisory fees	4,905
Supervisory and administrative fees	4,905
Servicing fees - Administrative Class	1,624
Distribution and/or servicing fees - Advisor Class	2,158
Trustee fees	56
Interest expense	17
Miscellaneous expense	3
Total Expenses	13,668
Net Investment Income (Loss)	8,776
Net Realized Gain (Loss):	
Investments in securities	(1,044)
Investments in Affiliates	518
Exchange-traded or centrally cleared financial derivative instruments	(5,595)
Over the counter financial derivative instruments	3,436
Foreign currency	1,074
Net Realized Gain (Loss)	(1,611)
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	(29,248)
Investments in Affiliates	(1,967)
Exchange-traded or centrally cleared financial derivative instruments	(3,269)
Over the counter financial derivative instruments	9,365
Foreign currency assets and liabilities	20
Net Change in Unrealized Appreciation (Depreciation)	(25,099)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (17,934)

† A zero balance may reflect actual amounts rounding to less than one thousand.

Statements of Changes in Net Assets PIMCO Low Duration Portfolio

(Amounts in thousands†)	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 8,776	$ 18,610
Net realized gain (loss)	(1,611)	23,816
Net change in unrealized appreciation (depreciation)	(25,099)	9,003
Net Increase (Decrease) in Net Assets Resulting from Operations	(17,934)	51,429
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(111)	(147)
Administrative Class	(5,649)	(12,339)
Advisor Class	(3,677)	(8,527)
Total Distributions[(a)]	(9,437)	(21,013)
Portfolio Share Transactions:		
Net increase (decrease) resulting from Portfolio share transactions*	(29,497)	170,658
Total Increase (Decrease) in Net Assets	(56,868)	201,074
Net Assets:		
Beginning of year	1,974,052	1,772,978
End of year	$ 1,917,184	$ 1,974,052

† A zero balance may reflect actual amounts rounding to less than one thousand.
* See Note 13, Shares of Beneficial Interest, in the Notes to Financial Statements.
(a) The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(Amounts in thousands*, except number of shares, contracts, units and ounces, if any)

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 89.3%			
CORPORATE BONDS & NOTES 25.2%			
BANKING & FINANCE 13.7%			
Banco Bilbao Vizcaya Argentaria S.A.			
0.875% due 09/18/2023	$	4,700	$ 4,683
Banco Santander S.A.			
1.241% (US0003M + 1.120%) due 04/12/2023 ~		2,400	2,425
Bank of America Corp.			
0.810% due 10/24/2024 •		6,900	6,857
1.084% (US0003M + 0.960%) due 07/23/2024 ~		1,200	1,211
1.292% (US0003M + 1.160%) due 01/20/2023 ~		200	200
1.486% due 05/19/2024 •		4,300	4,333
3.550% due 03/05/2024 •		4,100	4,223
Bank of Nova Scotia			
0.650% due 07/31/2024		5,000	4,940
Barclays PLC			
1.586% (US0003M + 1.430%) due 02/15/2023 ~		3,800	3,805
2.852% due 05/07/2026 •		5,100	5,264
Brixmor Operating Partnership LP			
1.182% (US0003M + 1.050%) due 02/01/2022 ~		5,000	5,003
CC Holdings GS LLC			
3.849% due 04/15/2023		5,300	5,486
Citigroup, Inc.			
0.776% due 10/30/2024 •		2,000	1,989
0.825% (US0003M + 0.690%) due 10/27/2022 ~		5,000	5,021
Cooperatieve Rabobank UA			
1.004% due 09/24/2026 •		5,700	5,549
Credit Suisse Group AG			
3.800% due 06/09/2023		4,800	4,975
Danske Bank A/S			
5.000% due 01/12/2022		4,800	4,804
Deutsche Bank AG			
0.550% due 11/08/2023 •		4,800	4,796
1.269% (SOFRRATE + 1.219%) due 11/16/2027 ~		4,600	4,595
2.222% due 09/18/2024 •		4,800	4,864
3.300% due 11/16/2022		6,600	6,738
Federal Realty Investment Trust			
3.950% due 01/15/2024		4,200	4,401
Ford Credit Canada Co.			
3.485% (CDOR03 + 3.030%) due 01/10/2022 ~(d)	CAD	4,700	3,716
Ford Motor Credit Co. LLC			
2.979% due 08/03/2022	$	1,700	1,711
3.096% due 05/04/2023		5,400	5,508
3.810% due 01/09/2024		5,000	5,192
4.140% due 02/15/2023		5,000	5,125
GA Global Funding Trust			
0.800% due 09/13/2024		4,800	4,710
1.250% due 12/08/2023		4,800	4,799
General Motors Financial Co., Inc.			
3.550% due 07/08/2022		4,800	4,870
4.250% due 05/15/2023		5,400	5,622
Goldman Sachs Group, Inc.			
0.670% (SOFRRATE + 0.620%) due 12/06/2023 ~		4,800	4,802
0.914% (US0003M + 0.750%) due 02/23/2023 ~		2,400	2,411
1.217% due 12/06/2023		4,800	4,813
JPMorgan Chase & Co.			
0.563% due 02/16/2025 •		4,300	4,240
0.697% due 03/16/2024 •		5,000	4,989
0.815% (SOFRRATE + 0.765%) due 09/22/2027 ~		5,000	5,024
Logicor Financing SARL			
1.500% due 11/14/2022	EUR	5,200	5,982
Mitsubishi HC Capital, Inc.			
3.406% due 02/28/2022	$	500	501
Mitsubishi UFJ Financial Group, Inc.			
0.913% (US0003M + 0.740%) due 03/02/2023 ~	$	5,100	$ 5,126
Mizuho Financial Group, Inc.			
1.111% (US0003M + 0.990%) due 07/10/2024 ~		3,600	3,633
1.435% (BBSW3M + 1.400%) due 07/19/2023 ~	AUD	6,700	4,942
Morgan Stanley			
3.737% due 04/24/2024 •	$	900	931
Nationwide Building Society			
3.622% due 04/26/2023 •		1,600	1,613
Natwest Group PLC			
2.500% due 03/22/2023	EUR	3,900	4,585
Nissan Motor Acceptance Co. LLC			
0.772% (US0003M + 0.650%) due 07/13/2022 ~	$	5,900	5,904
1.050% due 03/08/2024		4,000	3,955
Norinchukin Bank			
1.284% due 09/22/2026		4,900	4,832
NTT Finance Corp.			
0.373% due 03/03/2023		5,000	4,981
Standard Chartered PLC			
0.980% (SOFRRATE + 0.930%) due 11/23/2025 ~		5,000	5,004
1.319% due 10/14/2023 •		4,800	4,805
1.822% due 11/23/2025 •		5,000	4,997
Sumitomo Mitsui Financial Group, Inc.			
1.474% due 07/08/2025		5,300	5,277
Sumitomo Mitsui Trust Bank Ltd.			
0.800% due 09/12/2023		4,800	4,785
UniCredit SpA			
4.027% (US0003M + 3.900%) due 01/14/2022 ~		5,100	5,104
7.830% due 12/04/2023		10,700	11,935
Wells Fargo & Co.			
1.654% due 06/02/2024 •		5,200	5,246
2.509% due 10/27/2023 (d)	CAD	6,200	4,987
			262,819
INDUSTRIALS 8.9%			
7-Eleven, Inc.			
0.625% due 02/10/2023	$	5,000	4,982
Anthem, Inc.			
0.450% due 03/15/2023		6,000	5,977
BMW Finance NV			
2.250% due 08/12/2022		9,200	9,298
Boeing Co.			
1.167% due 02/04/2023		5,900	5,901
1.950% due 02/01/2024		5,000	5,059
CenterPoint Energy Resources Corp.			
0.673% (US0003M + 0.500%) due 03/02/2023 ~		5,000	4,990
Charter Communications Operating LLC			
4.464% due 07/23/2022		2,100	2,131
CommonSpirit Health			
1.547% due 10/01/2025		4,900	4,858
Daimler Finance North America LLC			
0.750% due 03/01/2024		6,000	5,947
Daimler Trucks Finance North America LLC			
0.550% (SOFRRATE + 0.500%) due 06/14/2023 ~		5,700	5,708
0.650% (SOFRRATE + 0.600%) due 12/14/2023 ~		5,000	5,005
0.800% (SOFRRATE + 0.750%) due 12/13/2024 ~		5,000	5,006
1.125% due 12/14/2023		5,000	5,004
Danone S.A.			
2.947% due 11/02/2026		4,000	4,212
Enbridge, Inc.			
0.660% (US0003M + 0.500%) due 02/18/2022 ~		4,400	4,402
Expedia Group, Inc.			
3.600% due 12/15/2023	$	3,600	$ 3,742
Fidelity National Information Services, Inc.			
0.375% due 03/01/2023		5,000	4,977
General Mills, Inc.			
6.410% due 10/15/2022		4,900	5,121
Hasbro, Inc.			
3.550% due 11/19/2026		4,600	4,935
Huntington Ingalls Industries, Inc.			
0.670% due 08/16/2023		5,000	4,958
Hyundai Capital America			
0.800% due 04/03/2023		5,000	4,979
1.150% due 11/10/2022		6,000	6,016
Kinder Morgan Energy Partners LP			
4.150% due 03/01/2022		500	503
Local Initiatives Support Corp.			
3.005% due 03/01/2022		1,300	1,302
Nissan Motor Co. Ltd.			
3.043% due 09/15/2023		4,800	4,927
Penske Truck Leasing Co. LP			
1.700% due 06/15/2026		5,000	4,948
Phillips 66			
0.900% due 02/15/2024		4,900	4,866
Reckitt Benckiser Treasury Services PLC			
0.780% (US0003M + 0.560%) due 06/24/2022 ~		400	401
Renesas Electronics Corp.			
1.543% due 11/26/2024		5,000	4,970
SK Hynix, Inc.			
1.000% due 01/19/2024		5,000	4,946
Southern Co.			
0.420% (SOFRRATE + 0.370%) due 05/10/2023 ~		4,800	4,790
0.600% due 02/26/2024		5,100	5,037
Sutter Health			
1.321% due 08/15/2025		3,200	3,174
Thermo Fisher Scientific Finance BV			
0.010% due 11/18/2025	EUR	4,700	5,334
Toyota Industries Corp.			
3.110% due 03/12/2022	$	4,800	4,815
Toyota Motor Corp.			
0.681% due 03/25/2024		6,500	6,464
Volkswagen Group of America Finance LLC			
2.700% due 09/26/2022		500	507
Volkswagen International Finance NV			
0.988% (EUR003M + 1.550%) due 11/16/2024 ~	EUR	700	825
			171,017
UTILITIES 2.6%			
AES Corp.			
1.375% due 01/15/2026	$	5,100	4,956
Atmos Energy Corp.			
0.578% (US0003M + 0.380%) due 03/09/2023 ~		6,000	6,001
Midwest Connector Capital Co. LLC			
3.625% due 04/01/2022		2,700	2,705
NextEra Energy Capital Holdings, Inc.			
0.430% (US0003M + 0.270%) due 02/22/2023 ~		5,000	4,993
Pacific Gas & Electric Co.			
1.367% due 03/10/2023		5,000	4,970
1.691% (US0003M + 1.480%) due 06/16/2022 ~		3,500	3,502
3.400% due 08/15/2024		900	931
3.850% due 11/15/2023		400	413
4.250% due 08/01/2023		4,800	4,971
Southern California Edison Co.			
0.520% (SOFRRATE + 0.470%) due 12/02/2022 ~		5,000	5,005
SSE PLC			
1.250% due 04/16/2025	EUR	3,800	4,476

Schedule of Investments PIMCO Low Duration Portfolio (Cont.)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Verizon Communications, Inc.		
2.355% due 03/15/2032	$ 5,865	$ 5,786
		48,709
Total Corporate Bonds & Notes (Cost $480,886)		**482,545**
U.S. GOVERNMENT AGENCIES 12.0%		
Fannie Mae		
0.147% due 07/25/2037 •	77	75
0.152% due 12/25/2036 •	21	21
0.442% due 09/25/2042 •	260	261
0.453% due 03/25/2044 •	20	20
0.902% due 04/25/2023 •	2	2
1.000% due 01/25/2043	45	43
1.009% due 06/17/2027 •	9	9
1.283% due 06/01/2043 •	65	66
1.284% due 07/01/2042 •	25	26
1.334% due 09/01/2041 •	66	68
1.775% due 09/01/2035 •	39	41
1.855% due 11/01/2035 •	14	14
1.952% due 07/01/2035 •	3	3
2.024% due 05/01/2038 •	976	1,026
4.027% due 12/01/2036 •	2	2
4.940% due 09/01/2034 •	1	1
5.000% due 04/25/2033	4	4
5.038% due 12/25/2042 ~	4	4
Freddie Mac		
0.363% due 08/25/2031 •	48	47
0.650% due 10/22/2025 - 10/27/2025	48,700	47,544
0.680% due 08/06/2025	18,800	18,466
0.800% due 10/28/2026	11,800	11,482
1.284% due 02/25/2045 •	88	89
2.021% due 09/01/2035 •	63	65
2.053% due 07/01/2035 •	16	17
4.000% due 12/01/2047 - 08/01/2048	3,928	4,245
6.500% due 07/25/2043	30	36
9.504% due 08/15/2044 •	1,240	1,580
Ginnie Mae		
0.535% due 06/20/2065 •	2,024	2,027
0.601% due 10/20/2065 •	6,728	6,763
0.621% due 07/20/2063 •	1,465	1,470
0.881% due 05/20/2066 •	741	751
0.931% due 04/20/2066 •	4,963	5,035
1.047% due 07/20/2067 •	5,332	5,385
1.354% due 08/20/2070 •	5,065	5,333
Uniform Mortgage-Backed Security		
3.500% due 07/01/2047 - 12/01/2047	40,265	43,373
4.000% due 08/01/2044 - 08/01/2048	4,541	4,880
4.500% due 03/01/2023 - 08/01/2046	775	829
5.000% due 05/01/2027 - 06/01/2028	56	61
5.500% due 12/01/2028 - 02/01/2049	127	139
6.000% due 02/01/2033 - 01/01/2039	723	838
6.500% due 04/01/2036	60	67
Uniform Mortgage-Backed Security, TBA		
2.000% due 02/01/2037	67,000	68,493
4.500% due 01/01/2037	200	208
Total U.S. Government Agencies (Cost $228,395)		**230,909**
NON-AGENCY MORTGAGE-BACKED SECURITIES 8.3%		
Adjustable Rate Mortgage Trust		
2.574% due 09/25/2035 ^~	182	173
American Home Mortgage Investment Trust		
2.246% due 02/25/2045 •	9	9
Banc of America Funding Trust		
3.417% due 01/20/2047 ^~	117	114
Banc of America Mortgage Trust		
2.449% due 07/25/2034 ~	$ 153	$ 157
2.499% due 08/25/2034 ~	282	295
3.450% due 05/25/2033 ~	32	34
Bear Stearns Adjustable Rate Mortgage Trust		
2.153% due 01/25/2034 ~	5	5
2.645% due 01/25/2035 ~	963	986
3.177% due 07/25/2034 ~	64	62
4.558% due 01/25/2035 ~	29	31
Bear Stearns ALT-A Trust		
0.422% due 02/25/2034 •	142	139
Bear Stearns Structured Products, Inc. Trust		
2.511% due 12/26/2046 ^~	201	182
2.697% due 01/26/2036 ^~	298	251
Chevy Chase Funding LLC Mortgage-Backed Certificates		
0.382% due 01/25/2035 •	12	12
Citigroup Mortgage Loan Trust		
2.470% due 05/25/2035 •	12	12
2.768% due 08/25/2035 ^~	71	60
Countrywide Alternative Loan Trust		
6.000% due 10/25/2033	6	6
Countrywide Home Loan Mortgage Pass-Through Trust		
1.991% due 02/20/2036 ^•	177	179
2.510% due 02/20/2035 ~	43	43
2.535% due 11/20/2034 ~	310	320
2.673% due 11/25/2034 ~	136	137
CRSNT Commercial Mortgage Trust		
0.930% due 04/15/2036 •	6,000	5,989
DROP Mortgage Trust		
1.260% due 04/15/2026 •	5,000	5,009
Eurosail PLC		
0.000% due 12/10/2044 •	EUR 14	16
1.045% (BP0003M + 0.950%) due 06/13/2045 ~	GBP 5,709	7,727
First Horizon Alternative Mortgage Securities Trust		
2.277% due 09/25/2034 ~	$ 144	143
First Horizon Mortgage Pass-Through Trust		
2.773% due 08/25/2035 ~	59	47
FirstMac Mortgage Funding Trust		
1.065% due 03/08/2049 •	AUD 964	704
1.315% due 03/08/2049 •	6,100	4,464
GMAC Mortgage Corp. Loan Trust		
3.751% due 11/19/2035 ~	$ 25	26
GPMT Ltd.		
1.354% due 07/16/2035 •	4,359	4,362
Great Hall Mortgages PLC		
0.344% due 06/18/2039 •	726	717
GS Mortgage Securities Trust		
1.917% due 11/10/2045 ~(a)	1,972	15
GSR Mortgage Loan Trust		
2.851% due 09/25/2035 ~	110	112
2.986% due 09/25/2034 ~	40	41
HarborView Mortgage Loan Trust		
0.544% due 05/19/2035 •	37	36
2.658% due 07/19/2035 ^~	201	169
Hawksmoor Mortgages		
1.100% due 05/25/2053 •	GBP 12,296	16,693
Impac CMB Trust		
1.103% due 07/25/2033 •	$ 35	34
JP Morgan Chase Commercial Mortgage Securities Trust		
1.716% due 10/15/2045 ~(a)	11,332	50
JP Morgan Mortgage Trust		
5.750% due 01/25/2036 ^	11	7
LoanCore Issuer Ltd.		
0.964% due 07/15/2035 •	4,482	4,453
LUXE Commercial Mortgage Trust		
1.160% due 10/15/2038 •	4,800	4,806
Merrill Lynch Mortgage Investors Trust		
0.602% due 11/25/2035 •	48	48
0.762% due 09/25/2029 •	206	202
Opteum Mortgage Acceptance Corp. Asset-Backed Pass-Through Certificates		
0.662% due 12/25/2035 •	$ 209	$ 207
PFP Ltd.		
0.960% due 04/14/2038 •	6,000	6,005
PHHMC Trust		
5.309% due 07/18/2035 ~	70	72
Prime Mortgage Trust		
0.502% due 02/25/2034 •	2	2
Ready Capital Mortgage Financing LLC		
1.102% due 04/25/2038 •	5,929	5,906
Residential Funding Mortgage Securities, Inc. Trust		
2.967% due 09/25/2035 ^~	375	272
Residential Mortgage Securities PLC		
1.298% due 06/20/2070 •	GBP 5,170	7,065
RESIMAC Bastille Trust		
0.753% due 02/03/2053 •	$ 18,640	18,646
Ripon Mortgages PLC		
0.914% due 08/20/2056 •	GBP 4,375	5,927
RMAC PLC		
0.795% due 06/12/2046 •	3,583	4,850
Stratton Mortgage Funding PLC		
0.950% (SONIO/N + 0.900%) due 07/20/2060 •	6,380	8,658
Structured Adjustable Rate Mortgage Loan Trust		
1.482% due 01/25/2035 ^•	$ 106	100
2.431% due 02/25/2034 ~	60	60
2.792% due 08/25/2035 ~	81	78
Structured Asset Mortgage Investments Trust		
0.662% due 02/25/2036 ^•	73	70
0.764% due 09/19/2032 •	1	1
Towd Point HE Trust		
0.918% due 02/25/2063 ~	2,872	2,861
Towd Point Mortgage Funding		
0.950% due 07/20/2045 •	GBP 3,712	5,035
Towd Point Mortgage Funding PLC		
0.950% (SONIO/N + 0.900%) due 05/20/2045 •	9,616	13,051
1.236% (BP0003M + 1.025%) due 10/20/2051 •	6,494	8,858
Trinity Square PLC		
0.900% (SONIO/N + 0.850%) due 07/15/2059 •	4,685	6,363
VMC Finance LLC		
1.204% due 06/16/2036 •	$ 4,904	4,903
WaMu Mortgage Pass-Through Certificates Trust		
0.642% due 12/25/2045 •	42	43
0.782% due 01/25/2045 •	251	252
1.482% due 06/25/2042 •	6	6
Wells Fargo Commercial Mortgage Trust		
1.722% due 10/15/2045 ~(a)	3,065	21
Total Non-Agency Mortgage-Backed Securities (Cost $156,293)		**158,389**
ASSET-BACKED SECURITIES 7.5%		
A10 Bridge Asset Financing LLC		
2.021% due 08/15/2040	2,143	2,147
ACE Securities Corp. Home Equity Loan Trust		
0.222% due 10/25/2036 •	51	27
1.002% due 12/25/2034 •	960	949
1.032% due 02/25/2036 ^•	3,752	3,713
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates		
0.852% due 09/25/2035 •	455	455
Anchorage Capital CLO Ltd.		
1.264% due 07/15/2032 •	5,000	5,020
Aqueduct European CLO DAC		
0.640% due 07/20/2030 •	EUR 2,783	3,172
Ares CLO Ltd.		
0.990% due 01/15/2029 •	$ 5,000	4,990
1.172% due 04/18/2031 •	5,000	4,996
Asset-Backed Securities Corp. Home Equity Loan Trust		
1.760% due 03/15/2032 •	45	45

See Accompanying Notes

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
BDS Ltd.			
1.450% due 12/18/2036 •	$	5,000	$ 5,006
Bear Stearns Asset-Backed Securities Trust			
1.102% due 10/25/2037 •		230	230
Benefit Street Partners CLO Ltd.			
1.074% due 10/15/2030 •		4,800	4,794
Carlyle Euro CLO DAC			
0.890% due 08/15/2032 •	EUR	4,300	4,888
CIFC Funding Ltd.			
1.074% due 10/24/2030 •	$	5,000	4,992
Countrywide Asset-Backed Certificates			
0.802% due 12/25/2033 •		539	529
Credit Suisse First Boston Mortgage Securities Corp.			
0.722% due 01/25/2032 •		3	3
Dryden Senior Loan Fund			
1.144% due 04/15/2029 •		5,764	5,767
Edsouth Indenture LLC			
1.253% due 09/25/2040 •		233	235
Enterprise Fleet Financing LLC			
3.380% due 05/20/2024		6	6
Ford Credit Floorplan Master Owner Trust			
2.840% due 03/15/2024		4,700	4,724
Gallatin CLO Ltd.			
1.180% due 01/21/2028 •		3,431	3,432
GE-WMC Mortgage Securities Trust			
0.182% due 08/25/2036 •		7	4
GSAMP Trust			
0.687% due 01/25/2036 •		399	400
LCM LP			
1.086% due 07/19/2027 •		5,000	5,000
LMREC LLC			
1.152% due 04/22/2037 •		5,000	4,998
Lument Finance Trust, Inc.			
1.280% due 06/15/2039 •		5,000	4,988
Madison Park Euro Funding DAC			
0.800% due 07/15/2032 •	EUR	4,200	4,782
Magnetite Ltd.			
1.023% due 11/15/2028 •	$	4,800	4,795
Massachusetts Educational Financing Authority			
1.074% due 04/25/2038 •		143	143
NovaStar Mortgage Funding Trust			
0.422% due 05/25/2036 •		2,104	2,084
OZLM Ltd.			
1.194% due 10/17/2029 •		5,600	5,600
Palmer Square European Loan Funding DAC			
0.780% due 04/15/2031 •	EUR	4,200	4,791
Residential Asset Securities Corp. Trust			
0.977% due 01/25/2034 •	$	1,045	1,045
SLC Student Loan Trust			
0.313% due 03/15/2027 •		893	892
SLM Student Loan Trust			
0.274% due 10/25/2029 •	$	2,031	$ 2,024
Stonepeak ABS			
2.301% due 02/28/2033		4,724	4,681
Structured Asset Investment Loan Trust			
0.807% due 03/25/2034 •		281	276
1.077% due 10/25/2033 •		49	49
Structured Asset Securities Corp. Mortgage Loan Trust			
0.412% due 05/25/2036 •		4,323	4,311
Symphony CLO Ltd.			
1.004% due 04/15/2028 •		1,169	1,168
THL Credit Wind River Clo Ltd.			
1.204% due 04/15/2031 •		4,800	4,791
TICP CLO Ltd.			
0.972% due 04/20/2028 •		3,593	3,596
Toro European CLO DAC			
0.810% due 02/15/2034 •	EUR	5,400	6,148
TPG Real Estate Finance Ltd.			
1.314% due 10/15/2034 •	$	2,898	2,900
Venture CLO Ltd.			
0.944% due 04/15/2027 •		201	202
1.122% due 07/20/2030 •		4,800	4,795
1.152% due 04/20/2029 •		4,321	4,323
Voya CLO Ltd.			
1.072% due 04/17/2030 •		5,000	4,999
Total Asset-Backed Securities (Cost $144,117)			**143,905**
SOVEREIGN ISSUES 4.8%			
Brazil Letras do Tesouro Nacional			
0.000% due 04/01/2022 (c)	BRL	83,900	14,705
0.000% due 07/01/2022 (c)		375,151	63,919
Israel Government International Bond			
0.750% due 07/31/2022	ILS	15,500	5,007
5.500% due 01/31/2022		6,200	2,002
Peru Government International Bond			
8.200% due 08/12/2026	PEN	26,000	7,447
Provincia de Buenos Aires			
37.922% due 04/12/2025	ARS	3,463	15
Total Sovereign Issues (Cost $99,501)			**93,095**
SHORT-TERM INSTRUMENTS 31.5%			
REPURCHASE AGREEMENTS (e) 0.3%			
			5,084
SHORT-TERM NOTES 0.4%			
Federal Home Loan Bank			
0.005% due 01/28/2022 (c)	$	2,100	2,100
Monetary Authority of Singapore Bill			
0.796% due 01/21/2022 (c)	SGD	6,500	$ 4,822
			6,922
ISRAEL TREASURY BILLS 2.1%			
(0.002)% due 03/02/2022 - 10/07/2022 (b)(c)	ILS	126,000	40,523
U.S. TREASURY BILLS 25.7%			
0.054% due 01/11/2022 - 03/31/2022 (b)(c)(g)(i)	$	492,747	492,727
U.S. TREASURY CASH MANAGEMENT BILLS 3.0%			
0.061% due 03/15/2022 - 03/29/2022 (b)(c)(i)		57,500	57,492
Total Short-Term Instruments (Cost $601,122)			**602,748**
Total Investments in Securities (Cost $1,710,314)			**1,711,591**

	SHARES	
INVESTMENTS IN AFFILIATES 5.4%		
SHORT-TERM INSTRUMENTS 5.4%		
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 5.4%		
PIMCO Short Asset Portfolio	10,354,490	103,276
PIMCO Short-Term Floating NAV Portfolio III	23,906	232
Total Short-Term Instruments (Cost $101,168)		**103,508**
Total Investments in Affiliates (Cost $101,168)		**103,508**
Total Investments 94.7% (Cost $1,811,482)		$ **1,815,099**
Financial Derivative Instruments (f)(h) (0.0)% (Cost or Premiums, net $7,572)		**(486)**
Other Assets and Liabilities, net 5.3%		**102,571**
Net Assets 100.0%		$ **1,917,184**

NOTES TO SCHEDULE OF INVESTMENTS:

* A zero balance may reflect actual amounts rounding to less than one thousand.

^ Security is in default.

~ Variable or Floating rate security. Rate shown is the rate in effect as of period end. Certain variable rate securities are not based on a published reference rate and spread, rather are determined by the issuer or agent and are based on current market conditions. Reference rate is as of reset date, which may vary by security. These securities may not indicate a reference rate and/or spread in their description.

• Rate shown is the rate in effect as of period end. The rate may be based on a fixed rate, a capped rate or a floor rate and may convert to a variable or floating rate in the future. These securities do not indicate a reference rate and spread in their description.

(a) Security is an Interest Only ("IO") or IO Strip.

(b) Coupon represents a weighted average yield to maturity.

(c) Zero coupon security.

(d) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
Ford Credit Canada Co.	3.485%	01/10/2022	10/20/2020 - 10/29/2020	$ 3,551	$ 3,716	0.19%
Wells Fargo & Co.	2.509	10/27/2023	10/20/2020	4,836	4,987	0.26
				$ 8,387	$ 8,703	0.45%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(e) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received
FICC	0.000%	12/31/2021	01/03/2022	$ 5,084	U.S. Treasury Notes 1.250% due 03/31/2028	$ (5,186)	$ 5,084	$ 5,084
Total Repurchase Agreements						**$ (5,186)**	**$ 5,084**	**$ 5,084**

SHORT SALES:

Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales
U.S. Government Agencies (1.1)%					
Uniform Mortgage-Backed Security, TBA	2.000%	02/01/2052	$ 15,000	$ (14,953)	$ (14,921)
Uniform Mortgage-Backed Security, TBA	3.500	02/01/2052	5,100	(5,356)	(5,362)
Total Short Sales (1.1)%				**$ (20,309)**	**$ (20,283)**

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral pledged/(received) as of December 31, 2021:

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral Pledged/(Received)	Net Exposure[1]
Global/Master Repurchase Agreement						
FICC	$ 5,084	$ 0	$ 0	$ 5,084	$ (5,186)	$ (102)
Total Borrowings and Other Financing Transactions	**$ 5,084**	**$ 0**	**$ 0**			

[1] Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

The average amount of borrowings outstanding during the period ended December 31, 2021 was $(1,152) at a weighted average interest rate of (0.010%). Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

(f) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

WRITTEN OPTIONS:

OPTIONS ON EXCHANGE-TRADED FUTURES CONTRACTS

Description	Strike Price	Expiration Date	# of Contracts	Notional Amount	Premiums (Received)	Market Value
Put - 2-Year Eurodollar Mid-Curve	$ 98.250	01/14/2022	48	$ 120	$ (17)	$ (4)
Put - 2-Year Eurodollar Mid-Curve	98.375	01/14/2022	240	600	(90)	(52)
Total Written Options					**$ (107)**	**$ (56)**

FUTURES CONTRACTS:

LONG FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
U.S. Treasury 2-Year Note March Futures	03/2022	5,466	$ 1,192,527	$ (2,182)	$ 256	$ 0
U.S. Treasury 5-Year Note March Futures	03/2022	2,195	265,544	(136)	154	0
				$ (2,318)	$ 410	$ 0

SHORT FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
U.S. Treasury 10-Year Note March Futures	03/2022	1,024	$ (133,600)	$ (230)	$ 0	$ (64)
U.S. Treasury 30-Year Bond March Futures	03/2022	139	(22,301)	(64)	0	(78)
United Kingdom Long Gilt March Futures	03/2022	205	(34,657)	104	0	(111)
				$ (190)	$ 0	$ (253)
Total Futures Contracts				**$ (2,508)**	**$ 410**	**$ (253)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION[1]

Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount[2]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value[3]	Variation Margin Asset	Variation Margin Liability
CDX.IG-35 5-Year Index	1.000%	Quarterly	12/20/2025	$ 300	$ 6	$ 2	$ 8	$ 0	$ 0
CDX.IG-36 5-Year Index	1.000	Quarterly	06/20/2026	1,400	34	1	35	1	0
CDX.IG-37 5-Year Index	1.000	Quarterly	12/20/2026	23,100	549	23	572	10	0
iTraxx Crossover 36 5-Year Index	5.000	Quarterly	12/20/2026	EUR 51,000	7,085	(89)	6,996	170	0
					$ 7,674	$ (63)	$ 7,611	$ 181	$ 0

INTEREST RATE SWAPS

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive[6]	1-Day GBP-SONIO Compounded-OIS	0.750%	Annual	03/16/2052	GBP 6,200	$ (109)	$ 291	$ 182	$ 0	$ (159)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/15/2022	JPY 279,000	0	0	0	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/17/2022	994,000	0	(1)	(1)	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/18/2022	2,930,000	0	(3)	(3)	0	(1)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/19/2022	222,000	0	0	0	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/20/2022	1,000,000	0	(1)	(1)	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/21/2022	340,000	0	0	0	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	04/07/2022	99,000	0	0	0	0	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	06/18/2022	1,640,000	0	2	2	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Annual	03/17/2024	9,570,000	141	(62)	79	0	(8)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.300	Semi-Annual	03/18/2026	2,930,000	(35)	(266)	(301)	8	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.380	Semi-Annual	06/18/2028	1,640,000	201	90	291	0	(13)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.750	Semi-Annual	03/20/2038	1,000,000	4	(655)	(651)	36	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	1.000	Semi-Annual	03/21/2048	340,000	(11)	(365)	(376)	24	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.538	Semi-Annual	03/15/2051	279,000	(6)	15	9	21	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.350	Semi-Annual	03/17/2051	231,000	127	(13)	114	17	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.557	Semi-Annual	03/17/2051	763,000	1	(12)	(11)	57	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.570	Semi-Annual	03/19/2051	222,000	0	(11)	(11)	17	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.572	Semi-Annual	04/07/2051	99,000	0	(5)	(5)	7	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.400	Annual	12/07/2024	$ 291,800	122	(46)	76	0	(44)
Receive	1-Year BRL-CDI	2.850	Maturity	01/03/2022	BRL 59,100	0	163	163	0	0
Receive	1-Year BRL-CDI	2.859	Maturity	01/03/2022	47,000	0	127	127	0	0
Receive	1-Year BRL-CDI	2.860	Maturity	01/03/2022	48,400	(1)	134	133	0	0
Receive	1-Year BRL-CDI	2.870	Maturity	01/03/2022	14,300	0	39	39	0	0
Receive	1-Year BRL-CDI	2.871	Maturity	01/03/2022	21,000	0	57	57	0	0
Receive	1-Year BRL-CDI	2.883	Maturity	01/03/2022	35,000	0	93	93	0	0
Pay	1-Year BRL-CDI	3.345	Maturity	01/03/2022	6,300	0	(13)	(13)	0	0
Pay	1-Year BRL-CDI	3.350	Maturity	01/03/2022	147,700	(4)	(294)	(298)	0	0
Pay	1-Year BRL-CDI	3.360	Maturity	01/03/2022	939,800	261	(1,452)	(1,191)	0	(1)
Pay	1-Year BRL-CDI	3.700	Maturity	01/03/2022	173,700	(48)	(255)	(303)	0	0

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive	6-Month JPY-LIBOR	0.000%	Semi-Annual	03/15/2022	JPY 279,000	$ 0	$ (1)	$ (1)	$ 0	$ 0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/17/2022	994,000	0	(3)	(3)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/18/2022	2,930,000	0	(8)	(8)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/19/2022	222,000	0	(1)	(1)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/20/2022	1,000,000	0	(3)	(3)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/21/2022	340,000	0	(1)	(1)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	04/07/2022	99,000	0	0	0	0	0
Pay	6-Month JPY-LIBOR	0.000	Semi-Annual	06/18/2022	1,640,000	0	4	4	0	0
						$ 643	$ (2,456)	$ (1,813)	$ 187	$ (226)
Total Swap Agreements						**$ 8,317**	**$ (2,519)**	**$ 5,798**	**$ 368**	**$ (226)**

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset			Market Value	Variation Margin Liability		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	**$ 0**	**$ 410**	**$ 368**	**$ 778**	**$ (56)**	**$ (253)**	**$ (226)**	**$ (535)**

(g) Securities with an aggregate market value of $9,049 and cash of $7,360 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of December 31, 2021. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(1) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(3) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(4) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(h) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
BOA	01/2022	PEN	9,343	$	2,256	$ 0	$ (83)
	01/2022	$	78	MXN	1,628	1	0
	02/2022	EUR	5,204	$	5,898	0	(32)
	02/2022	GBP	675		901	0	(13)
	03/2022	MXN	1,628		77	0	(1)
BPS	01/2022	AUD	7,968		5,601	0	(197)
	01/2022	BRL	54,100		9,694	0	(18)
	01/2022	MXN	1,628		79	0	0
	01/2022	SGD	6,496		4,756	0	(64)
	01/2022	$	5,436	AUD	7,598	92	0
	01/2022		9,529	BRL	54,100	184	0
	02/2022		11,165	NOK	97,200	0	(137)
	04/2022	BRL	55,400	$	9,538	0	(182)
BSH	01/2022		48,400		8,412	0	(277)
	01/2022	$	8,673	BRL	48,400	16	0
	07/2022	BRL	375,151	$	67,354	3,298	0
CBK	01/2022	ILS	6,543		1,997	0	(108)
	01/2022	$	2,290	PEN	9,343	50	0
	03/2022	ILS	16,498	$	5,036	0	(273)
	04/2022		16,500		5,035	0	(277)

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
	04/2022	PEN	25,020	$	6,579	$ 354	$ 0
	08/2022	ILS	15,618		4,876	0	(169)
	09/2022		15,502		4,826	0	(187)
	10/2022		15,501		4,834	0	(183)
	12/2022	PEN	9,343		2,228	0	(54)
DUB	10/2022	ILS	21,499		6,738	0	(221)
GLM	02/2022	$	1,158	GBP	868	17	0
	03/2022		122	MYR	520	2	0
HUS	01/2022	AUD	18,873	$	13,321	0	(410)
	02/2022	EUR	36,037		41,304	263	(23)
	02/2022	JPY	124,506		1,095	12	0
	02/2022	$	3,997	EUR	3,526	21	0
	02/2022		1,337	GBP	992	5	0
	02/2022		15,532	JPY	1,756,700	0	(256)
JPM	01/2022	BRL	33,300	$	5,825	0	(153)
	01/2022	$	5,867	BRL	33,300	112	0
	02/2022	EUR	4,206	$	4,747	0	(45)
	02/2022	$	4,015	JPY	455,800	0	(51)
	04/2022	BRL	28,500	$	4,892	0	(108)
	09/2022	ILS	40,503		12,707	0	(391)
MYI	01/2022	$	3,198	AUD	4,431	25	0
	02/2022		1,020	GBP	762	11	0
SCX	02/2022		3,389		2,546	57	0
TOR	01/2022	CAD	11,474	$	8,949	0	(122)
	01/2022	$	735	AUD	1,027	12	0
	01/2022		9,011	CAD	11,383	0	(13)
	02/2022	CAD	11,383	$	9,011	13	0
UAG	02/2022	GBP	68,054		91,447	0	(655)
Total Forward Foreign Currency Contracts						**$ 4,545**	**$ (4,703)**

WRITTEN OPTIONS:

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
GLM	Call - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	0.870%	11/02/2022	160,200	$ (319)	$ (162)
	Put - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.270	11/02/2022	160,200	(319)	(409)
Total Written Options							**$ (638)**	**$ (571)**

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities						
Counterparty	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter	Net Market Value of OTC Derivatives	Collateral Pledged/ (Received)	Net Exposure[2]
BOA	$ 1	$ 0	$ 0	$ 1	$ (129)	$ 0	$ 0	$ (129)	$ (128)	$ 0	$ (128)
BPS	276	0	0	276	(598)	0	0	(598)	(322)	302	(20)
BSH	3,314	0	0	3,314	(277)	0	0	(277)	3,037	(3137)	(100)
CBK	404	0	0	404	(1,251)	0	0	(1,251)	(847)	803	(44)
DUB	0	0	0	0	(221)	0	0	(221)	(221)	271	50
GLM	19	0	0	19	0	(571)	0	(571)	(552)	632	80
HUS	301	0	0	301	(689)	0	0	(689)	(388)	0	(388)
JPM	112	0	0	112	(748)	0	0	(748)	(636)	570	(66)
MYI	36	0	0	36	0	0	0	0	36	(10)	26
SCX	57	0	0	57	0	0	0	0	57	0	57
TOR	25	0	0	25	(135)	0	0	(135)	(110)	0	(110)
UAG	0	0	0	0	(655)	0	0	(655)	(655)	321	(334)
Total Over the Counter	**$ 4,545**	**$ 0**	**$ 0**	**$ 4,545**	**$ (4,703)**	**$ (571)**	**$ 0**	**$ (5,274)**			

(i) Securities with an aggregate market value of $2,899 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of December 31, 2021.

(1) Notional Amount represents the number of contracts.

(2) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Portfolio's derivative instruments categorized by risk exposure. See Note 7, Principal and Other Risks, in the Notes to Financial Statements on risks of the Portfolio.

Fair Values of Financial Derivative Instruments on the Statement of Assets and Liabilities as of December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Assets						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 410	$ 410
Swap Agreements	0	181	0	0	187	368
	$ 0	$ 181	$ 0	$ 0	$ 597	$ 778
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 4,545	$ 0	$ 4,545
	$ 0	$ 181	$ 0	$ 4,545	$ 597	$ 5,323
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Written Options	$ 0	$ 0	$ 0	$ 0	$ 56	$ 56
Futures	0	0	0	0	253	253
Swap Agreements	0	0	0	0	226	226
	$ 0	$ 0	$ 0	$ 0	$ 535	$ 535
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 4,703	$ 0	$ 4,703
Written Options	0	0	0	0	571	571
	$ 0	$ 0	$ 0	$ 4,703	$ 571	$ 5,274
	$ 0	$ 0	$ 0	$ 4,703	$ 1,106	$ 5,809

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ (4,018)	$ (4,018)
Swap Agreements	0	1,422	0	0	(2,999)	(1,577)
	$ 0	$ 1,422	$ 0	$ 0	$ (7,017)	$ (5,595)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 3,291	$ 0	$ 3,291
Written Options	0	0	0	127	0	127
Swap Agreements	0	20	0	0	(2)	18
	$ 0	$ 20	$ 0	$ 3,418	$ (2)	$ 3,436
	$ 0	$ 1,442	$ 0	$ 3,418	$ (7,019)	$ (2,159)
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Written Options	$ 0	$ 0	$ 0	$ 0	$ 50	$ 50
Futures	0	0	0	0	(3,861)	(3,861)
Swap Agreements	0	(179)	0	0	721	542
	$ 0	$ (179)	$ 0	$ 0	$ (3,090)	$ (3,269)

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 9,309	$ 0	$ 9,309
Written Options	0	0	0	0	67	67
Swap Agreements	0	(11)	0	0	0	(11)
	$ 0	$ (11)	$ 0	$ 9,309	$ 67	$ 9,365
	$ 0	$ (190)	$ 0	$ 9,309	$ (3,023)	$ 6,096

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of December 31, 2021 in valuing the Portfolio's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2021
Investments in Securities, at Value				
Corporate Bonds & Notes				
Banking & Finance	$ 0	$ 262,819	$ 0	$ 262,819
Industrials	0	171,017	0	171,017
Utilities	0	48,709	0	48,709
U.S. Government Agencies	0	230,909	0	230,909
Non-Agency Mortgage-Backed Securities	0	158,389	0	158,389
Asset-Backed Securities	0	143,905	0	143,905
Sovereign Issues	0	93,095	0	93,095
Short-Term Instruments				
Repurchase Agreements	0	5,084	0	5,084
Short-Term Notes	0	6,922	0	6,922
Israel Treasury Bills	0	40,523	0	40,523
U.S. Treasury Bills	0	492,727	0	492,727
U.S. Treasury Cash Management Bills	0	57,492	0	57,492
	$ 0	$ 1,711,591	$ 0	$ 1,711,591
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 103,508	$ 0	$ 0	$ 103,508
Total Investments	$ 103,508	$ 1,711,591	$ 0	$ 1,815,099

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2021
Short Sales, at Value - Liabilities				
U.S. Government Agencies	$ 0	$ (20,283)	$ 0	$ (20,283)
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	0	778	0	778
Over the counter	0	4,545	0	4,545
	$ 0	$ 5,323	$ 0	$ 5,323
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(111)	(424)	0	(535)
Over the counter	0	(5,274)	0	(5,274)
	$ (111)	$ (5,698)	$ 0	$ (5,809)
Total Financial Derivative Instruments	$ (111)	$ (375)	$ 0	$ (486)
Totals	$ 103,397	$ 1,690,933	$ 0	$ 1,794,330

There were no significant transfers into or out of Level 3 during the period ended December 31, 2021.

1. ORGANIZATION

PIMCO Variable Insurance Trust (the "Trust") is a Delaware statutory trust established under a trust instrument dated October 3, 1997. The Trust is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust is designed to be used as an investment vehicle by separate accounts of insurance companies that fund variable annuity contracts and variable life insurance policies and by qualified pension and retirement plans. Information presented in these financial statements pertains to the Institutional Class, Administrative Class and Advisor Class shares of the PIMCO Low Duration Portfolio (the "Portfolio") offered by the Trust. Pacific Investment Management Company LLC ("PIMCO") serves as the investment adviser (the "Adviser") for the Portfolio.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Portfolio in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Portfolio is treated as an investment company under the reporting requirements of U.S. GAAP. The functional and reporting currency for the Portfolio is the U.S. dollar. The preparation of financial statements in accordance 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.

(a) Securities Transactions and Investment Income Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date. Realized gains (losses) from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Portfolio is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date. For convertible securities, premiums attributable to the conversion feature are not amortized. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized appreciation (depreciation) on investments on the Statement of Operations, as appropriate. Tax liabilities realized as a result of such security sales are reflected as a component of net realized gain (loss) on investments on the Statement of Operations. Paydown gains (losses) on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income on the Statement of Operations. Income or short-term capital gain distributions received from registered investment companies, if any, are recorded as dividend income. Long-term capital gain distributions received from registered investment companies, if any, are recorded as realized gains.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

(b) Foreign Currency Translation The market values of foreign securities, currency holdings and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the current exchange rates each business day. Purchases and sales of securities and income and expense items denominated in foreign currencies, if any, are translated into U.S. dollars at the exchange rate in effect on the transaction date. The Portfolio does not separately report the effects of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized gain (loss) and net change in unrealized appreciation (depreciation) from investments on the Statement of Operations. The Portfolio may invest in foreign currency-denominated securities and may engage in foreign currency transactions either on a spot (cash) basis at the rate prevailing in the currency exchange market at the time or through a forward foreign currency contract. Realized foreign exchange gains (losses) arising from sales of spot foreign currencies, currency gains (losses) realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid are included in net realized gain (loss) on foreign currency transactions on the Statement of Operations. Net unrealized foreign exchange gains (losses) arising from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period are included in net change in unrealized appreciation (depreciation) on foreign currency assets and liabilities on the Statement of Operations.

(c) Multi-Class Operations Each class offered by the Trust has equal rights as to assets and voting privileges (except that shareholders of a class have exclusive voting rights regarding any matter relating solely to that class of shares). Income and non-class specific expenses are

allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains (losses) are allocated daily based on the relative net assets of each class of the Portfolio. Class specific expenses, where applicable, currently include supervisory and administrative and distribution and servicing fees. Under certain circumstances, the per share net asset value ("NAV") of a class of the Portfolio's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

(d) Distributions to Shareholders Distributions from net investment income, if any, are declared daily and distributed to shareholders monthly. In addition, the Portfolio distributes any net capital gains it earns from the sale of portfolio securities to shareholders no less frequently than annually.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on the Portfolio's annual financial statements presented under U.S. GAAP.

Separately, if the Portfolio determines or estimates, as applicable, that a portion of a distribution may be comprised of amounts from sources other than net investment income in accordance with its policies, accounting records (if applicable), and accounting practices, the Portfolio will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the Portfolio determines or estimates, as applicable, the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is determined or estimated, as applicable, that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Portfolio's daily internal accounting records and practices, the Portfolio's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. For instance, the Portfolio's internal accounting records and practices may take into account, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include but are not limited to, for certain Portfolios, the treatment of periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Portfolio may not issue a Section 19 Notice in situations where the Portfolio's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please visit www.pimco.com for the most recent Section 19 Notice, if applicable, for additional information regarding the estimated composition of distributions. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

Distributions classified as a tax basis return of capital at the Portfolio's fiscal year end, if any, are reflected on the Statements of Changes in Net Assets and have been recorded to paid in capital on the Statement of Assets and Liabilities. In addition, other amounts have been reclassified between distributable earnings (accumulated loss) and paid in capital on the Statement of Assets and Liabilities to more appropriately conform U.S. GAAP to tax characterizations of distributions.

(e) New Accounting Pronouncements and Regulatory Updates In March 2020, the Financial Accounting Standards Board issued an Accounting Standards Update ("ASU"), ASU 2020-04, which provides optional guidance to ease the potential accounting burden associated with transitioning away from the London Interbank Offered Rate and other reference rates that are expected to be discontinued. The ASU is effective immediately upon release of the update on March 12, 2020 through December 31, 2022. At this time, management is evaluating implications of these changes on the financial statements.

In October 2020, the U.S. Securities and Exchange Commission ("SEC") adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, the rule requires funds to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. The rule went into effect on February 19, 2021 and funds will have an eighteen-month transition period to comply with the rule and related reporting requirements. At this time, management is evaluating the implications of these changes on the financial statements.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Act without obtaining individual exemptive relief from the SEC, subject

to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Porfolio's financial statements.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition would apply in all contexts under the Act. The effective date for the rule was March 8, 2021. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. At this time, management is evaluating the implications of these changes on the financial statements.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

(a) Investment Valuation Policies The price of the Portfolio's shares is based on the Portfolio's NAV. The NAV of the Portfolio, or each of its share classes, as applicable, is determined by dividing the total value of portfolio investments and other assets, less any liabilities attributable to the Portfolio or class, by the total number of shares outstanding of the Portfolio or class.

On each day that the New York Stock Exchange ("NYSE") is open, Portfolio shares are ordinarily valued as of the close of regular trading (normally 4:00 p.m., Eastern time) ("NYSE Close"). Information that becomes known to the Portfolio or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. If regular trading on the NYSE closes earlier than scheduled, the Portfolio reserves the right to either (i) calculate its NAV as of the earlier closing time or (ii) calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day. The Portfolio generally does not calculate its NAV on days during which the NYSE is closed. However, if the NYSE is closed on a day it would normally be open for business, the Portfolio reserves the right to calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day or such other time that the Portfolio may determine.

For purposes of calculating NAV, portfolio securities and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices (including evaluated prices) supplied by the Portfolio's approved pricing services, quotation reporting systems and other third-party sources (together, "Pricing Services"). The Portfolio will normally use pricing data for domestic equity securities received shortly after the NYSE Close and does not normally take into account trading, clearances or settlements that take place after the NYSE Close. If market value pricing is used, a foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by PIMCO to be the primary exchange. A foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange. Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using such data reflecting the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange, quotes obtained from a quotation reporting system, established market makers or pricing services. Swap agreements are valued on the basis of market-based prices supplied by Pricing Services or quotes obtained from brokers and dealers. The Portfolio's investments in open-end management investment companies, other than exchange-traded funds ("ETFs"), are valued at the NAVs of such investments. Open-end management investment companies may include affiliated funds.

If a foreign (non-U.S.) equity security's value has materially changed after the close of the security's primary exchange or principal market but before the NYSE Close, the security may be valued at fair value based on procedures established and approved by the Board of Trustees of the Trust (the "Board"). Foreign (non-U.S.) equity securities that do not trade when the NYSE is open are also valued at fair value. With respect to foreign (non-U.S.) equity securities, the Portfolio may determine the fair value of investments based on information provided by Pricing Services and other third-party vendors, which may recommend fair value or adjustments with reference to other securities, indices or assets. In considering whether fair valuation is required and in determining fair values, the Portfolio may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur

after the close of the relevant market and before the NYSE Close. The Portfolio may utilize modeling tools provided by third-party vendors to determine fair values of foreign (non-U.S.) securities. For these purposes, any movement in the applicable reference index or instrument ("zero trigger") between the earlier close of the applicable foreign market and the NYSE Close may be deemed to be a significant event, prompting the application of the pricing model (effectively resulting in daily fair valuations). Foreign exchanges may permit trading in foreign (non-U.S.) equity securities on days when the Trust is not open for business, which may result in the Portfolio's portfolio investments being affected when shareholders are unable to buy or sell shares.

Senior secured floating rate loans for which an active secondary market exists to a reliable degree are valued at the mean of the last available bid/ask prices in the market for such loans, as provided by a Pricing Service. Senior secured floating rate loans for which an active secondary market does not exist to a reliable degree are valued at fair value, which is intended to approximate market value. In valuing a senior secured floating rate loan at fair value, the factors considered may include, but are not limited to, the following: (a) the creditworthiness of the borrower and any intermediate participants, (b) the terms of the loan, (c) recent prices in the market for similar loans, if any, and (d) recent prices in the market for instruments of similar quality, rate, period until next interest rate reset and maturity.

Investments valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from Pricing Services. As a result, the value of such investments and, in turn, the NAV of the Portfolio's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Trust is not open for business. As a result, to the extent that the Portfolio holds foreign (non-U.S.) investments, the value of those investments may change at times when shareholders are unable to buy or sell shares and the value of such investments will be reflected in the Portfolio's next calculated NAV.

Investments for which market quotes or market based valuations are not readily available are valued at fair value as determined in good faith by the Board or persons acting at their direction. The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated to the Adviser the responsibility for applying the fair valuation methods. In the event that market quotes or market based valuations are not readily available, and the security or asset cannot be valued pursuant to a Board approved valuation method, the value of the security or asset will be determined in good faith by the Board. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, indicative market quotations ("Broker Quotes"), Pricing Services' prices), including where events occur after the close of the relevant market, but prior to the NYSE Close, that materially affect the values of the Portfolio's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available. The Board has delegated, to the Adviser, the responsibility for monitoring significant events that may materially affect the values of the Portfolio's securities or assets and for determining whether the value of the applicable securities or assets should be reevaluated in light of such significant events.

When the Portfolio uses fair valuation to determine the value of a portfolio security or other asset for purposes of calculating its NAV, such investments will not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the Board or persons acting at their direction believe reflects fair value. Fair valuation may require subjective determinations about the value of a security. While the Trust's policy is intended to result in a calculation of the Portfolio's NAV that fairly reflects security values as of the time of pricing, the Trust cannot ensure that fair values determined by the Board or persons acting at their direction would accurately reflect the price that the Portfolio could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Portfolio may differ from the value that would be realized if the securities were sold. The Portfolio's use of fair valuation may also help to deter "stale price arbitrage" as discussed under the "Frequent or Excessive Purchases, Exchanges and Redemptions" section in the Portfolio's prospectus.

(b) Fair Value Hierarchy U.S. GAAP describes fair value as the price that the Portfolio would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices in active markets or exchanges for identical assets and liabilities.
- Level 2 — Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in

markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

In accordance with the requirements of U.S. GAAP, the amounts of transfers into and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments for the Portfolio.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers into and out of the Level 3 category during the period. The end of period value is used for the transfers between Levels of the Portfolio's assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for the Portfolio.

(c) Valuation Techniques and the Fair Value Hierarchy

Level 1, Level 2 and Level 3 trading assets and trading liabilities, at fair value The valuation methods (or "techniques") and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1, Level 2 and Level 3 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Services' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis or as a repurchase commitment in a sale-buyback transaction are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Common stocks, ETFs, exchange-traded notes and financial derivative instruments, such as futures contracts, rights and warrants, or options on futures that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the NYSE Close. These securities are valued using Pricing Services that consider the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments. Securities using these valuation adjustments are categorized as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorized as Level 2 of the fair value hierarchy.

Valuation adjustments may be applied to certain exchange traded futures and options to account for market movement between the exchange settlement and the NYSE close. These securities are valued using quotes obtained from a quotation reporting system, established market makers or pricing services. Financial derivatives using these valuation adjustments are categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment companies (other than ETFs) will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment companies will be calculated based upon the NAVs of such investments and are considered Level 1 provided that the NAVs are observable, calculated daily and are the value at which both purchases and sales will be conducted.

Equity exchange-traded options and over the counter financial derivative instruments, such as forward foreign currency contracts and options contracts derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of quotes obtained from a quotation reporting system, established market makers or Pricing Services (normally determined as of the NYSE Close). Depending on the product and the terms of the transaction, financial derivative instruments can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as quoted prices, issuer details, indices, bid/ask spreads, interest rates, implied volatilities, yield curves, dividends and exchange rates. Financial derivative instruments that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by Pricing Services (normally determined as of the NYSE Close). Centrally cleared swaps and over the counter swaps can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models may use inputs that are observed from actively quoted markets such as the overnight index swap rate, London Interbank Offered Rate forward rate, interest rates, yield curves and credit spreads. These securities are categorized as Level 2 of the fair value hierarchy.

When a fair valuation method is applied by the Adviser that uses significant unobservable inputs, investments will be priced by a method that the Board or persons acting at their direction believe reflects fair value and are categorized as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. These securities are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

4. SECURITIES AND OTHER INVESTMENTS

(a) Investments in Affiliates

The Portfolio may invest in the PIMCO Short Asset Portfolio and the PIMCO Short-Term Floating NAV Portfolio III ("Central Funds") to the extent permitted by the Act and rules thereunder. The Central Funds are registered investment companies created for use solely by the series of the Trust and other series of registered investment companies advised by the Adviser, in connection with their cash management activities. The main investments of the Central Funds are money market and short maturity fixed income instruments. The Central Funds may incur expenses related to their investment activities, but do not pay Investment Advisory Fees or Supervisory and Administrative Fees to the Adviser. The Central Funds are considered to be affiliated with the Portfolio. A complete schedule of portfolio holdings for each affiliate fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available at the SEC's website at www.sec.gov. A copy of each affiliate fund's shareholder report is also available at the SEC's website at www.sec.gov, on the Portfolios' website at www.pimco.com, or upon request, as applicable. The tables below show the Portfolio's transactions in and earnings from investments in the affiliated Funds for the period ended December 31, 2021 (amounts in thousands†):

Investment in PIMCO Short Asset Portfolio

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income[1]	Realized Net Capital Gain Distributions[1]
$ 380,278	$ 3,346	$ (278,920)	$ 477	$ (1,905)	$ 103,276	$ 3,346	$ 0

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income[1]	Realized Net Capital Gain Distributions[1]
$ 99,078	$ 82,776	$ (181,601)	$ 41	$ (62)	$ 232	$ 175	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) The tax characterization of distributions is determined in accordance with Federal income tax regulations and may contain a return of capital. The actual tax characterization of distributions received is determined at the end of the fiscal year of the affiliated fund. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(b) Investments in Securities

The Portfolio may utilize the investments and strategies described below to the extent permitted by the Portfolio's investment policies.

Inflation-Indexed Bonds are fixed income securities whose principal value is periodically adjusted by the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury Inflation-Protected Securities. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

Mortgage-Related and Other Asset-Backed Securities directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage-related securities is guaranteed with the full faith and credit of the U.S. Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage-related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage-related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including, but not limited to, auto loans, accounts receivable, such as credit card receivables and hospital account receivables, home equity loans, student loans, boat loans, mobile home loans, recreational vehicle loans, manufactured housing loans, aircraft leases, computer leases and syndicated bank loans.

Collateralized Debt Obligations ("CDOs") include Collateralized Bond Obligations ("CBOs"), Collateralized Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Portfolio invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Portfolio's prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) the risk that the Portfolio may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

Collateralized Mortgage Obligations ("CMOs") are debt obligations of a legal entity that are collateralized by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage-related or asset-backed securities.

Stripped Mortgage-Backed Securities ("SMBS") are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. An SMBS will have one class that will receive all of the interest (the interest-only or "IO" class), while the other class will receive the entire principal (the principal-only or "PO" class). Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturity of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are included in interest income on the Statement of Operations. Payments received for POs are treated as reductions to the cost and par value of the securities.

Restricted Investments are subject to legal or contractual restrictions on resale and may generally be sold privately, but may be required to be registered or exempted from such registration before being sold to the public. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933. Disposal of restricted investments may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve. Restricted investments held by the Fund as of December 31, 2021, as applicable, are disclosed in the Notes to Schedule of Investments.

Securities Issued by U.S. Government Agencies or Government-Sponsored Enterprises are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association, are supported by the full faith and credit of the U.S. Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the "U.S. Treasury"); and others, such as those of the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations. U.S. Government securities may include zero coupon securities which do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities of similar maturities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation Certificates ("PCs"), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

In June 2019, FNMA and FHLMC started issuing Uniform Mortgage Backed Securities in place of their current offerings of TBA-eligible securities (the "Single Security Initiative"). The Single Security Initiative seeks to support the overall liquidity of the TBA market and aligns the characteristics of FNMA and FHLMC certificates. The effects that the Single Security Initiative may have on the market for TBA and other mortgage-backed securities are uncertain.

Roll-timing strategies can be used where the Portfolio seeks to extend the expiration or maturity of a position, such as a TBA security on an underlying asset, by closing out the position before expiration and opening a new position with respect to substantially the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively. Recently finalized FINRA rules include mandatory margin requirements for the TBA market that requires the Portfolio to post collateral in connection with its TBA transactions. There is no similar requirement applicable to the Portfolio's TBA counterparties. The required collateralization of TBA trades could increase the cost of TBA transactions to the Portfolio and impose added operational complexity.

When-Issued Transactions are purchases or sales made on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. Transactions to purchase or sell securities on a when-issued basis involve a commitment by the Portfolio to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. The Portfolio may sell when-issued securities before they are delivered, which may result in a realized gain (loss).

5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The Portfolio may enter into the borrowings and other financing transactions described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on the Portfolio's ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by the Portfolio. The location of these instruments in the Portfolio's financial statements is described below.

(a) Repurchase Agreements Under the terms of a typical repurchase agreement, the Portfolio purchases an underlying debt obligation (collateral) subject to an obligation of the seller to repurchase, and the Portfolio to resell, the obligation at an agreed-upon price and time. In an open maturity repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The underlying securities for all repurchase agreements are held by the Portfolio's custodian or designated subcustodians under tri-party repurchase agreements and in certain

instances will remain in custody with the counterparty. The market value of the collateral must be equal to or exceed the total amount of the repurchase obligations, including interest. Repurchase agreements, if any, including accrued interest, are included on the Statement of Assets and Liabilities. Interest earned is recorded as a component of interest income on the Statement of Operations. In periods of increased demand for collateral, the Portfolio may pay a fee for the receipt of collateral, which may result in interest expense to the Portfolio.

(b) Reverse Repurchase Agreements In a reverse repurchase agreement, the Portfolio delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. In an open maturity reverse repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The Portfolio is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Portfolio to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under reverse repurchase agreements.

(c) Short Sales Short sales are transactions in which the Portfolio sells a security that it may not own. The Portfolio may make short sales of securities to (i) offset potential declines in long positions in similar securities, (ii) to increase the flexibility of the Portfolio, (iii) for investment return, (iv) as part of a risk arbitrage strategy, and (v) as part of its overall portfolio management strategies involving the use of derivative instruments. When the Portfolio engages in a short sale, it may borrow the security sold short and deliver it to the counterparty. The Portfolio will ordinarily have to pay a fee or premium to borrow a security and be obligated to repay the lender of the security any dividend or interest that accrues on the security during the period of the loan. Securities sold in short sale transactions and the dividend or interest payable on such securities, if any, are reflected as payable for short sales on the Statement of Assets and Liabilities. Short sales expose the Portfolio to the risk that it will be required to cover its short position at a time when the security or other asset has appreciated in value, thus resulting in losses to the Portfolio. A short sale is "against the box" if the Portfolio holds in its portfolio or has the right to acquire the security sold short, or securities identical to the security sold short, at no additional cost. The Portfolio will be subject to additional risks to the extent that it engages in short sales that are not "against the box." The Portfolio's loss on a short sale could theoretically be unlimited in cases where the Portfolio is unable, for whatever reason, to close out its short position.

(d) Interfund Lending In accordance with an exemptive order (the "Order") from the SEC, each Portfolio of the Trust may participate in a joint lending and borrowing facility for temporary purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by each Portfolio's investment policies and restrictions. Each Portfolio is currently permitted to borrow under the Interfund Lending Program. A lending portfolio may lend in aggregate up to 15% of its current net assets at the time of the interfund loan, but may not lend more than 5% of its net assets to any one borrowing portfolio through the Interfund Lending Program. A borrowing portfolio may not borrow through the Interfund Lending Program or from any other source if its total outstanding borrowings immediately after the borrowing would be more than 33 1/3% of its total assets (or any lower threshold provided for by the portfolio's investment restrictions). If a borrowing portfolio's total outstanding borrowings exceed 10% of its total assets, each of its outstanding interfund loans will be subject to collateralization of at least 102% of the outstanding principal value of the loan. All interfund loans are for temporary or emergency purposes and the interfund loan rate to be charged will be the average of the highest current overnight repurchase agreement rate available to a lending portfolio and the bank loan rate, as calculated according to a formula established by the Board.

On March 23, 2020, the SEC issued an exemptive order (the "Temporary Order") to provide temporary relief to each Portfolio of the Trust in relation to the Interfund Lending Program, and the Board has authorized the Portfolios to rely on the Temporary Order. With respect to interfund lending, the Temporary Order permitted, under certain conditions, a lending portfolio to lend in aggregate up to 25% of its current net assets at the time of the interfund loan and to make interfund loans with term limits of up to the expiration of the Temporary Order, notwithstanding the current limit of seven business days under the Order. The SEC provided notice in April 2021 that the Temporary Order would be terminated on April 30, 2021.

During the period ended December 31, 2021, the Portfolio did not participate in the Interfund Lending Program.

6. FINANCIAL DERIVATIVE INSTRUMENTS

The Portfolio may enter into the financial derivative instruments described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on how and why the Portfolio uses financial derivative instruments, and how financial derivative instruments affect the Portfolio's financial position, results of operations and cash flows. The location and fair value amounts of these instruments on the Statement of Assets and Liabilities and the net realized gain (loss) and net change in unrealized appreciation (depreciation) on the Statement of Operations, each categorized by type of financial derivative contract and related risk exposure, are included in a table in the Notes to Schedule of Investments. The financial derivative instruments outstanding as of period end and the amounts of net realized gain (loss) and net change in unrealized appreciation (depreciation) on financial derivative instruments during the period, as disclosed in the Notes to Schedule of Investments, serve as indicators of the volume of financial derivative activity for the Portfolio.

(a) Forward Foreign Currency Contracts may be engaged, in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of the Portfolio's securities or as part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by the Portfolio as an unrealized gain (loss). Realized gains (losses) are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealized gain (loss) reflected on the Statement of Assets and Liabilities. In addition, the Portfolio could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

(b) Futures Contracts are agreements to buy or sell a security or other asset for a set price on a future date and are traded on an exchange. The Portfolio may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by the Portfolio and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, the Portfolio is required to deposit with its futures broker an amount of cash, U.S. Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Portfolio ("Futures Variation Margin"). Futures Variation Margins, if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Gains (losses) are recognized but not considered realized until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Futures Variation Margin included within exchange traded or centrally cleared financial derivative instruments on the Statement of Assets and Liabilities.

(c) Options Contracts may be written or purchased to enhance returns or to hedge an existing position or future investment. The Portfolio may write call and put options on securities and financial derivative instruments it owns or in which it may invest. Writing put options tends to increase the Portfolio's exposure to the underlying instrument. Writing call options tends to decrease the Portfolio's exposure to the underlying instrument. When the Portfolio writes a call or put, an amount equal to the premium received is recorded and subsequently marked to market to reflect the current value of the option written. These amounts are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency transaction to determine the realized gain (loss). Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The Portfolio as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavorable change in the price of the instrument underlying the written option. There is the risk the Portfolio may not be able to enter into a closing transaction because of an illiquid market.

Purchasing call options tends to increase the Portfolio's exposure to the underlying instrument. Purchasing put options tends to decrease the Portfolio's exposure to the underlying instrument. The Portfolio pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the

proceeds on the underlying investment transaction to determine the realized gain (loss) when the underlying transaction is executed.

Foreign Currency Options may be written or purchased to be used as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Interest Rate Swaptions may be written or purchased to enter into a pre-defined swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

Options on Exchange-Traded Futures Contracts ("Futures Option") may be written or purchased to hedge an existing position or future investment, for speculative purposes or to manage exposure to market movements. A Futures Option is an option contract in which the underlying instrument is a single futures contract.

(d) Swap Agreements are bilaterally negotiated agreements between the Portfolio and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements may be privately negotiated in the over the counter market ("OTC swaps") or may be cleared through a third party, known as a central counterparty or derivatives clearing organization ("Centrally Cleared Swaps"). The Portfolio may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally Cleared Swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organization. Changes in market value, if any, are reflected as a component of net change in unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Swap Variation Margin"), if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Centrally Cleared and OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realized gain (loss) on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain (loss) on the Statement of Operations. Net periodic payments received or paid by the Portfolio are included as part of realized gain (loss) on the Statement of Operations.

For purposes of applying certain of the Portfolio's investment policies and restrictions, swap agreements, like other derivative instruments, may be valued by the Portfolio at market value, notional value or full exposure value. In the case of a credit default swap, in applying certain of the Portfolio's investment policies and restrictions, the Portfolio will value the credit default swap at its notional value or its full exposure value (*i.e.*, the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Portfolio's other investment policies and restrictions. For example, the Portfolio may value credit default swaps at full exposure value for purposes of the Portfolio's credit quality guidelines (if any) because such value in general better reflects the Portfolio's actual economic exposure during the term of the credit default swap agreement. As a result, the Portfolio may, at times, have notional exposure to an asset class (before netting) that is greater or lesser than the stated limit or restriction noted in the Portfolio's prospectus. In this context, both the notional amount and the market value may be positive or negative depending on whether the Portfolio is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Portfolio for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into swap agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates or the values of the asset upon which the swap is based.

The Portfolio's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk may be mitigated by having a master netting arrangement between the Portfolio and the counterparty and

by the posting of collateral to the Portfolio to cover the Portfolio's exposure to the counterparty.

To the extent the Portfolio has a policy to limit the net amount owed to or to be received from a single counterparty under existing swap agreements, such limitation only applies to counterparties to OTC swaps and does not apply to centrally cleared swaps where the counterparty is a central counterparty or derivatives clearing organization.

Credit Default Swap Agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues are entered into to provide a measure of protection against defaults of the issuers (*i.e.*, to reduce risk where the Portfolio owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Portfolio will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio would effectively add leverage to its portfolio because, in addition to its total net assets, the Portfolio would be subject to investment exposure on the notional amount of the swap.

If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. Credit default swaps on credit indices may be used to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues as of period end, if any, are disclosed in the Notes to Schedule of Investments. They serve as an indicator of the current status of payment/performance risk and represent the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a

deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Portfolio as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of period end for which the Portfolio is the seller of protection are disclosed in the Notes to Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Portfolio for the same referenced entity or entities.

Interest Rate Swap Agreements may be entered into to help hedge against interest rate risk exposure and to maintain the Portfolio's ability to generate income at prevailing market rates. The value of the fixed rate bonds that the Portfolio holds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, the Portfolio may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Portfolio with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap," (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor," (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost and at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

7. PRINCIPAL AND OTHER RISKS

(a) Principal Risks

The principal risks of investing in the Portfolio, which could adversely affect its net asset value, yield and total return, are listed below. Please see "Description of Principal Risks" in the Portfolio's prospectus for a more detailed description of the risks of investing in the Portfolio.

Interest Rate Risk is the risk that fixed income securities will decline in value because of an increase in interest rates; a portfolio with a longer average portfolio duration will be more sensitive to changes in interest rates than a portfolio with a shorter average portfolio duration.

Call Risk is the risk that an issuer may exercise its right to redeem a fixed income security earlier than expected (a call). Issuers may call outstanding securities prior to their maturity for a number of reasons (*e.g.,* declining interest rates, changes in credit spreads and improvements in the issuer's credit quality). If an issuer calls a security that the Portfolio has invested in, the Portfolio may not recoup the full amount of its initial investment and may be forced to reinvest in lower-yielding securities, securities with greater credit risks or securities with other, less favorable features.

Credit Risk is the risk that the Portfolio could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to meet its financial obligations.

High Yield Risk is the risk that high yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit, call and liquidity risks. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments, and may be more volatile than higher-rated securities of similar maturity.

Market Risk is the risk that the value of securities owned by the Portfolio may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Issuer Risk is the risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk is the risk that a particular investment may be difficult to purchase or sell and that the Portfolio may be unable to sell illiquid investments at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income funds may be higher than normal, causing increased supply in the market due to selling activity.

Derivatives Risk is the risk of investing in derivative instruments (such as futures, swaps and structured securities), including leverage, liquidity, interest rate, market, credit and management risks, and valuation complexity. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and the Portfolio could lose more than the initial amount invested. The Portfolio's use of derivatives may result in losses to the Portfolio, a reduction in the Portfolio's returns and/or increased volatility. Over-the-counter ("OTC") derivatives are also subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally-cleared derivative transactions might not be available for OTC derivatives. The primary credit risk on derivatives that are exchange-traded or traded through a central clearing counterparty, resides with the Portfolio's clearing broker or the clearinghouse. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact the Portfolio's ability to invest in derivatives, limit the Portfolio's ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives and the Portfolio's performance.

Equity Risk is the risk that the value of equity securities, such as common stocks and preferred securities, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Mortgage-Related and Other Asset-Backed Securities Risk is the risk of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk and credit risk.

Foreign (Non-U.S.) Investment Risk is the risk that investing in foreign (non-U.S.) securities may result in the Portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation, currency blockage, or political changes or diplomatic developments. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Emerging Markets Risk is the risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

Sovereign Debt Risk is the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from an issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Currency Risk is the risk that foreign (non-U.S.) currencies will change in value relative to the U.S. dollar and affect the Portfolio's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Leveraging Risk is the risk that certain transactions of the Portfolio, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, magnifying gains and losses and causing the Portfolio to be more volatile than if it had not been leveraged. This means that leverage entails a heightened risk of loss.

Management Risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results and that actual or potential conflicts of interest, legislative, regulatory, or tax restrictions, policies or developments may affect the investment techniques available to PIMCO and the individual portfolio manager in connection with managing the Portfolio and may cause PIMCO to restrict or prohibit participation in certain investments. There is no guarantee that the investment objective of the Portfolio will be achieved.

Short Exposure Risk is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale will not fulfill its contractual obligations, causing a loss to the Portfolio.

LIBOR Transition Risk is the risk related to the anticipated discontinuation of the London Interbank Offered Rate ("LIBOR"). Certain instruments held by the Portfolio rely in some fashion upon LIBOR. Although the transition process away from LIBOR has become increasingly well-defined in advance of the anticipated discontinuation date, there remains uncertainty regarding the nature of any replacement rate, and any potential effects of the transition away from LIBOR on a Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR and may result in a reduction in the value of certain instruments held by a Portfolio.

(b) Other Risks

In general, the Portfolio may be subject to additional risks, including, but not limited to, risks related to government regulation and

intervention in financial markets, operational risks, risks associated with financial, economic and global market disruptions, and cybersecurity risks. Please see the Portfolio's prospectus and Statement of Additional Information for a more detailed description of the risks of investing in the Portfolio. Please see the Important Information section of this report for additional discussion of certain regulatory and market developments that may impact the Portfolio's performance.

Market Disruption Risk The Portfolio is subject to investment and operational risks associated with financial, economic and other global market developments and disruptions, including those arising from war, terrorism, market manipulation, government interventions, defaults and shutdowns, political changes or diplomatic developments, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters, which can all negatively impact the securities markets and cause the Portfolio to lose value. These events can also impair the technology and other operational systems upon which the Portfolio's service providers, including PIMCO as the Portfolio's investment adviser, rely, and could otherwise disrupt the Portfolio's service providers' ability to fulfill their obligations to the Portfolio. For example, the recent spread of an infectious respiratory illness caused by a novel strain of coronavirus (known as COVID-19) has caused volatility, severe market dislocations and liquidity constraints in many markets, including markets for the securities the Portfolio holds, and may adversely affect the Portfolio's investments and operations. Please see the Important Information section for additional discussion of the COVID-19 pandemic.

Government Intervention in Financial Markets Federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the regulation of the instruments in which the Portfolio invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which the Portfolio itself is regulated. Such legislation or regulation could limit or preclude the Portfolio's ability to achieve its investment objective. Furthermore, volatile financial markets can expose the Portfolio to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by the Portfolio. The value of the Portfolio's holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which the Portfolio invests. In addition, it is not certain that the U.S. Government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Regulatory Risk Financial entities, such as investment companies and investment advisers, are generally subject to extensive government regulation and intervention. Government regulation and/or intervention may change the way the Portfolio is regulated, affect the expenses incurred directly by the Portfolio and the value of its investments, and limit and/or preclude the Portfolio's ability to achieve its investment objective. Government regulation may change frequently and may have significant adverse consequences. Moreover, government regulation may have unpredictable and unintended effects.

Operational Risk An investment in the Portfolio, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel and errors caused by third-party service providers. The occurrence of any of these failures, errors or breaches could result in a loss of information, regulatory scrutiny, reputational damage or other events, any of which could have a material adverse effect on the Portfolio. While the Portfolio seeks to minimize such events through controls and oversight, there may still be failures that could cause losses to the Portfolio.

Cyber Security Risk As the use of technology has become more prevalent in the course of business, the Portfolio has become potentially more susceptible to operational and information security risks resulting from breaches in cyber security. A breach in cyber security refers to both intentional and unintentional cyber events that may, among other things, cause the Portfolio to lose proprietary information, suffer data corruption and/or destruction or lose operational capacity, result in the unauthorized release or other misuse of confidential information, or otherwise disrupt normal business operations. Cyber security failures or breaches may result in financial losses to the Portfolio and its shareholders. These failures or breaches may also result in disruptions to business operations, potentially resulting in financial losses; interference with the Portfolio's ability to calculate its net asset value, process shareholder transactions or otherwise transact business with shareholders; impediments to trading; violations of applicable privacy and other laws; regulatory fines; penalties; reputational damage; reimbursement or other compensation costs; additional compliance and cyber security risk management costs and other adverse consequences. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future.

8. MASTER NETTING ARRANGEMENTS

The Portfolio may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that is

intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Portfolio to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty. For financial reporting purposes the Statement of Assets and Liabilities generally presents derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to $250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Portfolio's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively "Master Repo Agreements") govern repurchase, reverse repurchase, and certain sale-buyback transactions between the Portfolio and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern certain forward settling transactions, such as TBA securities, delayed-delivery or certain sale-buyback transactions by and between the Portfolio and select counterparties. The Master Forward Agreements maintain provisions for, among other things, transaction initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

Customer Account Agreements and related addenda govern cleared derivatives transactions such as futures, options on futures, and cleared OTC derivatives. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant ("FCM") registered with the Commodity Futures Trading Commission. In the United States, counterparty risk may be reduced as creditors of an FCM cannot have a claim to Portfolio assets in the segregated account. Portability of exposure reduces risk to the Portfolio. Variation margin, which reflects changes in market value, is generally exchanged daily, but may not be netted between futures and cleared OTC derivatives unless the parties have agreed to a separate arrangement in respect of portfolio margining. The market value or accumulated unrealized appreciation (depreciation), initial margin posted, and any unsettled variation margin as of period end are disclosed in the Notes to Schedule of Investments.

Prime Broker Arrangements may be entered into to facilitate execution and/or clearing of listed equity option transactions or short sales of equity securities between the Portfolio and selected counterparties. The arrangements provide guidelines surrounding the rights, obligations, and other events, including, but not limited to, margin, execution, and settlement. These agreements maintain provisions for, among other things, payments, maintenance of collateral, events of default, and termination. Margin and other assets delivered as collateral are typically in the possession of the prime broker and would offset any obligations due to the prime broker. The market values of listed options and securities sold short and related collateral are disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA Master Agreements") govern bilateral OTC derivative transactions entered into by the Portfolio with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral posting and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. The ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if

the counterparty has a decline in credit quality below a predefined level or as required by regulation. Similarly, if required by regulation, the Portfolio may be required to post additional collateral beyond coverage of daily exposure. These amounts, if any, may (or if required by law, will) be segregated with a third-party custodian. To the extent the Portfolio is required by regulation to post additional collateral beyond coverage of daily exposure, it could potentially incur costs, including in procuring eligible assets to meet collateral requirements, associated with such posting. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

9. FEES AND EXPENSES

(a) Investment Advisory Fee PIMCO is a majority-owned subsidiary of Allianz Asset Management of America L.P. ("Allianz Asset Management") and serves as the Adviser to the Trust, pursuant to an investment advisory contract. The Adviser receives a monthly fee from the Portfolio at an annual rate based on average daily net assets (the "Investment Advisory Fee"). The Investment Advisory Fee for all classes is charged at an annual rate as noted in the table in note (b) below.

(b) Supervisory and Administrative Fee PIMCO serves as administrator (the "Administrator") and provides supervisory and administrative services to the Trust for which it receives a monthly supervisory and administrative fee based on each share class's average daily net assets (the "Supervisory and Administrative Fee"). As the Administrator, PIMCO bears the costs of various third-party services, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs.

The Investment Advisory Fee and Supervisory and Administrative Fees for all classes, as applicable, are charged at the annual rate as noted in the following table (calculated as a percentage of the Portfolio's average daily net assets attributable to each class):

Investment Advisory Fee	Supervisory and Administrative Fee		
All Classes	Institutional Class	Administrative Class	Advisor Class
0.25%	0.25%	0.25%	0.25%

(c) Distribution and Servicing Fees PIMCO Investments LLC, a wholly-owned subsidiary of PIMCO, serves as the distributor ("Distributor") of the Trust's shares.

The Trust has adopted an Administrative Services Plan with respect to the Administrative Class shares of the Portfolio pursuant to Rule 12b-1 under the Act (the "Administrative Plan"). Under the terms of the Administrative Plan, the Trust is permitted to compensate the Distributor, out of the Administrative Class assets of the Portfolio, in an amount up to 0.15% on an annual basis of the average daily net assets of that class, for providing or procuring through financial intermediaries administrative, recordkeeping and investor services for Administrative Class shareholders of the Portfolio.

The Trust has adopted a separate Distribution and Servicing Plan for the Advisor Class shares of the Portfolio (the "Distribution and Servicing Plan"). The Distribution and Servicing Plan has been adopted pursuant to Rule 12b-1 under the Act. The Distribution and Servicing Plan permits the Portfolio to compensate the Distributor for providing or procuring through financial intermediaries, distribution, administrative, recordkeeping, shareholder and/or related services with respect to Advisor Class shares. The Distribution and Servicing Plan permits the Portfolio to make total payments at an annual rate of up to 0.25% of its average daily net assets attributable to its Advisor Class shares.

	Distribution Fee	Servicing Fee
Administrative Class	—	0.15%
Advisor Class	0.25%	—

(d) Portfolio Expenses PIMCO provides or procures supervisory and administrative services for shareholders and also bears the costs of various third-party services required by the Portfolio, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs. The Trust is responsible for the following expenses: (i) salaries and other compensation of any of the Trust's executive officers and employees who are not officers, directors, stockholders, or employees of PIMCO or its subsidiaries or affiliates; (ii) taxes and governmental fees; (iii) brokerage fees and commissions and other portfolio transaction expenses; (iv) the costs of borrowing money, including interest expenses; (v) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit; (vi) extraordinary expenses, including costs of litigation and indemnification expenses; (vii) organizational expenses; and (viii) any expenses allocated or allocable to a specific class of shares, which include service fees payable with respect to the Administrative Class Shares, and may include certain other expenses as permitted by the Trust's Multi-Class Plan adopted pursuant to Rule 18f-3 under the Act and subject to review and approval by the Trustees. The ratio of expenses to average net assets per share class, as disclosed on the Financial Highlights, may differ from the annual portfolio operating expenses per share class.

The Trust pays no compensation directly to any Trustee or any other officer who is affiliated with the Administrator, all of whom receive remuneration for their services to the Trust from the Administrator or its affiliates.

(e) Expense Limitation Pursuant to the Expense Limitation Agreement, PIMCO has agreed, through May 1, 2022, to waive a portion of the Portfolio's Supervisory and Administrative Fee, or reimburse the Portfolio, to the extent that the Portfolio's organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata share of Trustee Fees exceed 0.0049%, the "Expense Limit" (calculated as a percentage of the Portfolio's average daily net assets attributable to each class). The Expense Limitation Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term. The waiver is reflected on the Statement of Operations as a component of Waiver and/or Reimbursement by PIMCO.

In any month in which the supervision and administration agreement is in effect, PIMCO is entitled to reimbursement by the Portfolio of any portion of the supervisory and administrative fee waived or reimbursed as set forth above (the "Reimbursement Amount") during the previous thirty-six months from the date of the waiver, provided that such amount paid to PIMCO will not: i) together with any organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata Trustee fees, exceed, for such month, the Expense Limit (or the amount of the expense limit in place at the time the amount being recouped was originally waived if lower than the Expense Limit); ii) exceed the total Reimbursement Amount; or iii) include any amounts previously reimbursed to PIMCO. At December 31, 2021, there were no recoverable amounts.

10. RELATED PARTY TRANSACTIONS

The Adviser, Administrator, and Distributor are related parties. Fees paid to these parties are disclosed in Note 9, Fees and Expenses, and the accrued related party fee amounts are disclosed on the Statement of Assets and Liabilities.

The Portfolio is permitted to purchase or sell securities from or to certain related affiliated portfolios under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Portfolio from or to another fund or portfolio that are, or could be, considered an affiliate, or an affiliate of an affiliate, by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 under the Act. Further, as defined under the procedures, each transaction is effected at the current market price. Purchases and sales of securities pursuant to Rule 17a-7 under the Act for the period ended December 31, 2021, were as follows (amounts in thousands†):

Purchases	Sales
$ 0	$ 6,114

† A zero balance may reflect actual amounts rounding to less than one thousand.

11. GUARANTEES AND INDEMNIFICATIONS

Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust (including the Trust's investment manager) is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Portfolio. Additionally, in the normal course of business, the Portfolio enters into contracts that contain a variety of indemnification clauses. The Portfolio's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, the Portfolio has not had prior claims or losses pursuant to these contracts.

12. PURCHASES AND SALES OF SECURITIES

The length of time the Portfolio has held a particular security is not generally a consideration in investment decisions. A change in the securities held by the Portfolio is known as "portfolio turnover." The Portfolio may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover may involve correspondingly greater transaction costs, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which are borne by the Portfolio. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates when distributed to shareholders). The transaction costs associated with portfolio turnover may adversely affect the Portfolio's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended December 31, 2021, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 4,232,557	$ 4,381,947	$ 417,278	$ 231,929

† A zero balance may reflect actual amounts rounding to less than one thousand.

13. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a $0.001 par value. Changes in shares of beneficial interest were as follows (shares and amounts in thousands†):

	Year Ended 12/31/2021		Year Ended 12/31/2020	
	Shares	Amount	Shares	Amount
Receipts for shares sold				
Institutional Class	1,046	$ 10,847	1,833	$ 18,831
Administrative Class	19,316	199,846	37,432	385,687
Advisor Class	15,656	161,973	22,353	230,395
Issued as reinvestment of distributions				
Institutional Class	11	111	14	147
Administrative Class	547	5,649	1,199	12,339
Advisor Class	356	3,677	829	8,527
Cost of shares redeemed				
Institutional Class	(405)	(4,201)	(1,870)	(19,176)
Administrative Class	(27,985)	(289,522)	(28,429)	(291,981)
Advisor Class	(11,405)	(117,877)	(16,985)	(174,111)
Net increase (decrease) resulting from Portfolio share transactions	(2,863)	$ (29,497)	16,376	$ 170,658

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, two shareholders each owned 10% or more of the Portfolio's total outstanding shares comprising 40% of the Portfolio.

14. REGULATORY AND LITIGATION MATTERS

The Portfolio is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

The foregoing speaks only as of the date of this report.

15. FEDERAL INCOME TAX MATTERS

The Portfolio intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code (the "Code") and distribute all of its taxable income and net realized gains, if applicable, to shareholders. Accordingly, no provision for Federal income taxes has been made.

The Portfolio may be subject to local withholding taxes, including those imposed on realized capital gains. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

In accordance with U.S. GAAP, the Adviser has reviewed the Portfolio's tax positions for all open tax years. As of December 31, 2021, the Portfolio has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions it has taken or expects to take in future tax returns.

The Portfolio files U.S. federal, state, and local tax returns as required. The Portfolio's tax returns are subject to examination by relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Shares of the Portfolio currently are sold to segregated asset accounts ("Separate Accounts") of insurance companies that fund variable annuity contracts and variable life insurance policies ("Variable Contracts"). Please refer to the prospectus for the Separate Account and Variable Contract for information regarding Federal income tax treatment of distributions to the Separate Account.

As of December 31, 2021, the components of distributable taxable earnings are as follows (amounts in thousands†):

	Undistributed Tax Exempt Income	Undistributed Ordinary Income[1]	Undistributed Long-Term Capital Gains	Net Tax Basis Unrealized Appreciation/ (Depreciation)[2]	Other Book-to-Tax Accounting Differences[3]	Accumulated Capital Losses[4]	Qualified Late-Year Loss Deferral - Capital[5]	Qualified Late-Year Loss Deferral - Ordinary[6]	Total Components of Distributable Earnings
PIMCO Low Duration Portfolio	$ 0	$ 0	$ 0	$ (4,445)	$ 0	$ (26,486)	$ 0	$ (6,798)	$ (37,729)

† A zero balance may reflect actual amounts rounding to less than one thousand.
(1) Includes undistributed short-term capital gains, if any.
(2) Adjusted for open wash sale loss deferrals and the accelerated recognition of unrealized gain or loss on certain futures, options, and forward contracts for federal income tax purposes. Also adjusted for differences between book and tax realized and unrealized gain (loss) on swap contracts, straddle loss deferrals, and interest accrued on defaulted securities.
(3) Represents differences in income tax regulations and financial accounting principles generally accepted in the United States of America.
(4) Capital losses available to offset future net capital gains expire in varying amounts as shown below.
(5) Capital losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.
(6) Specified losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.

Under the Regulated Investment Company Modernization Act of 2010, a portfolio is permitted to carry forward any new capital losses for an unlimited period. Additionally, such capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term under previous law.

As of December 31, 2021, the Portfolio had the following post-effective capital losses with no expiration (amounts in thousands†):

	Short-Term	Long-Term
PIMCO Low Duration Portfolio	$ 15,867	$ 10,619

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, the aggregate cost and the net unrealized appreciation/(depreciation) of investments for federal income tax purposes are as follows (amounts in thousands†):

	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)[7]
PIMCO Low Duration Portfolio	$ 1,801,844	$ 23,085	$ (27,608)	$ (4,523)

† A zero balance may reflect actual amounts rounding to less than one thousand.
(7) Primary differences, if any, between book and tax net unrealized appreciation/(depreciation) on investments are attributable to open wash sale loss deferrals, unrealized gain or loss on certain futures, options, and forward contracts, swap contracts, straddle loss deferrals, and interest accrued on defaulted securities.

For the fiscal year ended December 31, 2021 and December 31, 2020, respectively, the Portfolio made the following tax basis distributions (amounts in thousands†):

	December 31, 2021			December 31, 2020		
	Ordinary Income Distributions[8]	Long-Term Capital Gain Distributions	Return of Capital[9]	Ordinary Income Distributions[8]	Long-Term Capital Gain Distributions	Return of Capital[9]
PIMCO Low Duration Portfolio	$ 9,437	$ 0	$ 0	$ 21,013	$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.
(8) Includes short-term capital gains distributed, if any.
(9) A portion of the distributions made represents a tax return of capital. Return of capital distributions have been reclassified from undistributed net investment income to paid-in capital to more appropriately conform financial accounting to tax accounting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of PIMCO Variable Insurance Trust and Shareholders of PIMCO Low Duration Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of PIMCO Low Duration Portfolio (one of the portfolios constituting PIMCO Variable Insurance Trust, hereafter referred to as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Portfolio's management. Our responsibility is to express an opinion on the Portfolio's financial statements 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 Portfolio 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 of these financial statements 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 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, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Kansas City, Missouri

February 17, 2022

We have served as the auditor of one or more investment companies in PIMCO Variable Insurance Trust since 1998.

Glossary: (abbreviations that may be used in the preceding statements) (Unaudited)

Counterparty Abbreviations:

BOA	Bank of America N.A.	**FICC**	Fixed Income Clearing Corporation	**MYI**	Morgan Stanley & Co. International PLC
BPS	BNP Paribas S.A.	**GLM**	Goldman Sachs Bank USA	**SCX**	Standard Chartered Bank, London
BSH	Banco Santander S.A. - New York Branch	**HUS**	HSBC Bank USA N.A.	**TOR**	The Toronto-Dominion Bank
CBK	Citibank N.A.	**JPM**	JP Morgan Chase Bank N.A.	**UAG**	UBS AG Stamford
DUB	Deutsche Bank AG				

Currency Abbreviations:

ARS	Argentine Peso	**GBP**	British Pound	**NOK**	Norwegian Krone
AUD	Australian Dollar	**ILS**	Israeli Shekel	**PEN**	Peruvian New Sol
BRL	Brazilian Real	**JPY**	Japanese Yen	**SGD**	Singapore Dollar
CAD	Canadian Dollar	**MXN**	Mexican Peso	**USD (or $)**	United States Dollar
EUR	Euro	**MYR**	Malaysian Ringgit		

Exchange Abbreviations:

OTC	Over the Counter

Index/Spread Abbreviations:

BBSW3M	3 Month Bank Bill Swap Rate	**CDX.IG**	Credit Derivatives Index - Investment Grade	**SOFR**	Secured Overnight Financing Rate
BP0003M	3 Month GBP-LIBOR	**EUR003M**	3 Month EUR Swap Rate	**SONIO**	Sterling Overnight Interbank Average Rate
CDOR03	3 month CDN Swap Rate	**MUTKCALM**	Tokyo Overnight Average Rate	**US0003M**	ICE 3-Month USD LIBOR

Other Abbreviations:

ABS	Asset-Backed Security	**CDI**	Brazil Interbank Deposit Rate	**LIBOR**	London Interbank Offered Rate
ALT	Alternate Loan Trust	**CLO**	Collateralized Loan Obligation	**OIS**	Overnight Index Swap
BBSW	Bank Bill Swap Reference Rate	**DAC**	Designated Activity Company	**TBA**	To-Be-Announced

Federal Income Tax Information

(Unaudited)

As required by the Internal Revenue Code (the "Code") and Treasury Regulations, if applicable, shareholders must be notified regarding the status of qualified dividend income and the dividend received deduction.

Dividend Received Deduction. Corporate shareholders are generally entitled to take the dividend received deduction on the portion of a Portfolio's dividend distribution that qualifies under tax law. The percentage of the following Portfolio's fiscal 2021 ordinary income dividend that qualifies for the corporate dividend received deduction is set forth in the table below.

Qualified Dividend Income. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), the percentage of ordinary dividends paid during the calendar year designated as "qualified dividend income", as defined in the Act, subject to reduced tax rates in 2021 is set forth for the Portfolio in the table below.

Qualified Interest Income and Qualified Short-Term Capital Gain (for non-U.S. resident shareholders only). Under the American Jobs Creation Act of 2004, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified interest income," as defined in Section 871(k)(1)(E) of the Code, and therefore designated as interest-related dividends, as defined in Section 871(k)(1)(C) of the Code are set forth in the table below. Further, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified short-term capital gain," as defined in Section 871(k)(2)(D) of the Code, and therefore designated as qualified short-term gain dividends, as defined by Section 871(k)(2)(C) of the Code are also set forth in the table below.

Section 163(j) Interest Dividends. The Portfolio intends to pass through the maximum amount allowable as Section 163(j) Interest Dividends as defined in Proposed Treasury Regulation § 1.163(j)-1(b). The 163(j) percentage of ordinary income distributions as follows:

	Dividend Received Deduction %	Qualified Dividend Income %	Qualified Interest Income (000s†)	Qualified Short-Term Capital Gain (000s†)	163(j) Interest Dividends
PIMCO Low Duration Portfolio	0.00%	0.00%	$ 9,437	$ 0	0.00%

† A zero balance may reflect actual amounts rounding to less than one thousand.

Shareholders are advised to consult their own tax advisor with respect to the tax consequences of their investment in the Trust. In January 2022, you will be advised on IRS Form 1099-DIV as to the federal tax status of the dividends and distributions received by you in calendar year 2021.

Management of the Trust

(Unaudited)

The charts below identify the Trustees and executive officers of the Trust. Unless otherwise indicated, the address of all persons below is 650 Newport Center Drive, Newport Beach, CA 92660.

The Portfolio's Statement of Additional Information includes more information about the Trustees and Officers. To request a free copy, call PIMCO at (888) 87-PIMCO or visit the Portfolio's website at www.pimco.com/pvit.

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served†	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Public Company and Investment Company Directorships Held by Trustee During the Past 5 Years
Interested Trustees[1]				
Peter G. Strelow (1970) *Chairman of the Board and Trustee*	05/2017 to present Chairman of the Board - 02/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President of the Trust, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.	149	Chairman and Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Kimberley G. Stafford (1978) *Trustee*	02/2021 to present	Managing Director, Global Head of Product Strategy, PIMCO; and Member of Executive Committee, PIMCO. Formerly, Head of Asia-Pacific, Global Head of Consultant Relations and Head of US Institutional and Alternatives Sales, PIMCO.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Independent Trustees				
George E. Borst (1948) *Trustee*	04/2015 to present	Executive Advisor, McKinsey & Company (since 10/14); Formerly, Executive Advisor, Toyota Financial Services (10/13-12/14); and CEO, Toyota Financial Services (1/01-9/13).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, MarineMax Inc.
Jennifer Holden Dunbar (1963) *Trustee*	04/2015 to present	Managing Director, Dunbar Partners, LLC (business consulting and investments). Formerly, Partner, Leonard Green & Partners, L.P.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, PS Business Parks; Director, Big 5 Sporting Goods Corporation.
Kym M. Hubbard (1957) *Trustee*	02/2017 to present	Formerly, Global Head of Investments, Chief Investment Officer and Treasurer, Ernst & Young.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, State Auto Financial Corporation.
Gary F. Kennedy (1955) *Trustee*	04/2015 to present	Formerly, Senior Vice President, General Counsel and Chief Compliance Officer, American Airlines and AMR Corporation (now American Airlines Group) (1/03-1/14).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Peter B. McCarthy (1950) *Trustee*	04/2015 to present	Formerly, Assistant Secretary and Chief Financial Officer, United States Department of Treasury; Deputy Managing Director, Institute of International Finance.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Ronald C. Parker (1951) *Lead Independent Trustee*	07/2009 to present Lead Independent Trustee - 02/2017 to present	Director of Roseburg Forest Products Company. Formerly, Chairman of the Board, The Ford Family Foundation; and President, Chief Executive Officer, Hampton Affiliates (forestry products).	149	Lead Independent Trustee, PIMCO Funds and PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

[1] Ms. Stafford and Mr. Strelow are "interested persons" of the Trust (as that term is defined in the 1940 Act) because of their affiliations with PIMCO.

† Trustees serve until their successors are duly elected and qualified.

Executive Officers

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years†
Eric D. Johnson (1970) *President*	06/2019 to present	Executive Vice President and Head of Funds Business Group Americas, PIMCO. President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Ryan G. Leshaw (1980) *Chief Legal Officer and Secretary*	08/2021 to present	Executive Vice President and Senior Counsel, PIMCO. Chief Legal Officer and Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Chief Legal Officer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Associate, Willkie Farr & Gallagher LLP.
Keisha Audain-Pressley (1975)** *Chief Compliance Officer*	01/2020 to present	Executive Vice President and Deputy Chief Compliance Officer, PIMCO. Chief Compliance Officer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Joshua D. Ratner (1976)** *Senior Vice President*	05/2019 to present	Executive Vice President and Head of Americas Operations, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Peter G. Strelow (1970) *Senior Vice President*	06/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.
Wu-Kwan Kit (1981) *Assistant Secretary*	08/2017 to present	Senior Vice President and Senior Counsel, PIMCO. Assistant Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Vice President, Senior Counsel and Secretary, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Assistant General Counsel, VanEck Associates Corp.
Jeffrey A. Byer (1976) *Vice President*	02/2020 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Elizabeth A. Duggan (1964) *Vice President*	02/2021 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Mark A. Jelic (1981) *Vice President*	08/2021 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brian J. Pittluck (1977) *Vice President*	01/2020 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Bijal Y. Parikh (1978) *Treasurer*	01/2021 to present	Executive Vice President, PIMCO. Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Jason J. Nagler (1982)*** *Deputy Treasurer*	11/2021 to present	Senior Vice President, PIMCO. Deputy Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Assistant Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Erik C. Brown (1967)*** *Assistant Treasurer*	02/2001 to present	Executive Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brandon T. Evans (1982) *Assistant Treasurer*	05/2019 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Colleen D. Miller (1980)** *Assistant Treasurer*	02/2017 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Deputy Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

† The term "PIMCO-Sponsored Closed-End Funds" as used herein includes: PIMCO California Municipal Income Fund, PIMCO California Municipal Income Fund II, PIMCO California Municipal Income Fund III, PIMCO Municipal Income Fund, PIMCO Municipal Income Fund II, PIMCO Municipal Income Fund III, PIMCO New York Municipal Income Fund, PIMCO New York Municipal Income Fund II, PIMCO New York Municipal Income Fund III, PCM Fund Inc., PIMCO Access Income Fund, PIMCO Corporate & Income Opportunity Fund, PIMCO Corporate & Income Strategy Fund, PIMCO Dynamic Credit and Mortgage Income Fund, PIMCO Dynamic Income Fund, PIMCO Dynamic Income Opportunities Fund, PIMCO Energy and Tactical Credit Opportunities Fund, PIMCO Global StocksPLUS® & Income Fund, PIMCO High Income Fund, PIMCO Income Opportunity Fund, PIMCO Income Strategy Fund, PIMCO Income Strategy Fund II and PIMCO Strategic Income Fund, Inc.; the term "PIMCO-Sponsored Interval Funds" as used herein includes: PIMCO Flexible Credit Income Fund, PIMCO Flexible Municipal Income Fund and PIMCO Flexible Emerging Markets Income Fund.

** The address of these officers is Pacific Investment Management Company LLC, 1633 Broadway, New York, New York 10019.

*** The address of these officers is Pacific Investment Management Company LLC, 401 Congress Ave., Austin, Texas 78701.

Privacy Policy[1]

(Unaudited)

The Trust[2,3] consider customer privacy to be a fundamental aspect of their relationships with shareholders and are committed to maintaining the confidentiality, integrity and security of their current, prospective and former shareholders' non-public personal information. The Trust has developed policies that are designed to protect this confidentiality, while allowing shareholder needs to be served.

OBTAINING NON-PUBLIC PERSONAL INFORMATION

In the course of providing shareholders with products and services, the Trust and certain service providers to the Trust, such as the Trust's investment advisers or sub-advisers ("Advisers"), may obtain non-public personal information about shareholders, which may come from sources such as account applications and other forms, from other written, electronic or verbal correspondence, from shareholder transactions, from a shareholder's brokerage or financial advisory firm, financial professional or consultant, and/or from information captured on applicable websites.

RESPECTING YOUR PRIVACY

As a matter of policy, the Trust does not disclose any non-public personal information provided by shareholders or gathered by the Trust to non-affiliated third parties, except as required or permitted by law or as necessary for such third parties to perform their agreements with respect to the Trust. As is common in the industry, non-affiliated companies may from time to time be used to provide certain services, such as preparing and mailing prospectuses, reports, account statements and other information, conducting research on shareholder satisfaction and gathering shareholder proxies. The Trust or its affiliates may also retain non-affiliated companies to market Trust's shares or products which use Trust's shares and enter into joint marketing arrangements with them and other companies. These companies may have access to a shareholder's personal and account information, but are permitted to use this information solely to provide the specific service or as otherwise permitted by law. In most cases, the shareholders will be clients of a third party, but the Trust may also provide a shareholder's personal and account information to the shareholder's respective brokerage or financial advisory firm and/or financial professional or consultant.

SHARING INFORMATION WITH THIRD PARTIES

The Trust reserves the right to disclose or report personal or account information to non-affiliated third parties in limited circumstances where the Trust believes in good faith that disclosure is required under law, to cooperate with regulators or law enforcement authorities, to protect their rights or property, or upon reasonable request by any fund in which a shareholder has invested. In addition, the Trust may disclose information about a shareholder or a shareholder's accounts to a non-affiliated third party at the shareholder's request or with the consent of the shareholder.

SHARING INFORMATION WITH AFFILIATES

The Trust may share shareholder information with their affiliates in connection with servicing shareholders' accounts, and subject to applicable law may provide shareholders with information about products and services that the Trust or its Advisers, distributors or their affiliates ("Service Affiliates") believe may be of interest to such shareholders. The information that the Trust may share may include, for example, a shareholder's participation in the Trust or in other investment programs sponsored by a Service Affiliate, a shareholder's ownership of certain types of accounts (such as IRAs), information about the Trust's experiences or transactions with a shareholder, information captured on applicable websites, or other data about a shareholder's accounts, subject to applicable law. The Trust's Service Affiliates, in turn, are not permitted to share shareholder information with non-affiliated entities, except as required or permitted by law.

PROCEDURES TO SAFEGUARD PRIVATE INFORMATION

The Trust takes seriously the obligation to safeguard shareholder non-public personal information. In addition to this policy, the Trust has implemented procedures that are designed to restrict access to a shareholder's non-public personal information to internal personnel who need to know that information to perform their jobs, such as servicing shareholder accounts or notifying shareholders of new products or services. Physical, electronic and procedural safeguards are in place to guard a shareholder's non-public personal information.

INFORMATION COLLECTED FROM WEBSITES

The Trust or its service providers and partners may collect information from shareholders via websites they maintain. The information collected via websites maintained by the Trust or their service providers includes client non-public personal information.

CHANGES TO THE PRIVACY POLICY

From time to time, the Trust may update or revise this privacy policy. If there are changes to the terms of this privacy policy, documents containing the revised policy on the relevant website will be updated.

[1] Amended as of June 25, 2020.

[2] PIMCO Investments LLC ("PI") serves as the Trust's distributor and does not provide brokerage services or any financial advice to investors in the Trust solely because it distributes the Trust. This Privacy Policy applies to the activities of PI to the extent that PI regularly effects or engages in transactions with or for a shareholder of a series of a Trust who is the record owner of such shares. For purposes of this Privacy Policy, references to "the Trust" shall include PI when acting in this capacity.

[3] When distributing this Policy, the Trust may combine the distribution with any similar distribution of its investment adviser's privacy policy. The distributed, combined, policy may be written in the first person (i.e. by using "we" instead of "the Trust").

Approval of Investment Advisory Contract and Other Agreements

At a meeting held on August 24-25, 2021, the Board of Trustees (the "Board") of PIMCO Variable Insurance Trust (the "Trust"), including the Trustees who are not "interested persons" of the Trust under the Investment Company Act of 1940, as amended (the "Independent Trustees"), considered and unanimously approved the renewal of the Amended and Restated Investment Advisory Contract (the "Investment Advisory Contract") between the Trust, on behalf of the Trust's series (each a "Portfolio" and collectively, the "Portfolios"), and Pacific Investment Management Company LLC ("PIMCO"), for an additional one-year term through August 31, 2022. The Board also considered and unanimously approved the renewal of the Amended and Restated Supervision and Administration Agreement (the "Supervision and Administration Agreement") between the Trust, on behalf of the Portfolios, and PIMCO for an additional one-year term through August 31, 2022. In addition, the Board considered and unanimously approved the renewal of the Amended and Restated Asset Allocation Sub-Advisory Agreement (the "Asset Allocation Agreement" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements") between PIMCO, on behalf of PIMCO All Asset Portfolio, a series of the Trust, and Research Affiliates, LLC ("Research Affiliates") for an additional one-year term through August 31, 2022.

In addition, the Board considered and unanimously approved the renewal of the Investment Management Agreements between PIMCO and each of the wholly-owned subsidiaries (each, a "Subsidiary" and, collectively, the "Subsidiaries") of certain of the Portfolios (collectively, the "Subsidiary Agreements"), each for the same additional one-year term through August 31, 2022.

The information, material factors and conclusions that formed the basis for the Board's approvals are summarized below.

1. INFORMATION RECEIVED

(a) Materials Reviewed: During the course of the past year, the Trustees received a wide variety of materials relating to the services provided by PIMCO and Research Affiliates to the Trust. At each of its quarterly meetings, the Board reviewed the Portfolios' investment performance and a significant amount of information relating to Portfolio operations, including shareholder services, valuation and custody, the Portfolios' compliance program and other information relating to the nature, extent and quality of services provided by PIMCO and Research Affiliates to the Trust and each of the Portfolios, as applicable. In considering whether to approve the renewal of the Agreements and the Subsidiary Agreements, the Board reviewed additional information, including, but not limited to: comparative industry data with regard to investment performance; advisory and supervisory and administrative fees and expenses; financial information for PIMCO and, where relevant, financial information for Research Affiliates; information regarding the profitability to PIMCO of its relationship with the Portfolios; information about the personnel providing investment management services, other advisory services and supervisory and administrative services to the Portfolios; and information about the fees charged and services provided to other clients with similar investment mandates as the Portfolios, where applicable. In addition, the Board reviewed materials provided by counsel to the Trust and the Independent Trustees ("Counsel"), which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and Subsidiary Agreements.

With respect to the Subsidiary Agreements, the Trustees considered that each Portfolio that has a Subsidiary may utilize its Subsidiary to execute its investment strategy and that PIMCO provides investment advisory and administrative services to the Subsidiaries pursuant to the Subsidiary Agreements in the same manner as it does for such Portfolios that have Subsidiaries under the Investment Advisory Contract and Supervision and Administration Agreement. The Trustees also considered that, with respect to each Subsidiary, PIMCO does not retain a separate advisory or other fee from the Subsidiary, and that PIMCO's profitability with respect to each Portfolio that has a Subsidiary is not positively impacted as a result of the Subsidiary Agreements. The Trustees determined, therefore, that it was appropriate to consider the approval of the Subsidiary Agreements collectively with their consideration of the Agreements.

(b) Review Process: In connection with considering the renewal of the Agreements, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from Counsel encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other things, applicable legal standards from Counsel, and reviewed comparative fee and performance data prepared at the Board's request by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company performance information and fee and expense data. The Board received presentations on matters related to the Agreements and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 24-25, 2021 meeting. The Independent Trustees also met via video conference with Counsel on July 15, 2021 and August 3, 2021, and conducted a video conference meeting on August 6, 2021 with management and Counsel to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements. In connection with its review of the Agreements, the Board received comparative information on the performance, the risk-adjusted performance and the fees and expenses of other peer group funds and share classes. The Independent Trustees also requested and

received supplemental information, including information regarding Broadridge peer classifications, Portfolio performance and profitability.

The approval determinations were made on the basis of each Trustee's business judgment after consideration and evaluation of all the information presented. Individual Trustees may have given different weights to certain factors and assigned various degrees of materiality to information received in connection with the approval process. In deciding to approve the renewal of the Agreements, the Board did not identify any single factor or particular information that, in isolation, was controlling. The discussion below is intended to summarize the broad factors and information that figured prominently in the Board's consideration of the renewal of the Agreements, but is not intended to summarize all of the factors considered by the Board.

2. NATURE, EXTENT AND QUALITY OF SERVICES

(a) PIMCO, Research Affiliates, their Personnel and Resources: The Board considered the depth and quality of PIMCO's investment management process, including, but not limited to: the experience, capability and integrity of its senior management and other personnel; the overall financial strength and stability of its organization; and the ability of its organizational structure to address changes in the Portfolios' asset levels. The Board also considered the various services in addition to portfolio management that PIMCO provides under the Investment Advisory Contract. The Board noted that PIMCO makes available to its investment professionals a variety of resources and systems relating to investment management, compliance, trading, performance and portfolio accounting. The Board also noted PIMCO's commitment to enhancing and investing in its global infrastructure, technology capabilities, risk management processes and the specialized talent needed to stay at the forefront of the competitive investment management industry and to strengthen its ability to deliver services under the Agreements. The Board considered PIMCO's policies, procedures and systems reasonably designed to assure compliance with applicable laws and regulations, including new regulations impacting the Portfolios, and its commitment to further developing and strengthening these programs; its oversight of matters that may involve conflicts of interest between the Portfolios' investments and those of other accounts managed by PIMCO; and its efforts to keep the Trustees informed about matters relevant to the Portfolios and their shareholders. The Board also considered PIMCO's investment in new disciplines and talented personnel, which has enhanced PIMCO's services to the Portfolios and has allowed PIMCO to introduce innovative new portfolios over time. In addition, the Board considered the nature, extent and quality of services provided by PIMCO to the Subsidiaries of certain applicable Portfolios.

In addition, the Trustees considered new services and service enhancements that PIMCO has implemented, including, but not limited to investing in its cybersecurity program and business continuity functions, including completion of the build-out of a new data center; funding projects and initiatives in support of the Portfolios; investing in trading and technology infrastructure; oversight by the Americas Fund Oversight Committee, which provides senior-level oversight and supervision focused on new and ongoing fund-related business opportunities; expanding engagement with a third party service provider to provide certain additional fund administration services subject to PIMCO's oversight; investing in the Fund Treasurer's Office; development of a global tax management application that enables investment professionals to access foreign market and security tax information on a real-time basis; enhancing PIMCO's oversight over certain of the Portfolios' service providers, including with respect to a service provider's review of certain financial reporting procedures and the use of proprietary software and managed service model to timely meet N-PORT and N-CEN regulatory requirements; upgrading a proprietary application to improve user interface efficiency and experience; implementing a contingent NAV process; advocating in the public policy arena; developing a proprietary tool to monitor and facilitate potential interfund lending; launching an internal process to seek to automate a number of operational processes; and developing technology solutions to leverage artificial intelligence and machine learning. Similarly, the Board considered the asset allocation services provided by Research Affiliates to the PIMCO All Asset Portfolio. The Board further considered PIMCO's oversight of Research Affiliates in connection with Research Affiliates providing asset allocation services to the All Asset Portfolio. The Board also considered the depth and quality of Research Affiliates' investment management and research capabilities, the experience and capabilities of its portfolio management personnel and the overall financial strength of the organization.

Ultimately, the Board concluded that the nature, extent and quality of services provided or procured by PIMCO under the Agreements and the Subsidiary Agreements and provided by Research Affiliates under the Asset Allocation Agreement are likely to continue to benefit the Portfolios and their shareholders, as applicable.

(b) Other Services: The Board also considered the nature, extent and quality of supervisory and administrative services provided by PIMCO to the Portfolios under the Supervision and Administration Agreement.

The Board considered the terms of the Supervision and Administration Agreement, under which the Trust pays for the supervisory and administrative services provided pursuant to that agreement under what is essentially an all-in fee structure (the "unified fee"). In return, PIMCO provides or procures certain supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including, but not limited to, audit, custodial, portfolio

accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board also noted that the scope and complexity, as well as the costs, of the supervisory and administrative services provided by PIMCO under the Supervision and Administration Agreement continue to increase. The Board considered PIMCO's provision of supervisory and administrative services and its supervision of the Trust's third party service providers to assure that these service providers continue to provide a high level of service relative to alternatives available in the market.

Ultimately, the Board concluded that the nature, extent and quality of the services provided or procured by PIMCO has benefited, and will likely continue to benefit, the Portfolios and their shareholders.

3. INVESTMENT PERFORMANCE

The Board reviewed information from PIMCO concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 and other performance data, as available, over short- and long-term periods ended June 30, 2021 (the "PIMCO Report") and from Broadridge concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term relative and absolute investment performance of each Portfolio relative to its peer group, where appropriate, and relevant benchmark index as provided to the Board in advance of each of its quarterly meetings throughout the year, including the PIMCO Report and Broadridge Report. The Trustees reviewed information indicating that classes of each Portfolio would have substantially similar performance to that of the Administrative Class of the relevant Portfolio on a relative basis because all of the classes are invested in the same portfolio of investments and that differences in performance among classes could principally be attributed to differences in the supervisory and administrative fees and distribution and servicing expenses of each class. The Board noted that, due to differences (such as specific investment strategies or fee structures) between certain of the Portfolios and their so-called peers in the Broadridge categories, performance comparisons may not be particularly relevant to the consideration of Portfolio performance, but found the comparative information supported its overall evaluation.

The Board noted that a majority of the Portfolios have outperformed their respective benchmark indexes over the one-, three- and five-year periods ended March 31, 2021, and that a majority of the Portfolios have outperformed their benchmarks since inception for the period ended March 31, 2021. With respect to Portfolios that underperformed to a certain degree over such periods, the Board discussed with PIMCO the reasons for the underperformance of such Portfolios. The Board also considered actions that have been taken by PIMCO throughout the year to attempt to address underperformance.

The Board ultimately concluded, within the context of all of its considerations in connection with the Agreements and the Subsidiary Agreements, that PIMCO's performance record and process in managing the Portfolios indicates that its continued management is likely to benefit the Portfolios and their shareholders, and merits the approval of the renewal of the Agreements and the Subsidiary Agreements.

4. ADVISORY FEES, SUPERVISORY AND ADMINISTRATIVE FEES AND TOTAL EXPENSES

The Board considered that PIMCO seeks to price new funds to scale at the outset . The Board noted that PIMCO generally seeks to price new funds competitively against the median total expense ratio of the respective Broadridge peer group, if available, while acknowledging that a fee premium may be appropriate for innovative investment offerings. PIMCO reported to the Board that, in proposing fees for any Portfolio or class of shares, it considers a number of factors, including, but not limited to, the type and complexity of the services provided, the cost of providing services, the risk assumed by PIMCO in the development of products and the provision of services and the competitive marketplace for financial products.

The Board reviewed the advisory fees, supervisory and administrative fees and total expenses of the Portfolios (each as a percentage of average net assets) and compared such amounts with the average and median fee and expense levels of other similar funds. The Board also reviewed information relating to the sub-advisory fees paid to Research Affiliates with respect to applicable Portfolios, taking into account that PIMCO compensates Research Affiliates from the advisory fees paid by such Portfolios to PIMCO. With respect to advisory fees, the Board reviewed data from the Broadridge Report that compared the average and median advisory fees of other funds in a "Peer Group" of comparable funds, where appropriate, as well as the universe of other similar funds. The Board reviewed materials, where appropriate, indicating that a number of Portfolios have total expense ratios that fall below the average and median expense ratios in their Peer Group and Broadridge universe. In addition, the Board considered the expense limitation agreement in place for all of the Portfolios and fee waivers in place for certain of the Portfolios and also noted the fee waivers in place with respect to the advisory fee and supervisory and administrative fee that might result from investments by applicable Portfolios in their respective Subsidiaries. The Board also considered that PIMCO reviews the Portfolios' fee levels and carefully considers changes where appropriate.

The Board also reviewed data comparing the Portfolios' advisory fees to the fee rates PIMCO charged to registered funds (open-end and

closed-end), private funds, and non-U.S. registered funds, separate accounts, sub-advised clients and collective investment trusts with similar investment strategies. In cases where the fees for other clients were lower than those charged to the Portfolios, the Trustees noted that the differences in fees were attributable to various factors, including, but not limited to, differences in the advisory and other services provided by PIMCO to the Portfolios, differences in the number or extent of the services provided by PIMCO to the Portfolios, the manner in which similar portfolios may be managed, different requirements with respect to liquidity management and the implementation of other regulatory requirements, and the fact that separate accounts may have other contractual arrangements or arrangements across PIMCO strategies that justify different levels of fees. The Board considered that, with respect to collective investment trusts, PIMCO performs fewer or less extensive services because collective investment trusts are generally exempt from SEC regulation; investors in a collective investment trust may receive shareholder services from a trustee bank, rather than PIMCO; collective investment trusts have less regulatory disclosure; and the management structure of collective investment trusts differs from that of funds. The Trustees also considered that PIMCO faces increased entrepreneurial, legal and regulatory risk in sponsoring and managing mutual funds and ETFs as compared to separate accounts, external sub-advised funds or other investment products. In addition, the Trustees considered that PIMCO may charge certain private funds with similar investment mandates lower fees than the Portfolios because such private funds are not required to accept daily redemptions or price their assets on a daily basis, generally do not accept small investors with small account balances and operate under a less complex regulatory regime.

Regarding advisory fees charged by PIMCO in its capacity as sub-adviser to third party/unaffiliated funds, the Trustees took into account that such fees may be lower than the fees charged by PIMCO to serve as adviser to the Portfolios. The Trustees also took into account that there are various reasons for any such differences in fees, including, but not limited to, the fact that PIMCO may be subject to varying levels of entrepreneurial, legal and regulatory risk and different servicing requirements when PIMCO does not serve as the sponsor of a fund and is not principally responsible for all aspects of a fund's investment program and operations as compared to when PIMCO serves as investment adviser and sponsor.

The Board considered the Portfolios' supervisory and administrative fees, comparing them to similar funds managed by other investment advisers in the Broadridge Report. The Board also considered that, as the Portfolios' business has become increasingly complex and the number of Portfolios has grown over time, PIMCO has provided an increasingly broad array of fund supervisory and administrative functions. In addition, the Board considered the Trust's unified fee structure, under which the Trust pays for the supervisory and administrative services it requires for one set fee. In return for this unified fee, PIMCO provides or procures supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board further considered that many other funds pay for comparable services separately, and thus it is difficult to directly compare the Trust's unified supervisory and administrative fees with the fees paid by other funds for administrative services alone. The Board also considered that the unified supervisory and administrative fee leads to Portfolio fees that are fixed over the contract period, rather than variable. The Board noted that, although the unified fee structure does not have breakpoints, it inherently reflects certain economies of scale by fixing the absolute level of Portfolio fees at competitive levels over the contract period even if the Portfolios' operating costs rise when assets remain flat or decrease. Other factors the Board considered in assessing the unified fee include PIMCO's approach of pricing Portfolios at scale at inception and reinvesting in other important areas of the business that support the Portfolios. The Board considered historical advisory and supervisory and administrative fee reductions implemented for different Portfolios and classes, noting that the unified fee can be increased or decreased in subsequent contractual periods with Board approval and is subject to the periodic reviews discussed above. The Board noted that, with few exceptions, PIMCO has generally maintained Portfolio fees at the same level as implemented when the unified fee was adopted, and has reduced fees for a number of Portfolios in prior years. The Board concluded that the Portfolios' supervisory and administrative fees were reasonable in relation to the value of the services provided, including the services provided to different classes of shareholders, and that the expenses assumed contractually by PIMCO under the Supervision and Administration Agreement represent, in effect, a cap on overall Portfolio fees during the contractual period, which is beneficial to the Portfolios and their shareholders.

The Board considered the Portfolios' total expenses and discussed with PIMCO certain Portfolios and/or classes of Portfolios that had above median total expenses. Upon comparing the Portfolios' total expenses to other funds in the "Peer Groups" provided by the Broadridge Report, where appropriate, the Board found total expenses of each Portfolio to be reasonable.

The Trustees also considered the advisory fees charged to the Portfolios that operate as funds of funds (the "Funds of Funds") and the advisory services provided in exchange for such fees. The Trustees determined that such services were in addition to the advisory services provided to the underlying funds in which the Funds of Funds may invest and, therefore, such services were not duplicative of the advisory services

provided to the underlying funds. The Board also considered the various fee waiver agreements in place for the Funds of Funds. The Board noted that PIMCO is continuing waivers for these Funds of Funds, as well as for certain other Portfolios of the Trust.

Based on the information presented by PIMCO and Research Affiliates, members of the Board determined, in the exercise of their business judgment, that the level of the advisory fees and supervisory and administrative fees charged by PIMCO under the Agreements and the Subsidiary Agreements, that the fees charged by Research Affiliates under the Asset Allocation Agreement, and that the total expenses of each Portfolio, are reasonable.

5. ADVISER COSTS, LEVEL OF PROFITS AND ECONOMIES OF SCALE

The Board reviewed information regarding PIMCO's costs of providing services to, as well as the resulting level of profits from, the Portfolios. To the extent applicable, the Board also reviewed information regarding the portion of a Portfolio's advisory fee retained by PIMCO, following the payment of sub-advisory fees to Research Affiliates, with respect to the Portfolios. Additionally, the Board discussed PIMCO's pre- and post-distribution profit margin ranges with respect to the Portfolios, as compared to the prior year. The Board also noted that it had received information regarding the structure and manner in which PIMCO's investment professionals were compensated, and PIMCO's view of the relationship of such compensation to the attraction and retention of quality personnel. The Board considered PIMCO's investment in global infrastructure, technology capabilities, risk management processes and qualified personnel to reinforce and offer new services and to accommodate changing regulatory requirements.

The Board considered the existence of any economies of scale and noted that, to the extent that PIMCO achieves economies of scale in managing the Portfolios, PIMCO shares the benefits of economies of scale, if any, with the Portfolios and their shareholders in a number of ways, including investing in portfolio and trade operations management, firm technology, middle and back office support, legal and compliance, and fund administration logistics; senior management supervision, governance and oversight of those services; and through fee reductions or waivers, the pricing of Portfolios to scale from inception and the enhancement of services provided to the Portfolios in return for fees paid. The Board reviewed the history of the Portfolios' fee structure. The Board considered that the Portfolios' unified fee rates had been set competitively and/or priced to scale from inception, had been held steady during the contractual period at that scaled competitive rate for most Portfolios as assets grew, or as assets declined in the case of some Portfolios, and continued to be competitive compared with peers. The Board also considered that the unified fee is a transparent means of informing a Portfolio's shareholders of the fees associated with the Portfolio, and that the Portfolio bears certain expenses that are not covered by the advisory fee or the unified fee. The Board further considered the challenges that arise when managing large funds, which can result in certain "diseconomies" of scale and noted that PIMCO has continued to reinvest in many areas of the business to support the Portfolios.

The Trustees considered that the unified fee has provided inherent economies of scale because a Portfolio maintains competitive fixed fees over the annual contract period even if the particular Portfolio's assets decline and/or operating costs rise. The Trustees further considered that, in contrast, breakpoints may be a proxy for charging higher fees on lower asset levels and that when a fund's assets decline, breakpoints may reverse, which causes expense ratios to increase. The Trustees also considered that, unlike the Portfolios' unified fee structure, funds with "pass through" administrative fee structures may experience increased expense ratios when fixed dollar fees are charged against declining fund assets. In addition, the Trustees considered that the unified fee protects shareholders from a rise in operating costs that may result from, among other things, PIMCO's investments in various business enhancements and infrastructure, including those referenced above. The Trustees noted that PIMCO's investments in these areas are extensive.

The Board concluded that the Portfolios' cost structures were reasonable and that PIMCO is appropriately sharing economies of scale, if any, through the Portfolios' unified fee structure, generally pricing Portfolios to scale at inception and reinvesting in its business to provide enhanced and expanded services to the Portfolios and their shareholders.

6. ANCILLARY BENEFITS

The Board considered other benefits realized by PIMCO and its affiliates as a result of PIMCO's relationship with the Trust. Such benefits may include possible ancillary benefits to PIMCO's institutional investment management business due to the reputation and market penetration of the Trust or third party service providers' relationship-level fee concessions, which decrease fees paid by PIMCO. The Board also considered that affiliates of PIMCO provide distribution and/or shareholder services to the Portfolios and their shareholders, for which they may be compensated through distribution and servicing fees paid pursuant to the Portfolios' Rule 12b-1 plans or otherwise. The Board noted that, while PIMCO has the authority to receive the benefit of research provided by broker-dealers executing portfolio transactions on behalf of the Portfolios, it has adopted a policy not to enter into contractual soft dollar arrangements.

7. CONCLUSIONS

Based on their review, including their comprehensive consideration and evaluation of each of the broad factors and information summarized

above, the Independent Trustees and the Board as a whole concluded that the nature, extent and quality of the services rendered to the Portfolios by PIMCO and Research Affiliates supported the renewal of the Agreements and the Subsidiary Agreements. The Independent Trustees and the Board as a whole concluded that the Agreements and the Subsidiary Agreements continued to be fair and reasonable to the Portfolios and their shareholders, that the Portfolios' shareholders received reasonable value in return for the fees paid to PIMCO by the Portfolios under the Investment Advisory Contract, Supervision and Administration Agreement and the Subsidiary Agreements and the fees paid to Research Affiliates by PIMCO under the Asset Allocation Agreement, and that the renewal of the Agreements and the Subsidiary Agreements was in the best interests of the Portfolios and their shareholders.

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General Information

Investment Adviser and Administrator
Pacific Investment Management Company LLC
650 Newport Center Drive
Newport Beach, CA 92660

Distributor
PIMCO Investments LLC
1633 Broadway
New York, NY 10019

Custodian
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801 Pennsylvania Avenue
Kansas City, MO 64105

Transfer Agent
DST Asset Manager Solutions, Inc.
430 W 7th Street STE 219024
Kansas City, MO 64105-1407

Legal Counsel
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1900 K Street, N.W.
Washington, D.C. 20006

Independent Registered Public Accounting Firm
PricewaterhouseCoopers LLP
1100 Walnut Street, Suite 1300
Kansas City, MO 64106

This report is submitted for the general information of the shareholders of the Portfolio listed on the Report cover.

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Principal Variable Contracts Funds, Inc.

Annual Report

December 31, 2021



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Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, you may not be receiving paper copies of the Fund’s shareholder reports from the insurance company that offers your contract unless you specifically request paper copies from the insurance company or from your financial intermediary. Instead, the shareholder reports will be made available on a website, and the insurance company will notify you by mail each time a report is posted and provide you with a website link to access the report. Instructions for requesting paper copies will be provided by your insurance company.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the insurance company electronically by following the instructions provided by the insurance company.

You may elect to receive all future reports in paper free of charge from the insurance company. You can inform the insurance company that you wish to continue receiving paper copies of your shareholder reports by calling 1-800-247-9988 if you have a life insurance policy or 1-800-852-4450 if you have an annuity. Your election to receive reports in paper will apply to all portfolio companies available under your contract.

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Economic & Financial Market Review

Despite lingering COVID concerns, the global economy grew faster than trend levels in 2021 following the rapid recovery in 2H 2020. U.S. real GDP grew at an average quarter-over-quarter annualized rate of 5.0% in the four quarters ending 3Q 2021 following a 33.8% rebound in 3Q 2020. Europe and Japan followed a similar trend but less prominent than the U.S. China GDP growth slowed down as policymakers adopted deleveraging policies and tightened regulations towards various business sectors. Global manufacturing Purchasing Managers' Index (PMI) remained above 50 in the last twelve months (a number above 50 means manufacturing activity is expanding and number below 50 indicates contraction), and the latest reading as of December 2021 is 55.5, with 96% of the countries tracked showed PMIs higher than 50. While the overall level was encouraging, global economic growth was uneven. GDP-weighted developed market PMI is 57.8, much higher than 51.5 in emerging market. Slower vaccination progress and stricter lockdowns made emerging market economies suffer more from delta strain outbreak. While COVID-related fiscal support gradually faded, easy monetary policies buoyed the global economy and market in 2021. However, high inflation pressures have made global central banks incrementally move towards tightening as the Federal Reserve shifted to a plan for faster asset purchase tapering and rate hikes in 2022. Several EM central banks already started hiking rates in 2021.

Strong but desynchronized growth has created a demand-supply gap in global goods which pushed inflation higher in 2021. Global inflation increased from 1.0% in December 2020 to 4.4% in November 2021. While transitory forces and base effects explained some of the increase, higher-for-longer inflation could de-anchor expectations and drive up the prices of more sticky components. Market implied inflation expectations represented by US 5-year breakeven inflation rates increased from 1.97, as of December 31, 2020, to 2.91, as of December 31, 2021.

As of December 2021, global earnings have surpassed pre-crisis levels as two-year compounded growth rate (2yr CAGR) improved to 11%. Compared to the same time last year, MSCI All Country World Index (ACWI) trailing 12 months earnings per share (TTM EPS) grew by 67%. MSCI World ex USA Index experienced bigger losses in earnings (TTM EPS down -47% as of December 2020) but exhibited faster recovery with a 136% increase during the last twelve months. MSCI USA Index TTM EPS grew by 43% year-over-year, helped by a strong recovery in small-cap and mid-cap companies. Technology stocks (NASDAQ 100) earnings were the most resilient, with 5% gains in 2020 and 20% gains in 2021. MSCI Emerging Markets (EM) trailing 12 months EPS increased by 50% compared to 2020. MSCI China trailing 12 months EPS lagged with only 6% growth in 2021 (2yr CAGR -2%).

Global equities markedly outperformed global fixed income in 2021. In USD terms, MSCI ACWI recorded 19% gains year-over-year while Bloomberg Global Aggregate Corporate index ended -3% lower. Within equities, developed market outperformed emerging markets by 24% and US outperformed developed market ex US by 14%. Among major markets, China was the worst performer with -22% loss, bringing MSCI EM down to -3%. Within U.S., large cap and growth slightly outperformed. Bloomberg US treasury delivered -2% loss as U.S. 10-year treasury yield rose from 91bps to 151bps. Global high yield bonds beat global investment corporate bonds and global treasury bonds by 4% and 8% respectively. Commodity prices represented by S&P GSCI total return index increased by 40% and Nymex crude oil rose from 48.5 to 75.2 USD/Barrel.

* Unless otherwise stated, data sources are Bloomberg, FactSet, and Principal Global Asset Allocation. Data as of December 31, 2021.

Important Fund Information

The following information applies to all funds shown in the annual report:

The line graphs on the following pages illustrate the growth of a hypothetical $10,000 investment. For each fund, the illustration is based on performance of Class 3 shares for Blue Chip Account, Class 2 shares for Diversified Balanced Account, Diversified Balanced Managed Volatility Account, Diversified Balanced Volatility Control Account, Diversified Growth Account, Diversified Growth Managed Volatility Account, Diversified Growth Volatility Control Account, and Diversified Income Account, and Class 1 shares for all other funds. The performance of other share classes will differ.

Investment results shown represent historical performance and do not guarantee future results. Your investment's returns and principal values will fluctuate with changes in interest rates and other market conditions so the value, when redeemed, may be worth more or less than original costs. Performance shown does not account for fees, expenses, and charges of any variable insurance contract or retirement plan. If these fees were reflected, performance would be lower. Current performance may be lower or higher than the performance shown. For more information, including the most recent month-end performance, call your financial professional, or call 800-222-5852.

* Performance assumes reinvestment of all dividends and capital gains. Extended performance is calculated based on the historical performance of the fund's oldest share class, adjusted for the fees and expenses of the share class shown. Performance does not reflect the impact of federal, state, or municipal taxes. If it did, performance would be lower.

** Performance shown for the benchmark assumes reinvestment of all dividends and distributions. Indices are unmanaged, and individuals cannot invest directly in an index.

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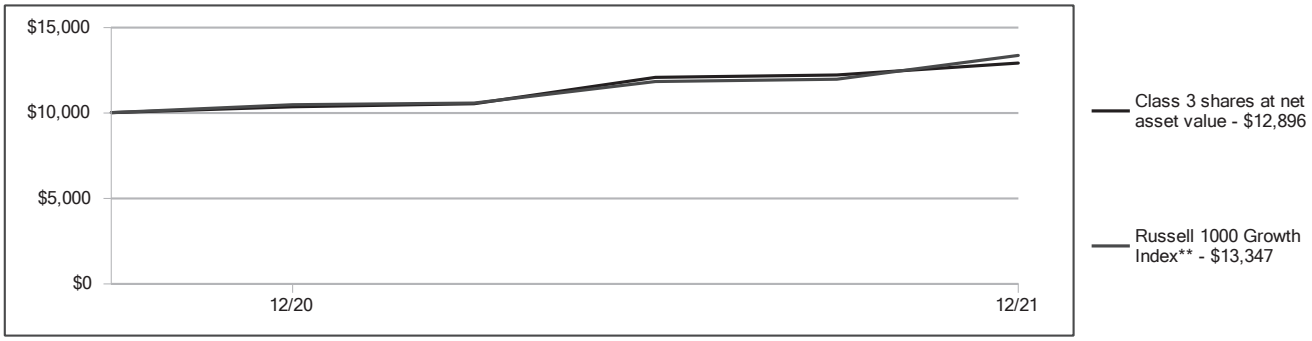
Blue Chip Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 9, 2020 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	Since Inception	Inception Date
Class 3 Shares	24.72%	27.11%	12/9/20

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with large market capitalizations at the time of purchase that, in the opinion of Principal Global Investors, LLC ("PGI," the fund's investment advisor), display characteristics of a "blue chip" company. For this fund, companies with large market capitalizations are those with market capitalizations similar to companies in the Russell 1000® Growth Index.

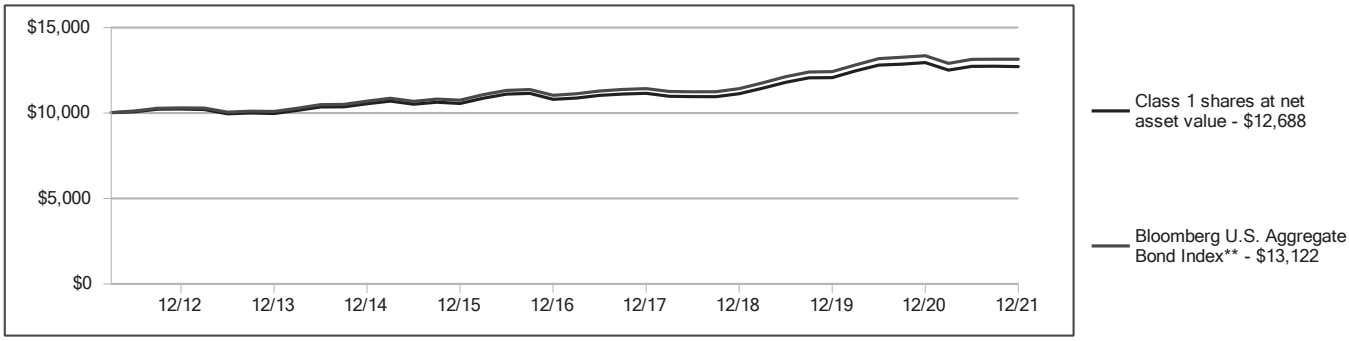
Over its fiscal year, Blue Chip's relative performance benefitted from positive sector allocation from its underweight position in both Consumer Staples and Consumer Discretionary. The largest contributor to the fund's performance was Microsoft. CEO Satya Nadella has positioned Microsoft for the future, with key investments in its fast-growing commercial cloud business and the transition of its Office suite to a subscription service delivered over the Internet. The next largest contributor was Alphabet, the parent company of services like Google & YouTube. Alphabet's core businesses have tremendous advantages and will continue to benefit as advertising budgets move from traditional media to where people increasingly spend their time. Another contributor was Intuit, the software company that makes QuickBooks and TurboTax.

The largest detractor for the year was Twilio. Twilio provides businesses a software platform that enables voice, messaging and videos to be embedded into any application. Examples include automated text messages for gate changes at the airport and two-factor authentication for mobile banking. The next largest detractor for the year was PayPal. PayPal's technology investments, such as its one-touch innovation, have improved the user experience and led to better conversion rates for merchants. As people around the world gravitate to e-commerce and easier payment solutions, PayPal stands to benefit. The third detractor for the year was CoStar Group. CoStar Group has for more than 30 years been building the best data set in the world on commercial real estate. Sometimes called the "Bloomberg for commercial real estate," their CoStar Suite has become an essential subscription for many of the property owners, management companies, investors, banks, and brokers that make up this industry.

Bond Market Index Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* May 15, 2012 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	Since Inception	Inception Date
Class 1 Shares	-1.83%	3.32%	2.50%	5/15/12

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide current income. Under normal circumstances, the fund uses a passive investment approach known as "sampling" to invest at least 80% of its net assets, plus any borrowings for investment purposes, in investments designed to track the Bloomberg U.S. Aggregate Bond Index (the "index") at the time of purchase. The index is composed of investment grade, fixed rate debt issues with maturities of one year or more, including government securities, corporate securities, and asset-backed and mortgage-backed securities (securitized products).

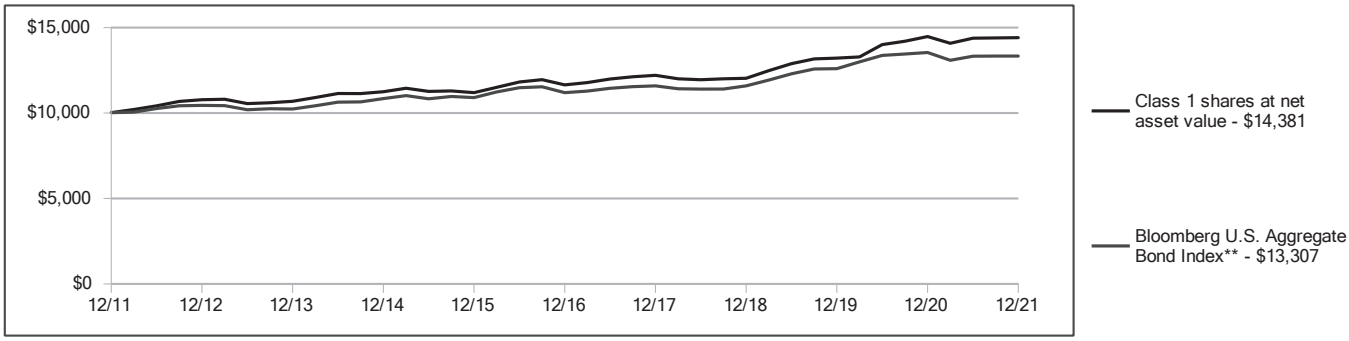
During the past year the top contributing factors included shorter duration position relative to the benchmark as interest rates increased, slightly higher allocation compared to benchmark weight to investment grade corporate bonds and an allocation to cash used to manage portfolio cash flows.

During the past year the top detracting factors included security selection within mortgage-backed securities, U.S. Treasury securities and investment grade corporate bonds.

Core Plus Bond Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	-0.45%	4.35%	3.70%	12/18/87

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide current income and, as a secondary objective, capital appreciation. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in bonds or other debt securities at the time of purchase. Such investments include securities issued or guaranteed by the U.S. government or its agencies or instrumentalities (including collateralized mortgage obligations); asset-backed securities or mortgage-backed securities (securitized products); corporate bonds; and foreign securities, including emerging market securities.

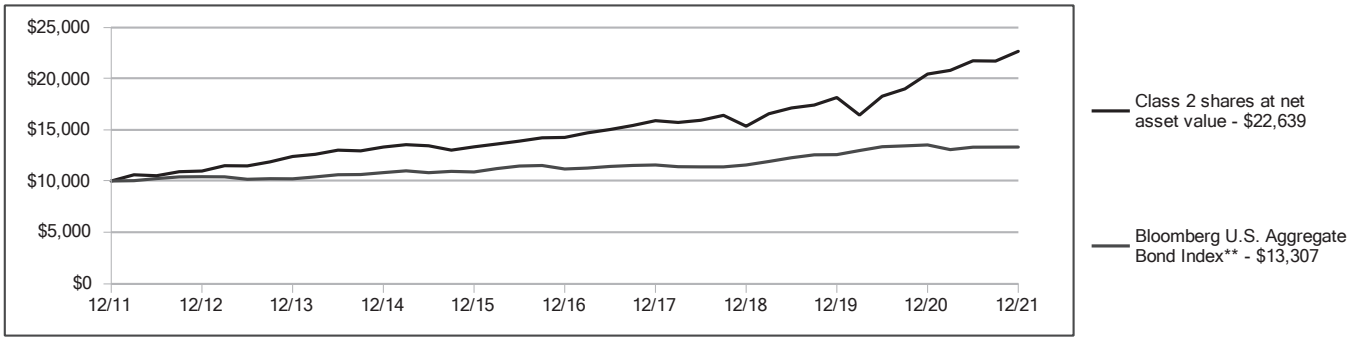
During the past year the top contributing factors included out-of-index allocation to below investment grade corporate bonds, curve positioning, and security selection within below investment grade corporate bonds.

During the past year the top detracting factors included security selection within investment grade corporate bonds, underweight allocation to government related debt, and security selection within U.S. Treasury securities.

Diversified Balanced Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date	Extended Performance Inception Date***
Class 1 Shares	11.06%	9.94%	8.63%	5/1/17	12/30/09
Class 2 Shares	10.83%	9.70%	8.51%	12/30/09	–
Class 3 Shares	10.65%	9.54%	8.35%	12/9/20	12/30/09

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide as high a level of total return (consisting of reinvested income and capital appreciation) as is consistent with reasonable risk. The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds, and other fund complexes (collectively, the "underlying funds"). It generally allocates approximately 50% of its assets to equity index underlying funds to gain broad market capitalization exposure to both U.S. and non-U.S. investments and approximately 50% to fixed-income index underlying funds for intermediate duration fixed-income exposure.

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

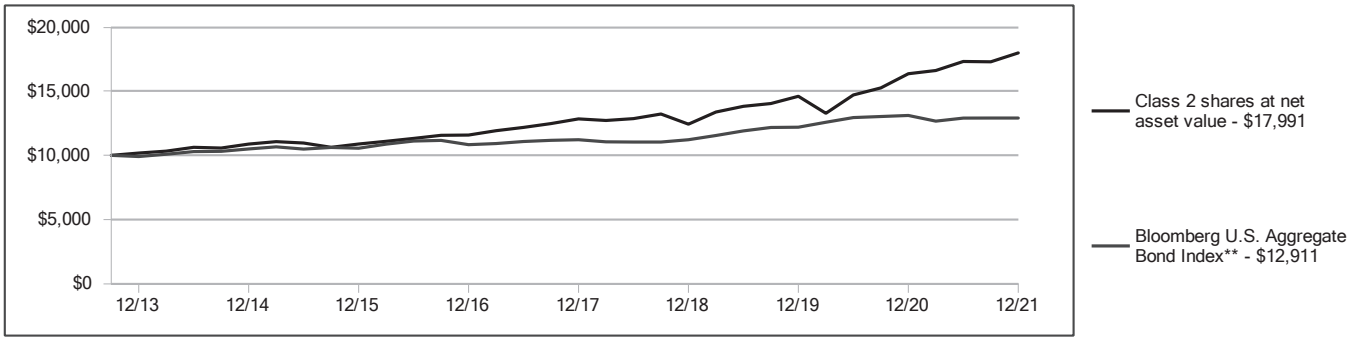
**The Fund uses a blended benchmark, Diversified Balanced Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Balanced Custom Index is composed of 50% Bloomberg U.S. Aggregate Bond Index, 35% S&P 500 Index, 7% MSCI EAFE Index NTR, 4% S&P MidCap 400 Index, and 4% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified Balanced Managed Volatility Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* October 31, 2013 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	Since Inception	Inception Date	Extended Performance Inception Date***
Class 2 Shares	9.94%	9.21%	7.46%	10/31/13	–
Class 3 Shares	9.81%	9.05%	7.29%	12/9/20	10/31/13

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide as high a level of total return as is consistent with reasonable risk, with an emphasis on managing volatility. The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds and other fund complexes (collectively, the "underlying funds"). It generally allocates approximately 50% of its assets to equity index underlying funds to gain broad market capitalization exposure to both U.S. and non-U.S. investments and approximately 50% to fixed-income index underlying funds for intermediate duration fixed-income exposure.

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

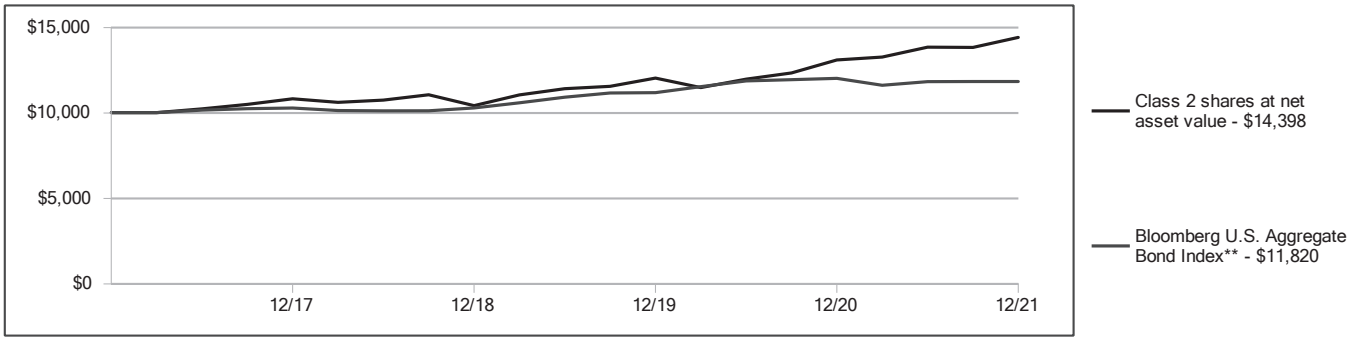
**The Fund uses a blended benchmark, Diversified Balanced Managed Volatility Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Balanced Managed Volatility Custom Index is composed of 50% Bloomberg U.S. Aggregate Bond Index, 35% S&P 500 Index, 7% MSCI EAFE Index NTR, 4% S&P MidCap 400 Index, and 4% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified Balanced Volatility Control Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* March 30, 2017 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	Since Inception	Inception Date	Extended Performance Inception Date***
Class 2 Shares	10.08%	7.96%	3/30/17	–
Class 3 Shares	9.94%	7.82%	12/9/20	3/30/17

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide as high a level of total return (consisting of reinvested income and capital appreciation) as is consistent with reasonable risk, while seeking to control volatility. The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds and other fund complexes (collectively, the "underlying funds"). The fund also invests in cash and cash equivalents (as investments and/or to serve as margin or collateral for derivatives positions) and derivative instruments (primarily exchange-traded futures).

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

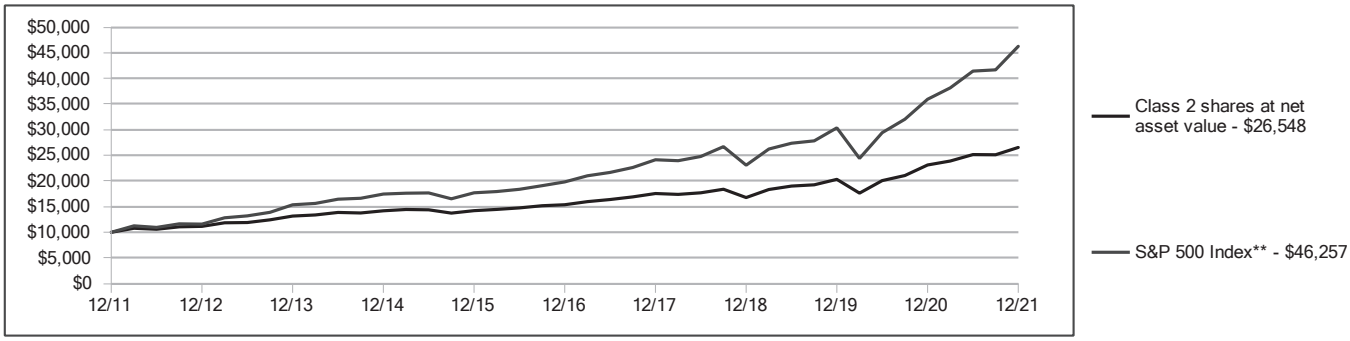
**The Fund uses a blended benchmark, Diversified Balanced Volatility Control Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Balanced Volatility Control Custom Index is composed of 50% Bloomberg U.S. Aggregate Bond Index, 35% S&P 500 Index, 7% MSCI EAFE Index NTR, 4% S&P MidCap 400 Index, and 4% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified Growth Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date	Extended Performance Inception Date***
Class 2 Shares	14.79%	11.53%	10.26%	12/30/09	–
Class 3 Shares	14.63%	11.37%	10.09%	12/9/20	12/30/09

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide long-term capital appreciation. The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds, and other fund complexes (collectively, the "underlying funds"). It generally allocates approximately 65% of its assets to equity index underlying funds to gain broad market capitalization exposure to both U.S. and non-U.S. investments and approximately 35% to fixed-income index underlying funds for intermediate duration fixed-income exposure.

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

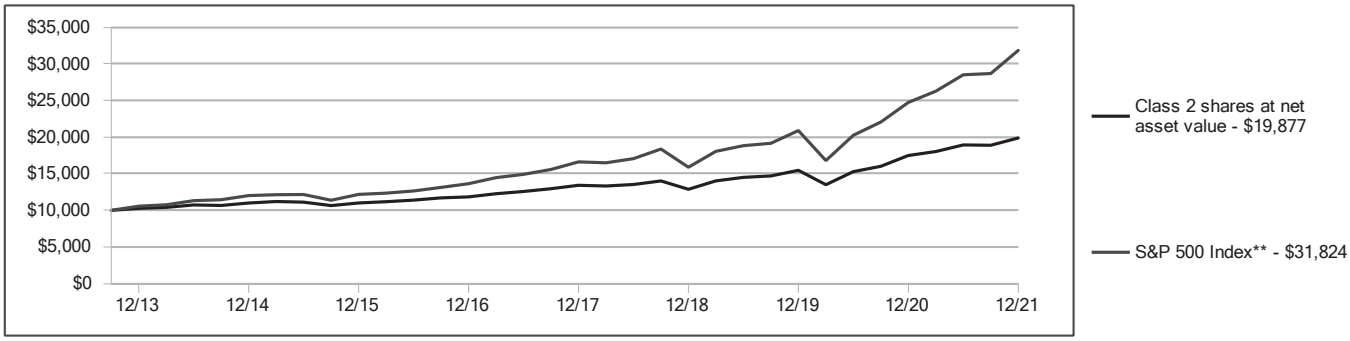
**The Fund uses a blended benchmark, Diversified Growth Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Growth Custom Index is composed of 45% S&P 500 Index, 35% Bloomberg U.S. Aggregate Bond Index, 10% MSCI EAFE Index NTR, 5% S&P MidCap 400 Index, and 5% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified Growth Managed Volatility Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* October 31, 2013 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	Since Inception	Inception Date	Extended Performance Inception Date***
Class 2 Shares	13.70%	10.93%	8.78%	10/31/13	–
Class 3 Shares	13.44%	10.74%	8.59%	12/9/20	10/31/13

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide long-term capital appreciation, with an emphasis on managing volatility. The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds and other fund complexes (collectively, the "underlying funds"). It generally allocates approximately 65% of its assets to equity index underlying funds to gain broad market capitalization exposure to both U.S. and non-U.S. investments and approximately 35% to fixed-income index underlying funds for intermediate duration fixed-income exposure.

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

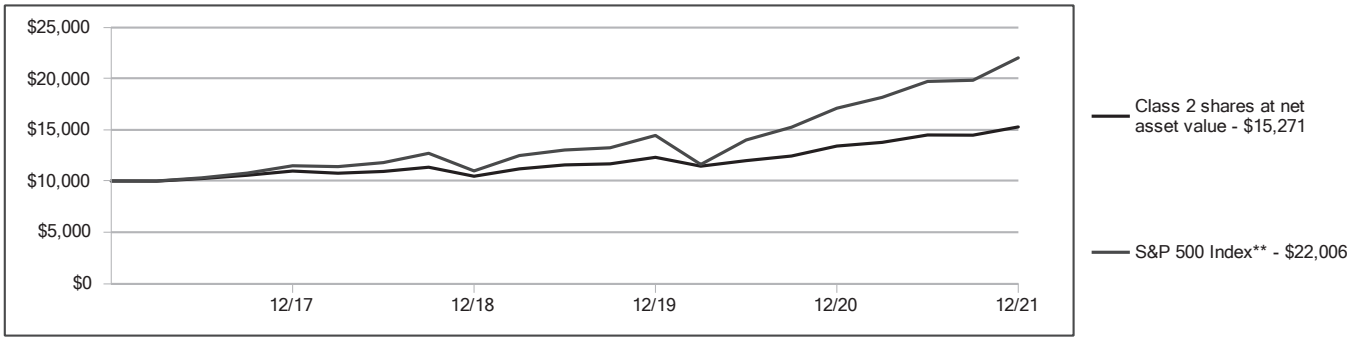
**The Fund uses a blended benchmark, Diversified Growth Managed Volatility Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Growth Managed Volatility Custom Index is composed of 45% S&P 500 Index, 35% Bloomberg U.S. Aggregate Bond Index, 10% MSCI EAFE Index NTR, 5% S&P MidCap 400 Index, and 5% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified Growth Volatility Control Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* March 30, 2017 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	Since Inception	Inception Date	Extended Performance Inception Date***
Class 2 Shares	13.89%	9.31%	3/30/17	–
Class 3 Shares	13.74%	9.17%	12/9/20	3/30/17

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide long-term capital appreciation, while seeking to control volatility. The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds and other fund complexes (collectively, the "underlying funds"). It also invests in cash and cash equivalents (as investments and/or to serve as margin or collateral for derivatives positions) and derivative instruments (primarily exchange-traded futures).

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

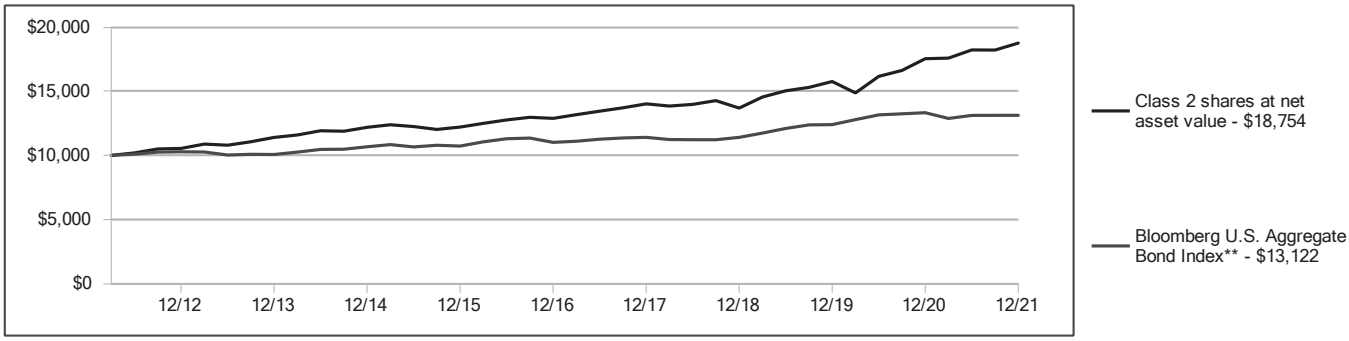
**The Fund uses a blended benchmark, Diversified Growth Volatility Control Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Growth Volatility Control Custom Index is composed of 45% S&P 500 Index, 35% Bloomberg U.S. Aggregate Bond Index, 10% MSCI EAFE Index NTR, 5% S&P MidCap 400 Index, and 5% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified Income Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* May 15, 2012 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	Since Inception	Inception Date	Extended Performance Inception Date***
Class 2 Shares	6.96%	7.80%	6.75%	5/15/12	–
Class 3 Shares	6.78%	7.63%	6.58%	12/9/20	5/15/12

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide a high level of total return (consisting of reinvestment of income with some capital appreciation). The fund operates as a fund of funds and invests in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, Principal Exchange-Traded Funds, and other fund complexes (collectively, the "underlying funds"). It generally allocates approximately 35% of its assets to equity index underlying funds to gain broad market capitalization exposure to both U.S. and non-U.S. investments and approximately 65% to fixed-income index underlying funds for intermediate duration fixed-income exposure.

U.S. large-cap equity was the best performing underlying holding driven by strong earnings growth. U.S. small-caps lagged large-caps but still outperformed U.S. mid-cap equities. Abroad, non-U.S. developed equities lagged U.S. equities but still outperformed fixed income by a broad margin for the year.

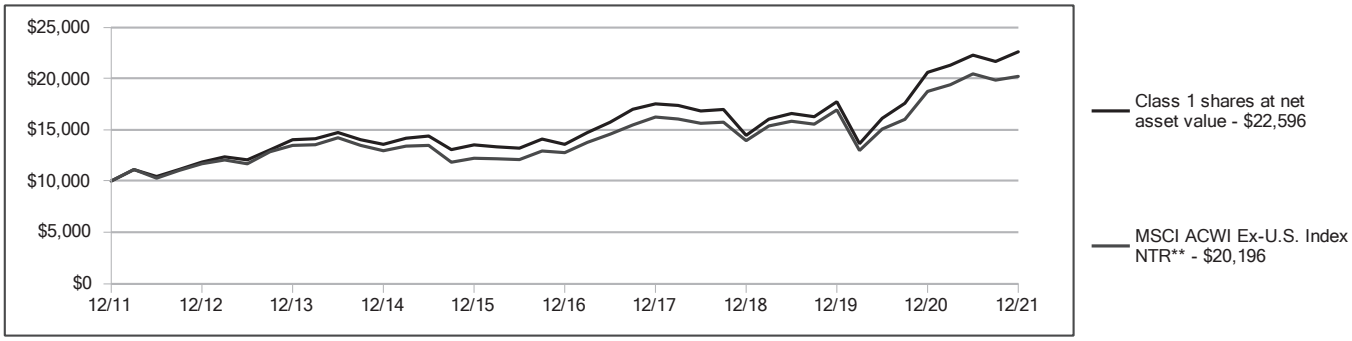
**The Fund uses a blended benchmark, Diversified Income Custom Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. Diversified Income Custom Index is composed of 65% Bloomberg U.S. Aggregate Bond Index, 25% S&P 500 Index, 4% MSCI EAFE Index NTR, 3% S&P MidCap 400 Index, and 3% S&P SmallCap 600 Index.

***Extended performance is calculated based on the historical performance of the Fund's Class 2 share class, adjusted for the fees and expenses of the share class shown.

Diversified International Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of **December 31, 2021**

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	9.75%	10.73%	8.49%	5/2/94

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. The fund invests primarily in foreign equity securities. It has no limitation on the percentage of assets that are invested in any one country or denominated in any one currency, but the fund typically invests in foreign securities of at least 20 countries. Primary consideration is given to securities of issuers of developed areas (for example, Japan, Western Europe, Canada, Australia, Hong Kong, and Singapore); however, the fund also invests in emerging market securities. The fund invests in equity securities regardless of market capitalization size and style (growth or value).

Strong stock selection was witnessed in health care and consumer discretionary from a sector perspective, as well as in emerging markets.

Top performers included ASM International, Bank Leumi Le-Israel, and TCS Group. ASM International, which develops, manufactures, markets, and services machines used to produce semiconductors, continues to benefit from adoption of its ALD equipment technology across end markets, driven by lower node migration in Foundry / Logic and increasing served available market opportunity in memory. Bank Leumi Le-Israel, a leading bank in Israel offering retail, commercial, and corporate banking services, saw benefit from improving loan growth led by digitalization of its banking services. TCS Group, one of the largest online banks globally, is diversifying into secured lending, via Home Equity product, which is opening a new growth angle in a structurally attractive segment, driving its return on equity higher.

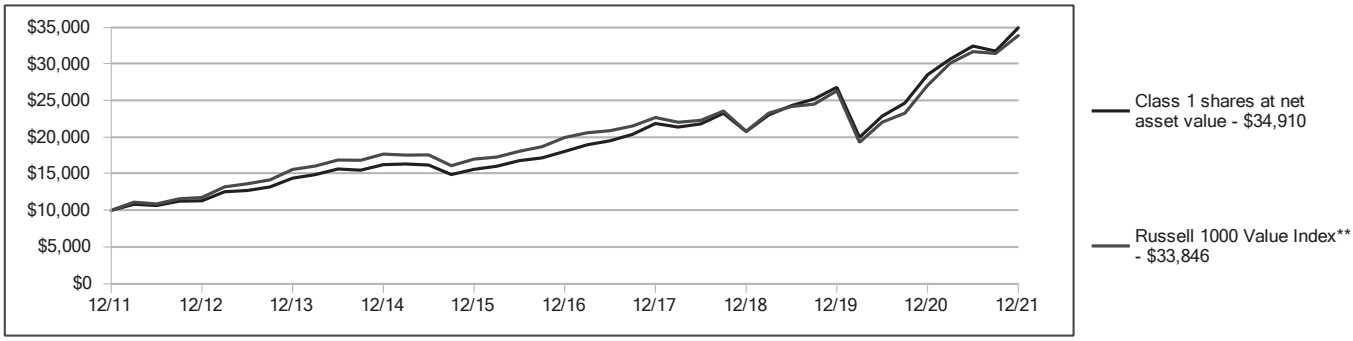
On the other hand, negative attribution was seen in the communication services and energy sectors, as well as in Finland.

Shimao Services, A-Living Smart City Services, and Magazine Luiza led underperformance during the year. Shimao Services, a leading property management company under Shimao Group in China, and A-Living Smart City Services, a top ten property management company in China, both experienced weakness stemming from default concerns from their peers that possess elevated debt levels. Magazine Luiza, one of the largest retail chains in Brazil, experienced questions surrounding its equity offering, as well as its margins and cash flow uncertainty. The portfolio has since exited its position in all three companies.

Equity Income Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date	Extended Performance Inception Date***
Class 1 Shares	22.47%	14.11%	13.32%	4/28/98	–
Class 2 Shares	22.15%	13.83%	13.03%	5/1/01	–
Class 3 Shares	21.97%	13.67%	12.88%	12/9/20	4/28/98

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide current income and long-term growth of income and capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in dividend-paying equity securities at the time of purchase. It usually invests in equity securities of companies with large and medium market capitalizations. The fund invests in value equity securities, an investment strategy that emphasizes buying equity securities that appear to be undervalued.

KKR & Co. Inc. (KKR), a leading alternatives manager, reported record AUM of $459 billion as of September 30th, 2021, up 96% year-over-year. Not owning Walt Disney Company (DIS) contributed to relative performance. EOG Resources Incorporated (EOG), a premier exploration and production company, moved higher with the energy sector and continues to generate healthy free cash flows. EOG raised its quarterly dividend 82% in November and announced a $2.00 per share special dividend.

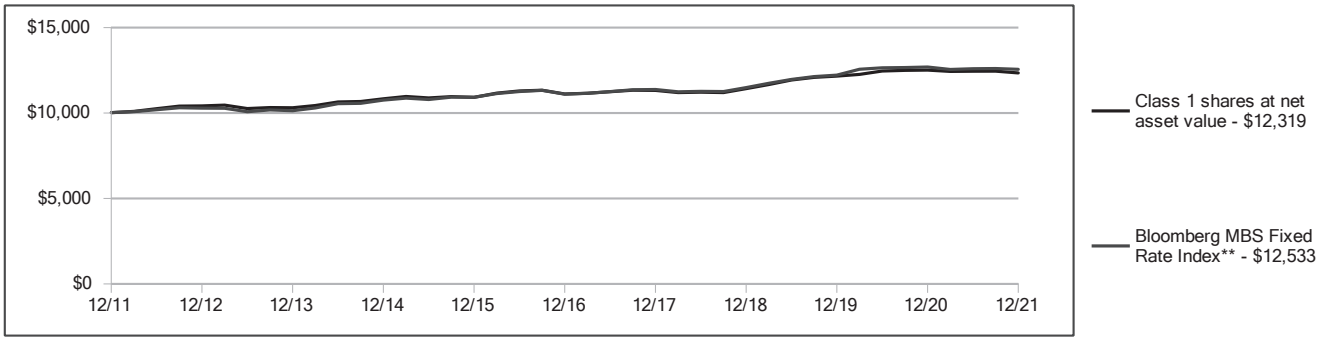
Cable One, Inc. (CABO) lagged as investors feared that new customer additions would decline year over year after accelerating during COVID. Novartis AG (NVS) detracted from relative results as revenues and operating incomes failed to meet investor expectations, particularly in its generic drug segment, as the pandemic led patients to delay doctor visits and procedures. Activision Blizzard, Inc. (ATVI) unperformed as the company has faced legal issues related to their workplace culture and pay.

***Extended performance is calculated based on the historical performance of the Fund's Class 1 share class, adjusted for the fees and expenses of the share class shown.

Government & High Quality Bond Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	-1.32%	2.13%	2.11%	5/6/93

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide a high level of current income consistent with safety and liquidity. The fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in debt securities issued by the U.S. government, its agencies or instrumentalities or debt securities that are rated, at the time of purchase, AAA by S&P Global or Aaa by Moody's, or, if unrated, in the opinion of those selecting such investments, are of comparable quality. It maintains an average portfolio duration that is within from 50% to 150% of the duration of the Bloomberg MBS Fixed Rate Index .

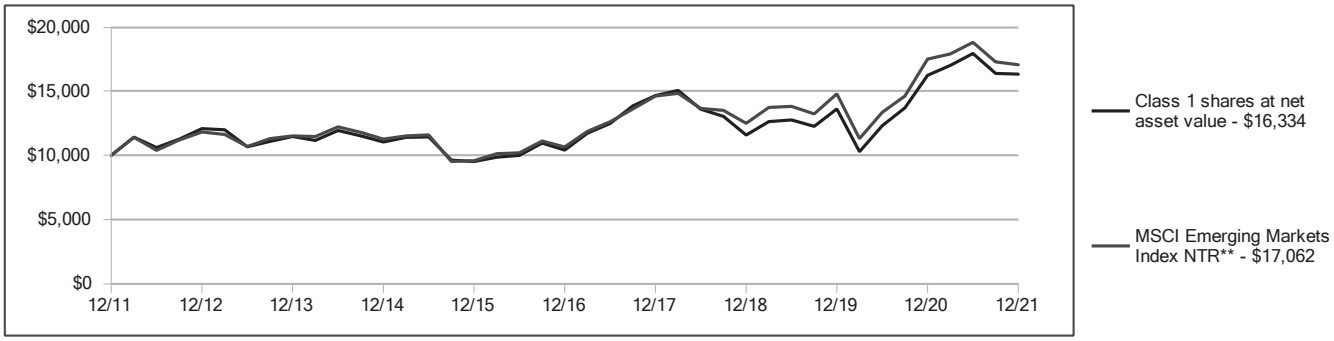
During 2021 the Federal Reserve (Fed) continued its quantitative easing purchase programs, yet announced a taper of these purchase programs at the November 2021 meeting. From December 2020 to December 2021 the rate on the US 10 year note moved from 0.92% to 1.51%. During this period the fund was positioned with a shorter duration than the index which was the largest contributor to performance. Out-of-index allocation to the US Treasury sector contributed to performance as securities held in this sector outperformed the index. Further, out-of-index allocation to auto asset backed securities (Auto ABS) also outperformed the benchmark contributing to fund performance.

Out-of-index allocation agency collateralized mortgage obligations (CMO) was the largest detractor to performance. Security selection was also a detractor to performance for the period as specified pool pay-ups were under pressure and these pay-ups are not reflected in index cohorts. Underweight allocations to the conventional 20 year sector also detracted.

International Emerging Markets Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	0.58%	9.42%	5.03%	10/24/00

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. The fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of emerging market companies at the time of purchase. The adviser considers a security to be tied economically to an emerging market (an "emerging market security") if the issuer of the security has its principal place of business or principal office in an emerging market, has its principal securities trading market in an emerging market, or derives a majority of its revenue from emerging markets.

Our global emerging markets strategy outperformed the index over the last twelve months.

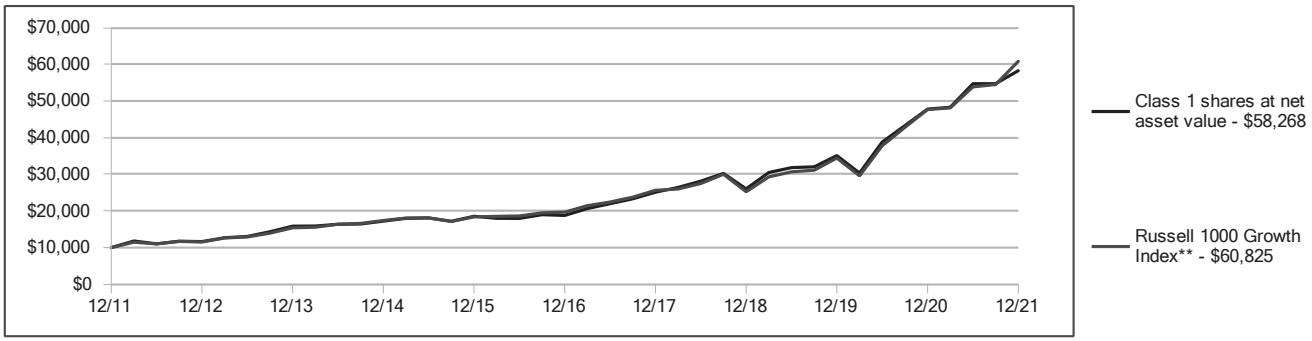
China and the Asia ex-China were the best performing regions over the last twelve months. Gains in China were driven by positive stock selection in the consumer discretionary, communication services, and information technology sectors while South Korea and Taiwan highlighted outperformance in Asia ex-China region. Positive stock selection in the health care sector drove gains in South Korea and the technology sector accounted for the outperformance in Taiwan where we benefitted from our overweight position and positive stock selection. From a sector standpoint, information technology, consumer staples, and health care were the top performers where stock selection drove gains. The top contributors during the period were overweight positions to TCS Group, up 157.9%, Osstem Implant, up 155.7%, MediaTek, up 67.5%, eMemory Technology, up 104.0% and no exposure to Pinduoduo, down 67.2%.

The EMEA region was the worst performer over the last twelve months where we were hurt by our underweight to the energy producing nations, namely Saudi Arabia. We were also hurt by negative stock selection in Brazil where the consumer discretionary sector accounted for most of the underperformance. Energy and communication services were the worst performing sectors during the period. In energy, we were hurt by our underweight position to the sector and communication services was driven by negative stock selection. Notable detractors during the period were overweight positions to Magazine Luiza, down 73.0%, A-Living, down 61.0%, SK Hynix, down 19.6%, and no exposure to Al Rajhi Bank, up 96.8%, and Gazprom, up 65.1%.

LargeCap Growth Account I

Investment Advisor: Principal Global Investors, LLC
Sub-Advisors: Brown Advisory, LLC, and T. Rowe Price Associates, Inc.

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	21.89%	25.41%	19.27%	6/1/94

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with large market capitalizations at the time of purchase. For this fund, companies with large market capitalizations are those with market capitalizations within the range of companies comprising the Russell 1000® Growth Index. The fund is non-diversified.

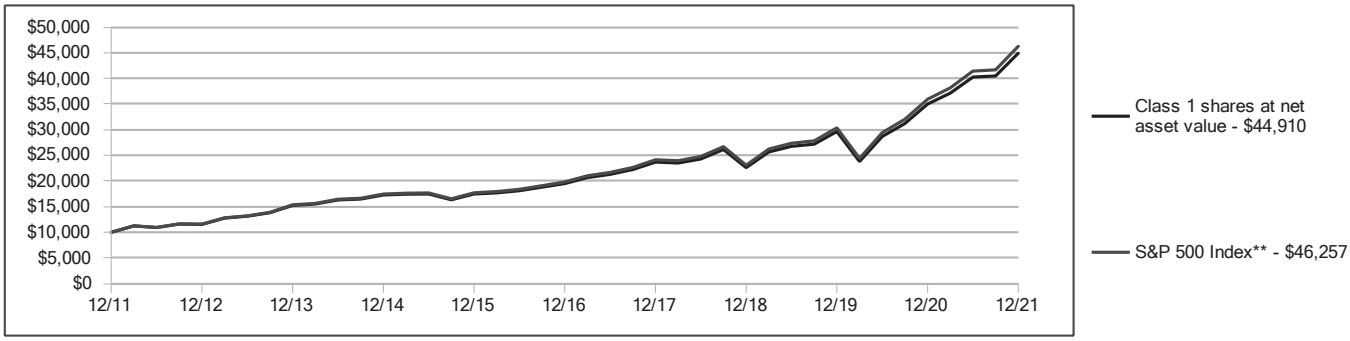
The health care sector was the top contributor driven by strong stock selection. An overweight to the communication services sector and an underweight to the consumer discretionary sector was beneficial. Stock selection was also a positive contributor in the materials and consumer staples sectors.

Poor stock selection was the major driver of underperformance, most notably in the information technology sector. The communication services and consumer discretionary sectors also had poor stock selection. An underweight to information technology names was a headwind.

LargeCap S&P 500 Index Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date	Extended Performance Inception Date***
Class 1 Shares	28.33%	18.16%	16.21%	5/3/99	–
Class 2 Shares	28.05%	17.85%	15.92%	5/1/15	5/3/99

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies that compose the S&P 500 Index at the time of purchase. The index is designed to represent U.S. equities with risk/return characteristics of the large cap universe.

During the 12 month period ending in December 2021, the fund was in line with the S&P 500 Index. It uses an indexing strategy and does not attempt to manage market volatility, use defensive strategies or reduce the effect of any long-term periods of negative stock market performance. All eleven economic sectors in the index posted positive returns during the period with the energy and real estate sectors providing the best return. The utility and consumer staples sectors recorded the worst returns during the period. Fortinet, Ford Motor, and NVIDIA contributed to fund performance for the 12 month period ending December.

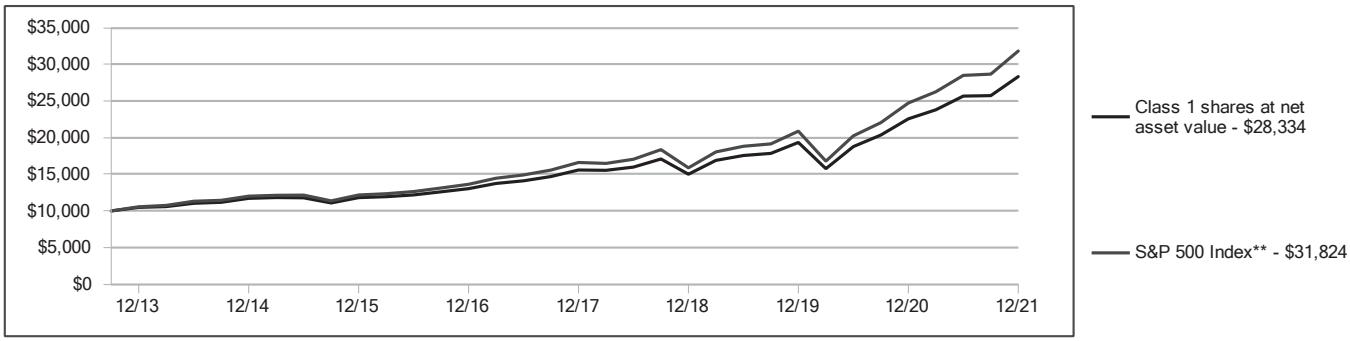
Penn National Gaming, Global Payments, and Activision Blizzard detracted from fund performance for the 12 month period ending in December.

***Extended performance is calculated based on the historical performance of the Fund's Class 1 share class, adjusted for the fees and expenses of the share class shown.

LargeCap S&P 500 Managed Volatility Index Account

Investment Advisor: Principal Global Investors, LLC
Sub-Advisor: Spectrum Asset Management, Inc.

Value of a $10,000 Investment* October 31, 2013 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	Since Inception	Inception Date
Class 1 Shares	25.55%	16.80%	13.60%	10/31/13

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital, with an emphasis on managing volatility. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies that compose the S&P 500 Index at the time of each purchase. The index is designed to represent U.S. equities with risk/return characteristics of the large cap universe, which include growth and value stocks.

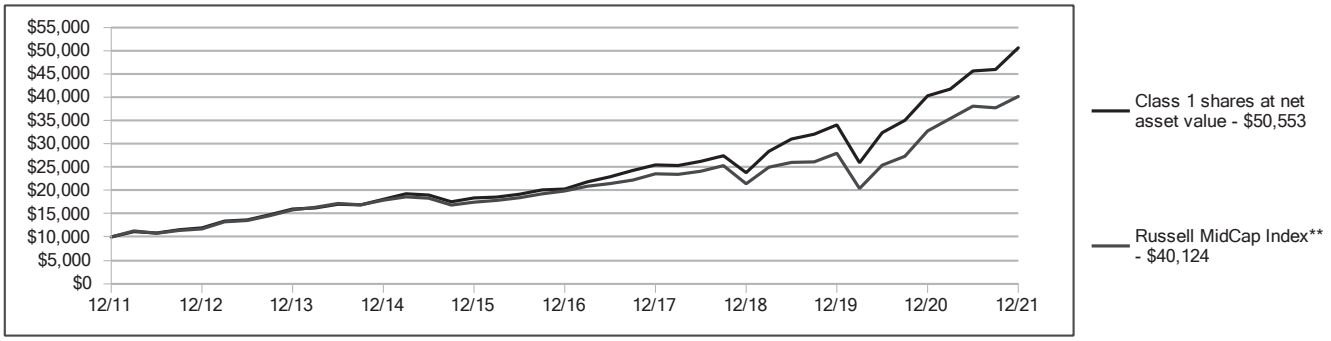
During the 12 month period ending in December 2021, the fund was in line with the S&P 500 Index. It uses an indexing strategy and does not attempt to manage market volatility, use defensive strategies or reduce the effect of any long-term periods of negative stock market performance. All eleven economic sectors in the index posted positive returns during the period with the energy and real estate sectors providing the best return. The utility and consumer staples sectors recorded the worst returns during the period. Fortinet, Ford Motor, and NVIDIA contributed to fund performance for the 12 month period ending December.

Penn National Gaming, Global Payments, and Activision Blizzard detracted from fund performance for the 12 month period ending in December.

MidCap Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	25.53%	20.05%	17.59%	12/18/87
Class 2 Shares	25.20%	19.74%	17.30%	9/9/09

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with medium market capitalizations at the time of purchase. For this fund, companies with medium market capitalizations are those with market capitalizations within the range of companies comprising the Russell Midcap® Index.

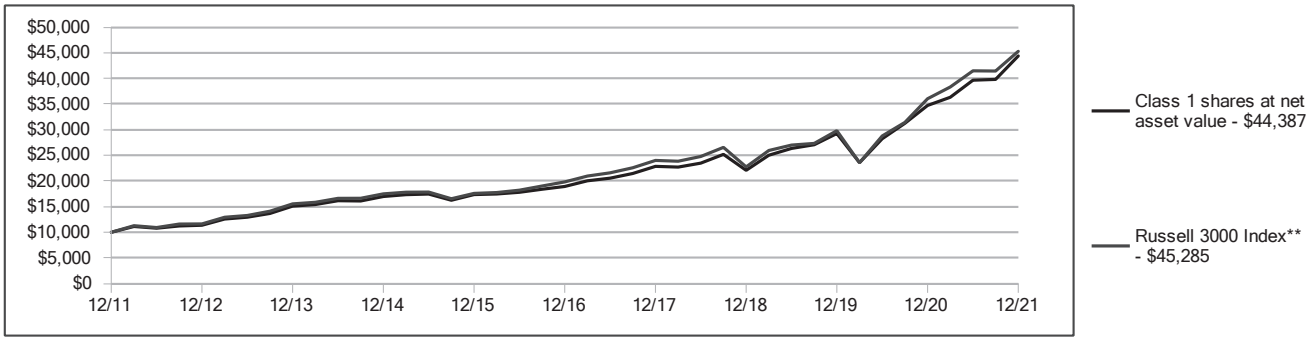
Over its fiscal year, MidCap's relative performance benefitted from sector allocation, mainly from its overweight position in Financials and underweight position in Health Care. In addition to the positive impact from sector allocation, company selection also benefited relative performance and was the larger of the two. The largest contributor to the MidCap's performance was Brookfield Asset Management, which is an owner and operator of real asset-based businesses globally and has grown as an asset manager for outside investors that pay a fee for Brookfield's services. The company's management team, led by CEO Bruce Flatt, owns more than 18% of the company. The next largest contributor was KKR & Co. KKR is a global asset management firm with leading capabilities in private equity, credit, and real assets. Their terrific investment track record has enabled them to continually raise larger funds, which are frequently oversubscribed. Another contributor for the year was O'Reilly Automotive; a leading auto parts aftermarket retailer, serving both consumers who repair their own vehicles and professional mechanics through their more than 5,000 stores in the United States.

Information Technology underperformed relative to the benchmark. The top detractor for the year was Wix.com. Wix.com is the largest provider of DIY website-building software, to create a professional-looking digital presence at an attractive price. The next largest detractor was CoStar Group, commercial real estate's leading provider of information, analytics, and online marketplaces. Sometimes called the "Bloomberg for commercial real estate," their CoStar Suite has become an essential subscription for many of the property owners, management companies, investors, banks, and brokers that make up this industry. Another detractor during the year was Guidewire Software, a leading software provider to property & casualty insurance companies. Their software solutions help with all aspects of their operations (claims, policy management, billing, etc).

Principal Capital Appreciation Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	27.82%	18.58%	16.07%	4/28/98
Class 2 Shares	27.50%	18.28%	15.78%	11/6/01

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide long-term growth of capital. The fund invests primarily in equity securities of companies with any market capitalization, but it has a greater exposure to large market capitalization companies than small or medium market capitalization companies. Those managing the fund's investments seek to invest in securities of businesses that they believe are trading at a discount to their private market value (i.e., the value of the business if it was sold), have a competitive advantage, and/or that have barriers to entry in their respective industries.

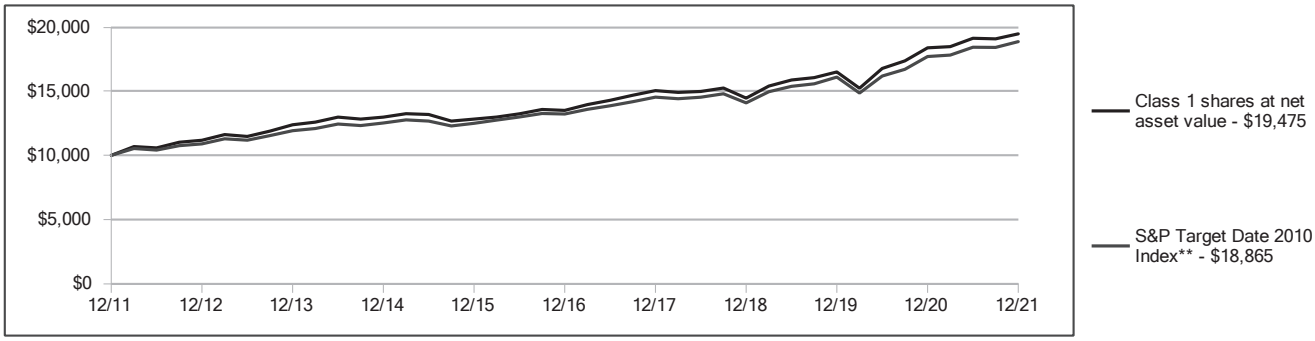
Costco Wholesale Corporation (COST) outperformed as the company saw strong membership trends over the past year. Extra Space Storage Inc. (EXR) saw strong customer demand on the year with same store occupancy hitting all-time highs along with rent per square foot hitting new highs as well. Tractor Supply Company (TSCO) contributed to relative results as TSCO continues to navigate supply chain issues well and has seen strong demand as sales growth increased 13.1% on top of 26.8% a year ago.

T-Mobile US, Inc. (TMUS) detracted from results as investors worried about increased competition between U.S. carriers. Not owning Tesla Inc (TSLA) detracted from relative results. Fair Isaac Corporation (FICO) underperformed as investors became increasingly concerned about the impact of slowing home mortgage refinancing in light of higher interest rates.

Principal LifeTime 2010 Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	5.94%	7.60%	6.89%	8/30/04

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in the fund's name. The fund's asset allocation will become more conservative over time as investment goals near (for example, retirement, which is assumed to begin at age 65) and investors become more risk-averse. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

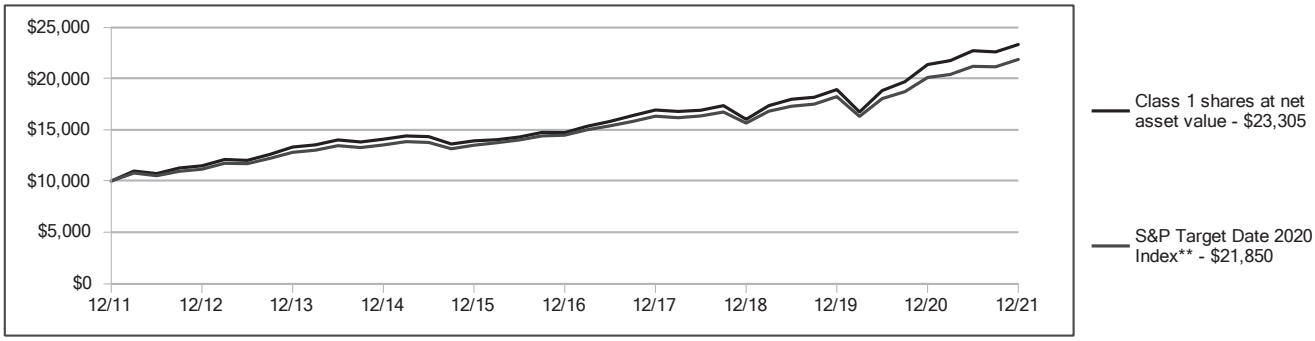
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Principal LifeTime 2020 Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	9.17%	9.63%	8.83%	8/30/04

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in the fund's name. The fund's asset allocation will become more conservative over time as investment goals near (for example, retirement, which is assumed to begin at age 65) and investors become more risk-averse. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

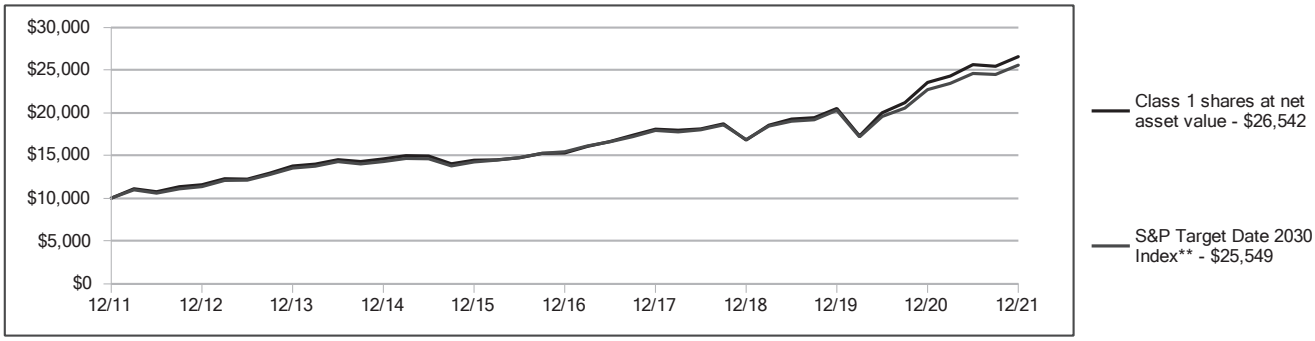
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Principal LifeTime 2030 Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	12.79%	11.68%	10.25%	8/30/04

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in the fund's name. The fund's asset allocation will become more conservative over time as investment goals near (for example, retirement, which is assumed to begin at age 65) and investors become more risk-averse. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

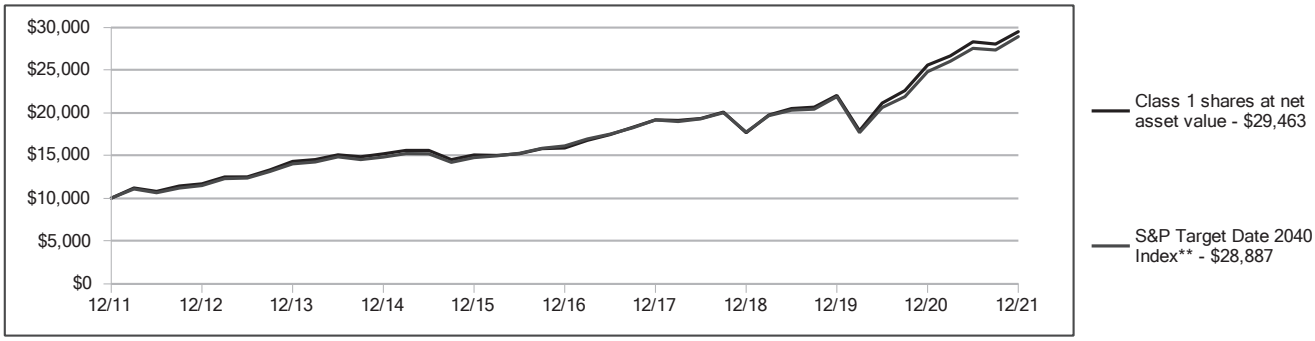
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Principal LifeTime 2040 Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	15.29%	13.18%	11.41%	8/30/04

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in the fund's name. The fund's asset allocation will become more conservative over time as investment goals near (for example, retirement, which is assumed to begin at age 65) and investors become more risk-averse. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

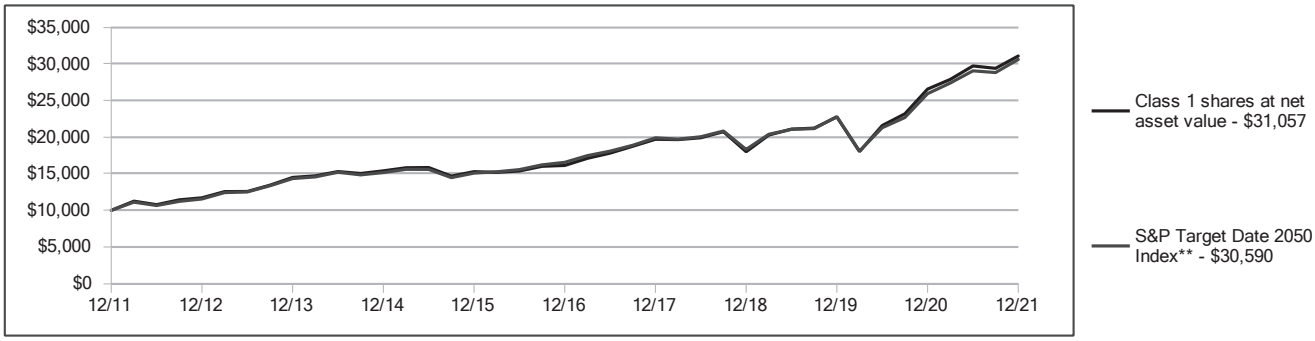
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Principal LifeTime 2050 Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	17.02%	14.00%	12.00%	8/30/04

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in the fund's name. The fund's asset allocation will become more conservative over time as investment goals near (for example, retirement, which is assumed to begin at age 65) and investors become more risk-averse. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

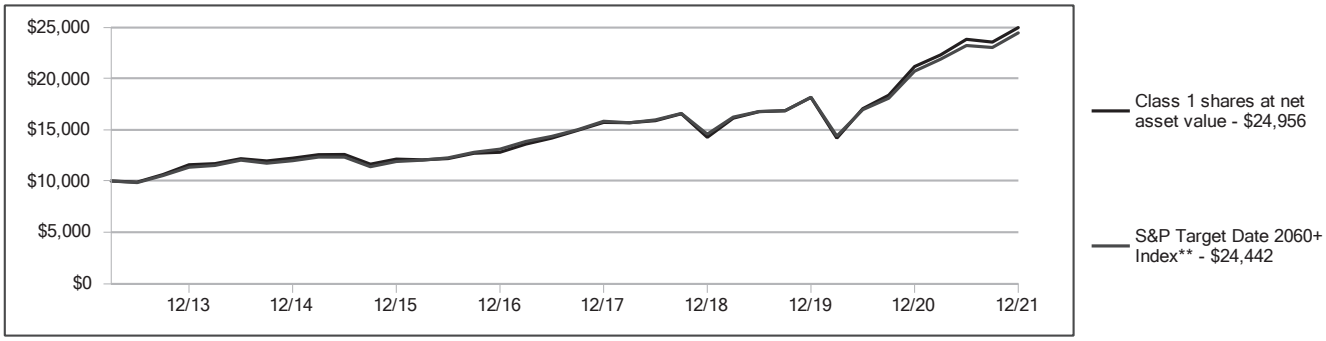
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Principal LifeTime 2060 Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* May 1, 2013 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	Since Inception	Inception Date
Class 1 Shares	17.96%	14.28%	11.13%	5/1/13

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in the fund's name. The fund's asset allocation will become more conservative over time as investment goals near (for example, retirement, which is assumed to begin at age 65) and investors become more risk-averse. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

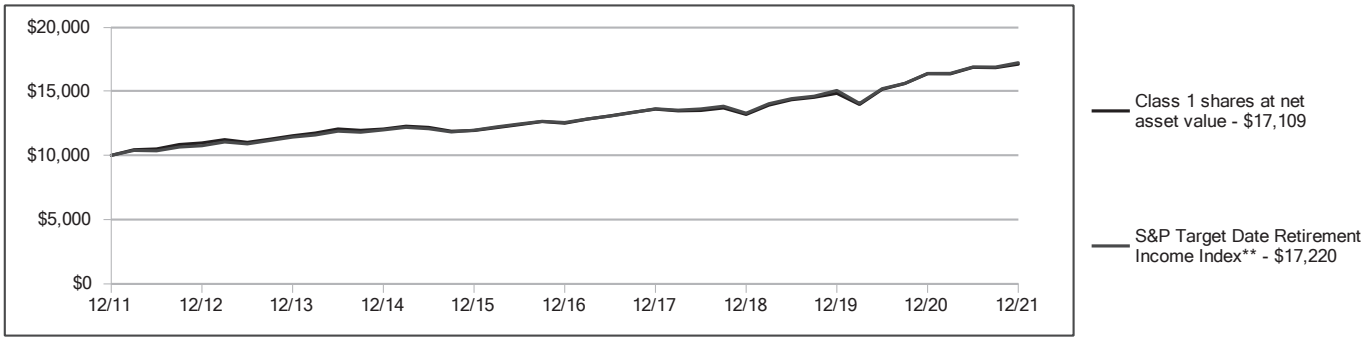
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Principal LifeTime Strategic Income Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	4.53%	6.47%	5.52%	8/30/04

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks current income, and as a secondary objective, capital appreciation. The fund invests according to an asset allocation strategy designed for investors primarily seeking current income and secondarily capital appreciation. The fund's asset allocation is designed for investors who are approximately 15 years beyond the normal retirement age of 65. The fund is a fund of funds and invests in underlying funds of Principal Funds, Inc. ("PFI") and of Principal Variable Contracts Funds, Inc. ("PVC").

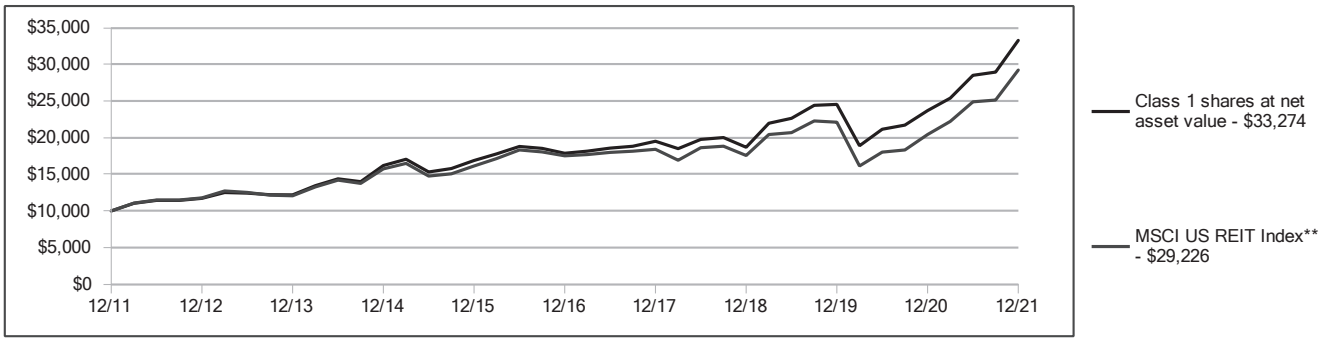
Asset class positioning was the largest contributor to performance for the year driven by an overweight to U.S. equity and underweights to fixed income and non-U.S. equity. An overweight to the real asset space contributed positively as the asset class was the best performer for the year. A slight overweight to U.S. smallcap equity and dedicated high yield also contributed to performance for the year. Active management within the non-U.S. equity asset class contributed for the year as the Diversified International, Overseas, and Origin Emerging Markets investment options outperformed their respective indices. Active management within the U.S. mid and small cap equity space contributed for the year as all strategies posted strong performance relative to their indices.

Active management within the U.S. largecap equity space detracted for the year as the LargeCap Growth I, Blue Chip, Equity Income, and LargeCap Value III investment options lagged their indices. Style selection detracted within the U.S. equity asset class as the Russell indices underperformed the S&P indices for the year. Style selection detracted within non-U.S. equity as the MSCI ACWI ex U.S. index underperformed the S&P developed index due to its exposure to emerging markets. In the near dated vintages, an underweight to treasury inflation-protected securities detracted as the asset class was the best performer within fixed income. The Inflation Protection investment option also lagged its index for the year. Manager performance of the Core Fixed Income investment option detracted for the year as it underperformed its index.

Real Estate Securities Account

Investment Advisor: Principal Global Investors, LLC
Sub-Advisor: Principal Real Estate Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	40.44%	13.24%	12.77%	5/1/98
Class 2 Shares	40.04%	12.95%	12.49%	1/8/07

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to generate a total return. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies principally engaged in the real estate industry at the time of purchase. A real estate company has at least 50% of its assets, income or profits derived from products or services related to the real estate industry. It is non-diversified.

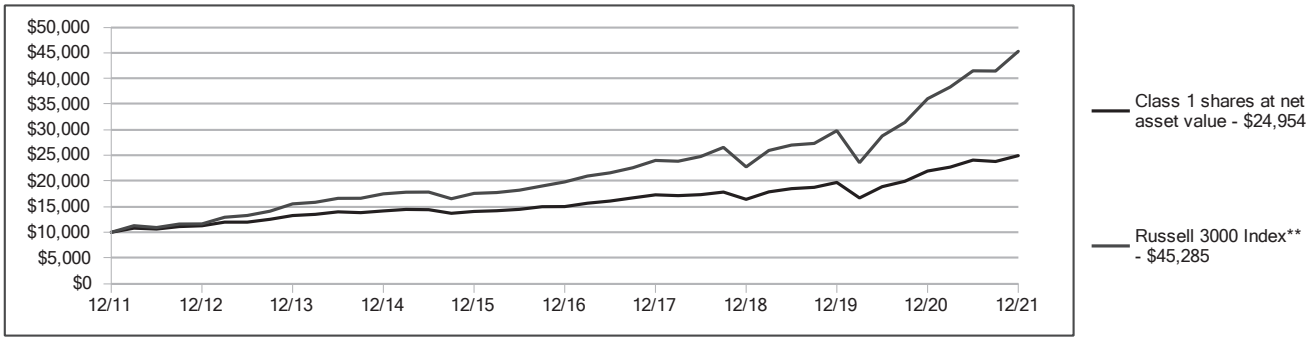
An overweight to single family rental stocks was a top contributor as the structural growth sector has outperformed due to solid industry fundamentals, such as robust operating performance, record high occupancy, and strong pricing power. An underweight to net lease was a contributor as these stocks were pressured by the risks of rising interest rates and higher inflation during the reporting period. An underweight to data centers also contributed as these stocks underperformed due to investors rotating away from defensive stocks towards cyclical stocks (particularly earlier in the reporting period), as well as supply chain concerns weighing on the sector's performance.

An underweight to both malls and shopping centers was a top detractor, particularly an underweight to mall REIT, Simon Property Group. Retailer investments performed better than expected during the year. The company's guidance was raised above original expectations, which was supportive of its outperformance. Within apartments, performance was strong as fundamentals continued improving through the year with occupancy and pricing power back to pre-COVID levels. However, our portfolio's overweight to coastal operators over Sunbelt markets was detractive as the surge in COVID cases in the second half of the year put pressure on coastal markets. An underweight to document storage company, Iron Mountain, was also detractive as the stock performed well from better than expected earnings results driven by outsized growth in the company's emerging data center business and stable volumes in its legacy document storage business.

SAM Balanced Portfolio

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	13.74%	10.69%	9.58%	6/3/97
Class 2 Shares	13.39%	10.40%	9.29%	11/6/01

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide as high a level of total return (consisting of reinvested income and capital appreciation) as is consistent with reasonable risk. The fund operates as funds of funds and invests principally in funds and exchange-traded funds ("ETFs") of Principal Funds, Inc., PVC, and Principal Exchange-Traded Funds ("underlying funds"). It generally invests between 40% and 80% of its assets in equity funds, and less than 30% in any one equity fund.

Relative to the benchmark, the fund's tactical allocation of overweight to equity, underweight to fixed income, and overweight to alternative & specialty securities was the largest positive contributor to performance for the period. The fund's allocation in U.S. large cap growth equities, which outperformed their value counterparts, aided performance for the period. The fund's allocation to global real estate securities positively contributed to performance for the period.

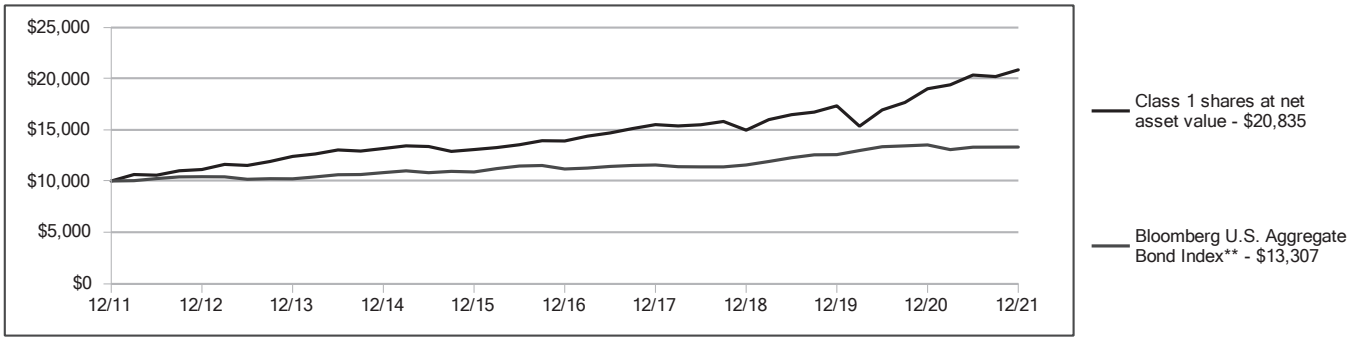
The fund's allocation to emerging market equities, which underperformed their U.S. counterparts, was the largest detractor to performance for the period. Security selection in U.S. large cap growth equities hindered performance for the period. Security selection in U.S. large cap value equities negatively contributed to performance for the period.

**The Fund uses a blended benchmark, SAM Balanced Blended Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. SAM Balanced Blended Index is composed of 45% Russell 3000® Index, 40% Bloomberg U.S. Aggregate Bond Index, and 15% MSCI EAFE Index NTR.

SAM Conservative Balanced Portfolio

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	9.71%	8.43%	7.62%	4/23/98
Class 2 Shares	9.48%	8.15%	7.35%	11/6/01

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide a high level of total return (consisting of reinvestment of income and capital appreciation), consistent with a moderate degree of principal risk. The fund operates as a fund of funds. It generally invests between 40% and 80% of its assets in fixed-income funds, and less than 40% in any one fixed-income fund. The fund generally invests between 20% and 60% of its assets in equity funds, and less than 30% in any one equity fund. It generally invests less than 20% of its assets in specialty funds, and less than 20% in any one specialty fund.

Relative to the benchmark, the fund's tactical allocation of a slight overweight to equity, underweight to fixed income, and overweight to alternative & specialty securities was the largest positive contributor to performance for the period. The fund's allocation to global real estate securities aided performance for the period. The fund's allocation in U.S. large cap growth equities, which outperformed their value counterparts, positively contributed to performance for the period.

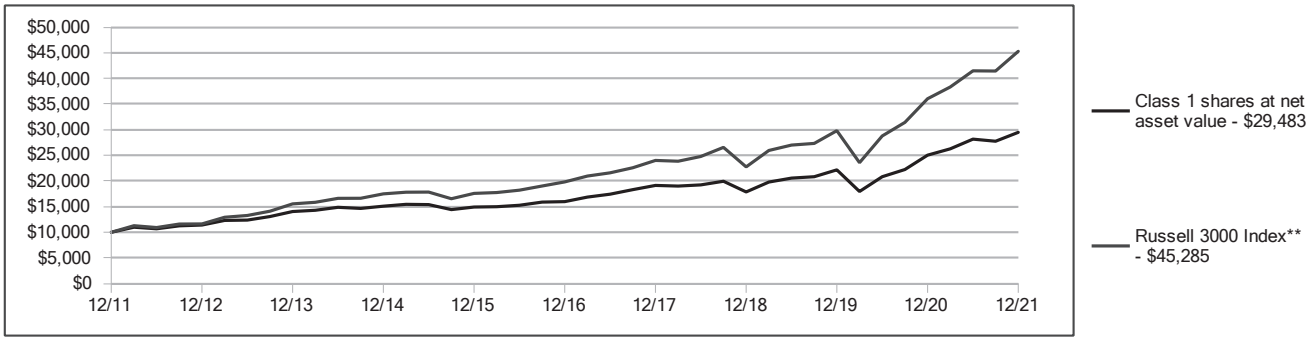
The fund's allocation to emerging market equities, which underperformed their U.S. counterparts, was the largest detractor to performance for the period. Security selection in U.S. large cap growth equities hindered performance for the period. Security selection in U.S. large cap value equities negatively contributed to performance for the period.

**The Fund uses a blended benchmark, SAM Conservative Balanced Blended Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. SAM Conservative Balanced Blended Index is composed of 60% Bloomberg U.S. Aggregate Bond Index, 30% Russell 3000® Index, and 10% MSCI EAFE Index NTR.

SAM Conservative Growth Portfolio

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	17.75%	13.04%	11.42%	6/3/97
Class 2 Shares	17.44%	12.75%	11.13%	11/6/01

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide long-term capital appreciation. The fund operates as a fund of funds. It generally invests between 0% and 40% of its assets in fixed-income funds, and less than 30% in any one fixed-income fund. The fund generally invests between 60% and 100% of its assets in equity funds, and less than 40% in any one equity fund. It generally invests less than 20% of its assets in specialty funds, and less than 20% in any one specialty fund.

Relative to the benchmark, the fund's tactical allocation of overweight to equity, underweight to fixed income, and overweight to alternative & specialty securities was the largest positive contributor to performance for the period. The fund's allocation in U.S. large cap growth equities, which outperformed their value counterparts, aided performance for the period. The fund's allocation to global real estate securities positively contributed to performance for the period.

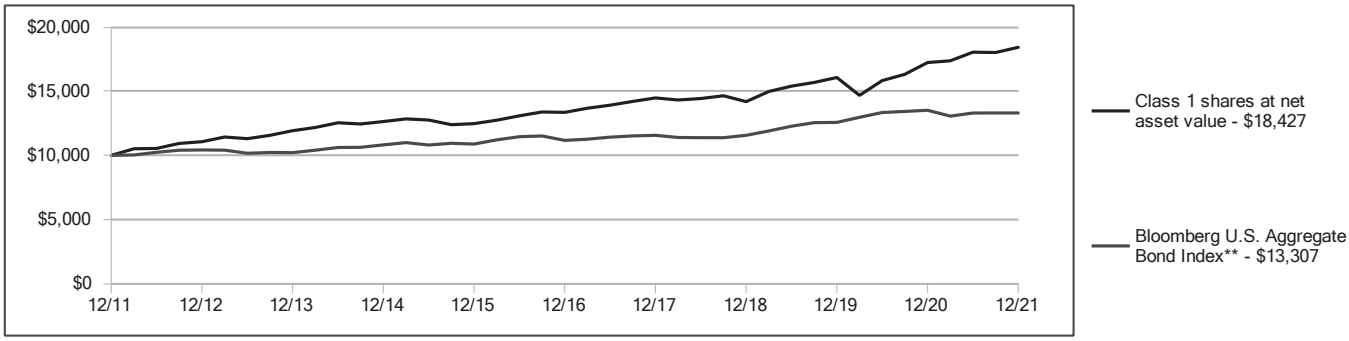
The fund's allocation to emerging market equities, which underperformed their U.S. counterparts, was the largest detractor to performance for the period. Security selection in U.S. large cap growth equities hindered performance for the period. Security selection in U.S. large cap value equities negatively contributed to performance for the period.

**The Fund uses a blended benchmark, SAM Conservative Growth Blended Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. SAM Conservative Growth Blended Index is composed of 60% Russell 3000® Index, 20% Bloomberg U.S. Aggregate Bond Index, and 20% MSCI EAFE Index NTR.

SAM Flexible Income Portfolio

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	6.89%	6.65%	6.30%	9/9/97
Class 2 Shares	6.61%	6.39%	6.04%	11/6/01

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide a high level of total return (consisting of reinvestment of income with some capital appreciation). The fund operates as a fund of funds. It generally invests between 55% and 95% of its assets in fixed-income funds, and less than 40% in any one fixed-income fund. The fund generally invests between 5% and 45% of its assets in equity funds, and less than 30% in any one equity fund. It generally invests less than 20% of its assets in specialty funds, and less than 20% in any one specialty fund.

The fund's allocation to global real estate securities was the largest positive contributor to performance for the period. The fund's allocation to U.S. high yield securities, which outperformed core fixed income, aided performance for the period. The fund's allocation to preferred securities, which outperformed core fixed income, positively contributed to performance for the period.

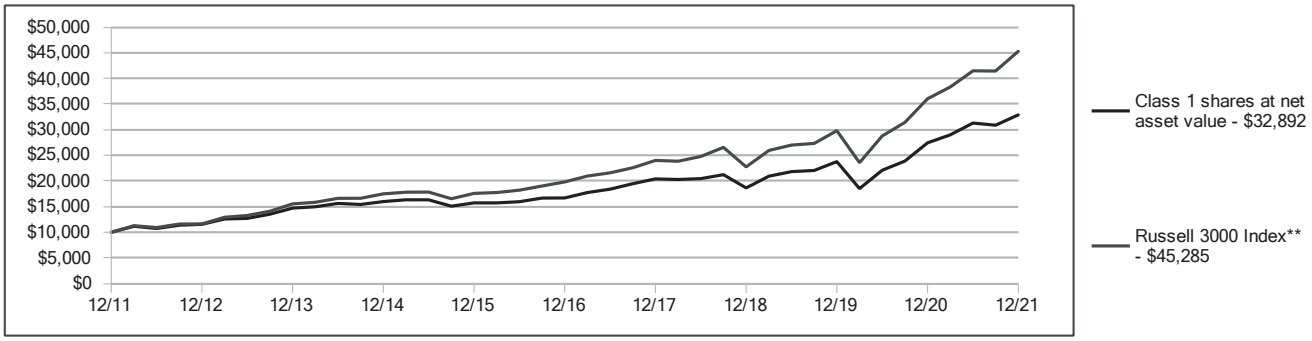
Security selection in U.S. large cap value equities was the largest detractor to performance for the period. The fund's allocation to emerging market equities, which underperformed their U.S. counterparts, hindered performance for the period. Security selection in U.S. large cap growth equities negatively contributed to performance for the period.

**The Fund uses a blended benchmark, SAM Flexible Income Blended Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. SAM Flexible Income Blended Index is composed of 75% Bloomberg U.S. Aggregate Bond Index, 20% Russell 3000®, and 5% MSCI EAFE Index NTR.

SAM Strategic Growth Portfolio

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	19.86%	14.51%	12.64%	6/3/97
Class 2 Shares	19.54%	14.23%	12.36%	11/6/01

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide long-term capital appreciation. The fund operates as a fund of funds. It generally invests between 75% and 100% of its assets in equity funds, and less than 50% in any one equity fund. The fund invests less than 20% of its assets in specialty funds, and less than 20% in any one specialty fund.

Relative to the benchmark, the fund's tactical allocation of neutral to equity, underweight to fixed income, and overweight to alternative & specialty securities was the largest positive contributor to performance for the period. The fund's allocation in U.S. large cap growth equities, which outperformed their value counterparts, aided performance for the period. The fund's allocation in U.S. small cap equities, which posted double-digit returns, positively contributed to performance for the period.

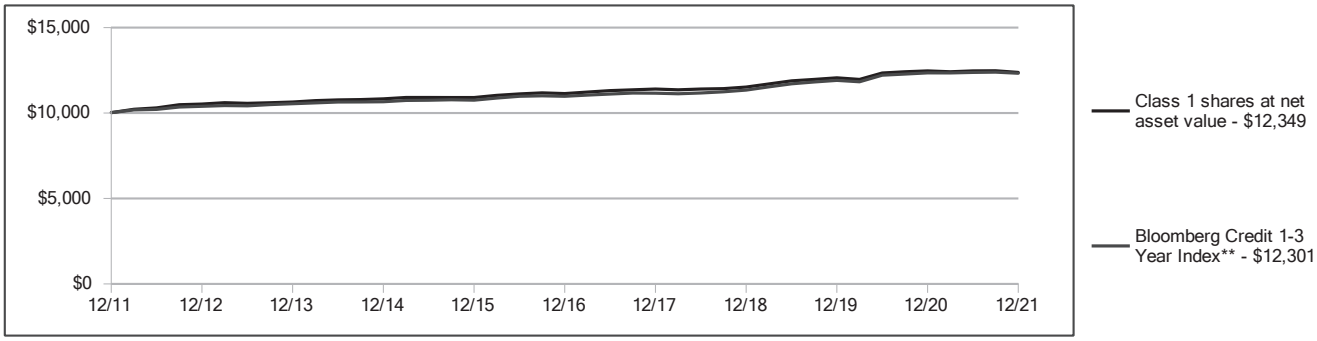
Security selection in U.S. large cap growth equities was the largest detractor to performance for the period. The fund's allocation to emerging market equities, which underperformed their U.S. counterparts, hindered performance for the period. Security selection in U.S. large cap value equities negatively contributed to performance for the period.

**The Fund uses a blended benchmark, SAM Strategic Growth Blended Index, which shows how the Fund's performance compares to a blend of indices with similar investment objectives. SAM Strategic Growth Blended Index is composed of 70% Russell 3000® Index, 25% MSCI EAFE Index NTR, and 5% Bloomberg U.S. Aggregate Bond Index.

Short-Term Income Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date
Class 1 Shares	-0.72%	2.13%	2.13%	1/12/94

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks to provide as high a level of current income as is consistent with prudent investment management and stability of principal. The fund invests primarily in high quality short-term bonds and other fixed-income securities that, at the time of purchase, are rated BBB- or higher by S&P Global Ratings ("S&P Global") or Baa3 or higher by Moody's Investors Service, Inc. ("Moody's") or, if unrated, in the opinion of those selecting such investments, are of comparable quality. It invests in foreign securities.

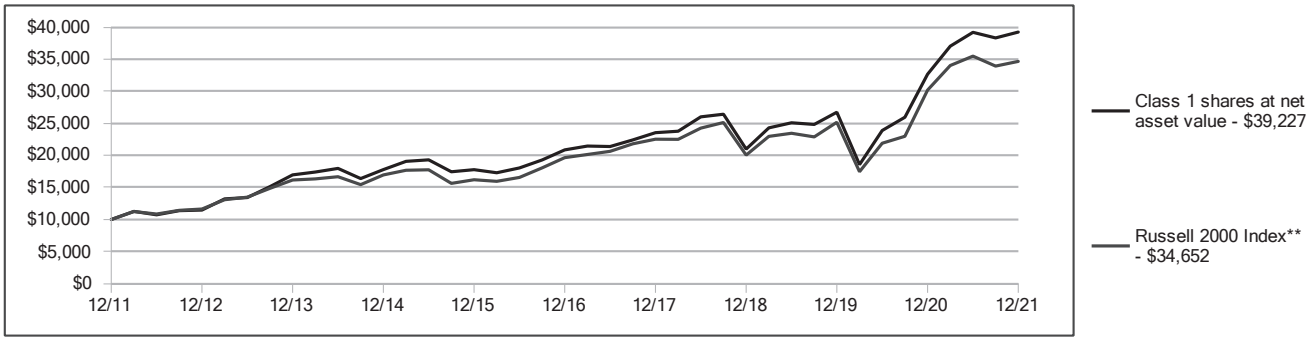
During the past year issue selection in communications, energy, and consumer non-cyclical were the top contributors to performance. This was followed by an out of benchmark allocation to student loan asset-backed securities, and issue selection in technology which also contributed to performance.

The bottom contributors to performance were out of benchmark allocations to agency commercial mortgage-backed securities, treasurys, auto backed asset-backed securities, and non-agency commercial mortgage-backed securities. An underweight to finance companies also detracted from performance.

SmallCap Account

Investment Advisor: Principal Global Investors, LLC

Value of a $10,000 Investment* December 31, 2011 - December 31, 2021



Average Annual Total Returns* as of December 31, 2021

	1-Year	5-Year	10-Year	Inception Date	Extended Performance Inception Date***
Class 1 Shares	20.12%	13.47%	14.65%	5/1/98	–
Class 2 Shares	19.86%	13.18%	14.37%	2/17/15	5/1/98

What contributed to or detracted from Fund performance during the fiscal year?

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with small market capitalizations at the time of purchase. For this fund, companies with small market capitalizations are those with market capitalizations within the range of companies comprising the Russell 2000® Index.

Top contributors during the year included SiTime, a provider of silicone-based timing devices, which benefitted from market share gains and improved pricing related to their ability to provide an uninterrupted supply of its silicon-based timing devices compared to competitors' quartz-based timing devices that have encountered supply constraints. Atkore, a manufacturer of electrical products, reported better-than-expected quarterly earnings and raised guidance amid strong pricing and volume growth across most product categories. Sprout Social, a software platform that enables companies to efficiently manage their social media presence, performed well amid the broadening of customer use cases beyond social media management and into marketing, sales, customer service, product development and e-commerce. Beauty Health, an aesthetics-focused organization led by its flagship offering HydraFacial, outperformed following better-than-expected global demand for its service, despite ongoing regional pressures from COVID. Bed Bath & Beyond, a home goods retailer, outperformed amid investor interest in companies with high short interest and depressed valuations.

Top detractors during the year included Vroom, an e-commerce platform for buying and selling used cars, reported disappointing quarterly results and near-term outlook amid volatile used car market dynamics, operational bottlenecks, and heightened investment spending. Denali Therapeutics, a biotechnology company focused on developing therapies for neurodegenerative diseases, underperformed after significant strength in 2020 amid a lack of value creating catalysts in the near term. Nevro, a medical diagnostics focused company specializing in spinal cord stimulation treatments for various types of pain, underperformed amid disappointing results as COVID related headwinds continued to weigh on timing of patient and physician decision making and trialing utilization. Array Technologies, a leading manufacturer of ground mounting equipment for large scale solar energy projects, sharply underperformed following management's suspension of guidance given the steep rise in steel prices. The company is unable to fully pass through these rising prices under existing contracts. Iovance, a biotechnology company developing innovative Tumor Infiltrating Lymphocyte treatments for various cancer indications, underperformed after significant strength in 2020 and sustained uncertainty regarding alignment with FDA on the potency assay, a gating factor to filing for commercial approval.

***Extended performance is calculated based on the historical performance of the Fund's Class 1 share class, adjusted for the fees and expenses of the share class shown.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Blue Chip Account	Bond Market Index Account	Core Plus Bond Account
Investment in securities--at cost	$ 12,008	$ 2,795,558	$ 236,927
Investment in affiliated securities--at cost	$ 30	$ 285,079	$ 11,178
Assets			
Investment in securities--at value	$ 13,490	$ 2,862,916[a]	$ 240,910[a]
Investment in affiliated securities--at value	30	285,079	11,178
Cash	–	–	22
Deposits with counterparty	–	–	9
Receivables:			
Dividends and interest	3	12,931	1,509
Expense reimbursement from Manager	2	–	–
Fund shares sold	19	838	1,386
Investment securities sold	–	24,588	1,330
Variation margin on futures	–	–	5
Prepaid expenses	–	–	3
Total Assets	13,544	3,186,352	256,352
Liabilities			
Accrued management and investment advisory fees	8	348	93
Accrued distribution fees	3	–	–
Accrued service fees	2	–	–
Accrued chief compliance officer fees	–	1	–
Accrued directors' expenses	–	12	–
Accrued professional fees	5	–	–
Accrued other expenses	1	13	–
Payables:			
Fund shares redeemed	8	7,891	55
Investment securities purchased	2	265,210	19,677
Variation margin on futures	–	–	2
Variation margin on swaps	–	–	1
Collateral obligation on securities loaned, at value	–	12,269	142
Total Liabilities	29	285,744	19,970
Net Assets Applicable to Outstanding Shares	$ 13,515	$ 2,900,608	$ 236,382
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 12,020	$ 2,780,575	$ 224,852
Total distributable earnings (accumulated loss)	1,495	120,033	11,530
Total Net Assets	$ 13,515	$ 2,900,608	$ 236,382
Capital Stock (par value: $.01 per share):			
Shares authorized	200,000	300,000	400,000
Net Asset Value Per Share:			
Class 1: Net Assets	N/A	$ 2,900,608	$ 236,382
Shares issued and outstanding		269,547	20,595
Net Asset Value per share		$ 10.76	$ 11.48
Class 3: Net Assets	$ 13,515	N/A	N/A
Shares issued and outstanding	1,055		
Net Asset Value per share	$ 12.81		

[a] Includes fair market value of securities loaned, see "Securities Lending" in Notes to Financial Statements.

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Diversified Balanced Account	Diversified Balanced Managed Volatility Account	Diversified Balanced Volatility Control Account
Investment in securities--at cost	$ –	$ –	$ 30,788
Investment in affiliated securities--at cost	$ 696,618	$ 147,727	$ 180,569
Assets			
Investment in securities--at value	$ –	$ –	$ 32,548
Investment in affiliated securities--at value	1,005,498	184,122	197,363
Receivables:			
Fund shares sold	23	254	–
Investment securities sold	2,142	–	147
Total Assets	1,007,663	184,376	230,058
Liabilities			
Accrued management and investment advisory fees	42	8	23
Accrued distribution fees	204	39	48
Accrued directors' expenses	4	1	1
Accrued other expenses	4	3	4
Payables:			
Fund shares redeemed	2,165	76	184
Investment securities purchased	–	178	–
Total Liabilities	2,419	305	260
Net Assets Applicable to Outstanding Shares	$ 1,005,244	$ 184,071	$ 229,798
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 604,956	$ 131,884	$ 195,238
Total distributable earnings (accumulated loss)	400,288	52,187	34,560
Total Net Assets	$ 1,005,244	$ 184,071	$ 229,798
Capital Stock (par value: $.01 per share):			
Shares authorized	650,000	400,000	400,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 41,982	N/A	N/A
Shares issued and outstanding	2,318		
Net Asset Value per share	$ 18.11		
Class 2: Net Assets	$ 962,935	$ 184,060	$ 229,787
Shares issued and outstanding	53,065	12,754	17,320
Net Asset Value per share	$ 18.15	$ 14.43	$ 13.27
Class 3: Net Assets	$ 327	$ 11	$ 11
Shares issued and outstanding	18	1	1
Net Asset Value per share	$ 18.04	$ 14.38	$ 13.23

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Diversified Growth Account	Diversified Growth Managed Volatility Account	Diversified Growth Volatility Control Account
Investment in securities--at cost	$ –	$ –	$ 154,306
Investment in affiliated securities--at cost	$ 2,596,865	$ 295,993	$ 986,978
Assets			
Investment in securities--at value	$ –	$ –	$ 157,774
Investment in affiliated securities--at value	3,975,483	389,028	1,120,697
Receivables:			
Dividends and interest	1	–	–
Investment securities sold	12,879	1,622	3,713
Total Assets	3,988,363	390,650	1,282,184
Liabilities			
Accrued management and investment advisory fees	168	16	128
Accrued distribution fees	839	83	267
Accrued directors' expenses	16	1	4
Accrued other expenses	5	4	4
Payables:			
Fund shares redeemed	12,879	1,622	4,641
Total Liabilities	13,907	1,726	5,044
Net Assets Applicable to Outstanding Shares	$ 3,974,456	$ 388,924	$ 1,277,140
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 2,238,662	$ 260,299	$ 1,040,149
Total distributable earnings (accumulated loss)	1,735,794	128,625	236,991
Total Net Assets	$ 3,974,456	$ 388,924	$ 1,277,140
Capital Stock (par value: $.01 per share):			
Shares authorized	500,000	400,000	400,000
Net Asset Value Per Share:			
Class 2: Net Assets	$ 3,974,179	$ 388,912	$ 1,277,128
Shares issued and outstanding	183,288	24,840	90,777
Net Asset Value per share	$ 21.68	$ 15.66	$ 14.07
Class 3: Net Assets	$ 277	$ 12	$ 12
Shares issued and outstanding	13	1	1
Net Asset Value per share	$ 21.60	$ 15.59	$ 14.03

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Diversified Income Account	Diversified International Account	Equity Income Account
Investment in securities--at cost	$ –	$ 217,803	$ 340,220
Investment in affiliated securities--at cost	$ 267,185	$ 115	$ 11,037
Foreign currency--at cost	$ –	$ 8	$ –
Assets			
Investment in securities--at value	$ –	$ 300,482[a]	$ 745,531[a]
Investment in affiliated securities--at value	326,851	115	11,037
Foreign currency--at value	–	8	–
Cash	–	–	38
Receivables:			
Dividends and interest	–	767	1,478
Fund shares sold	1,165	281	329
Total Assets	328,016	301,653	758,413
Liabilities			
Accrued management and investment advisory fees	14	211	296
Accrued distribution fees	69	–	11
Accrued directors' expenses	1	1	3
Accrued foreign tax	–	259	–
Accrued other expenses	3	24	22
Payables:			
Fund shares redeemed	13	94	2,562
Investment securities purchased	1,152	–	–
Collateral obligation on securities loaned, at value	–	1,638	23
Total Liabilities	1,252	2,227	2,917
Net Assets Applicable to Outstanding Shares	$ 326,764	$ 299,426	$ 755,496
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 247,445	$ 191,424	$ 256,072
Total distributable earnings (accumulated loss)	79,319	108,002	499,424
Total Net Assets	$ 326,764	$ 299,426	$ 755,496
Capital Stock (par value: $.01 per share):			
Shares authorized	250,000	300,000	400,000
Net Asset Value Per Share:			
Class 1: Net Assets	N/A	$ 299,426	$ 701,625
Shares issued and outstanding		15,622	20,487
Net Asset Value per share		$ 19.17	$ 34.25
Class 2: Net Assets	$ 325,983	N/A	$ 53,723
Shares issued and outstanding	21,435		1,586
Net Asset Value per share	$ 15.21		$ 33.87
Class 3: Net Assets	$ 781	N/A	$ 148
Shares issued and outstanding	52		4
Net Asset Value per share	$ 15.15		$ 34.10

[a] Includes fair market value of securities loaned, see "Securities Lending" in Notes to Financial Statements.

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Government & High Quality Bond Account	International Emerging Markets Account	LargeCap Growth Account I
Investment in securities--at cost	$ 236,911	$ 70,576	$ 385,750
Investment in affiliated securities--at cost	$ 17,990	$ 1,835	$ 14,583
Foreign currency--at cost	$ –	$ 372	$ –
Assets			
Investment in securities--at value	$ 236,264	$ 89,406[a]	$ 697,976[a]
Investment in affiliated securities--at value	17,990	1,835	14,583
Foreign currency--at value	–	374	–
Cash	2	–	–
Deposits with counterparty	164	–	265
Receivables:			
Dividends and interest	467	159	76
Expense reimbursement from Manager	–	–	10
Fund shares sold	467	51	481
Investment securities sold	4,089	1	404
Variation margin on futures	18	–	–
Total Assets	259,461	91,826	713,795
Liabilities			
Accrued management and investment advisory fees	80	84	399
Accrued directors' expenses	1	–	2
Accrued foreign tax	–	463	–
Accrued other expenses	6	7	3
Payables:			
Fund shares redeemed	53	82	197
Investment securities purchased	61,538	–	328
Variation margin on futures	6	–	16
Collateral obligation on securities loaned, at value	–	375	6,194
Total Liabilities	61,684	1,011	7,139
Net Assets Applicable to Outstanding Shares	$ 197,777	$ 90,815	$ 706,656
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 205,771	$ 64,108	$ 335,996
Total distributable earnings (accumulated loss)	(7,994)	26,707	370,660
Total Net Assets	$ 197,777	$ 90,815	$ 706,656
Capital Stock (par value: $.01 per share):			
Shares authorized	200,000	200,000	200,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 197,777	$ 90,815	$ 706,656
Shares issued and outstanding	20,862	4,617	13,464
Net Asset Value per share	$ 9.48	$ 19.67	$ 52.48

[a] Includes fair market value of securities loaned, see "Securities Lending" in Notes to Financial Statements.

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	LargeCap S&P 500 Index Account	LargeCap S&P 500 Managed Volatility Index Account	MidCap Account
Investment in securities--at cost	$ 1,440,422	$ 109,663	$ 391,756
Investment in affiliated securities--at cost	$ 91,329	$ 16,905	$ 1,988
Assets			
Investment in securities--at value	$ 3,124,035	$ 224,059	$ 750,355
Investment in affiliated securities--at value	91,329	16,905	1,988
Cash	19	1	121
Receivables:			
Dividends and interest	1,889	136	78
Fund shares sold	993	62	42
Total Assets	3,218,265	241,163	752,584
Liabilities			
Accrued management and investment advisory fees	671	90	317
Accrued distribution fees	9	–	8
Accrued directors' expenses	12	1	3
Accrued other expenses	15	8	4
Payables:			
Fund shares redeemed	8,046	730	1,108
Investment securities purchased	–	–	1,245
Options and swaptions contracts written (premiums received $0, $1,782 and $0)	–	421	–
Variation margin on futures	263	18	–
Total Liabilities	9,016	1,268	2,685
Net Assets Applicable to Outstanding Shares	$ 3,209,249	$ 239,895	$ 749,899
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 1,212,893	$ 117,403	$ 327,288
Total distributable earnings (accumulated loss)	1,996,356	122,492	422,611
Total Net Assets	$ 3,209,249	$ 239,895	$ 749,899
Capital Stock (par value: $.01 per share):			
Shares authorized	300,000	100,000	105,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 3,162,615	$ 239,895	$ 711,126
Shares issued and outstanding	123,878	12,719	9,512
Net Asset Value per share	$ 25.53	$ 18.86	$ 74.76
Class 2: Net Assets	$ 46,634	N/A	$ 38,773
Shares issued and outstanding	1,856		525
Net Asset Value per share	$ 25.13		$ 73.89

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Principal Capital Appreciation Account	Principal LifeTime 2010 Account	Principal LifeTime 2020 Account
Investment in securities--at cost	$ 83,869	$ –	$ –
Investment in affiliated securities--at cost	$ 1,996	$ 34,231	$ 170,058
Assets			
Investment in securities--at value	$ 193,372	$ –	$ –
Investment in affiliated securities--at value	1,996	37,301	196,338
Receivables:			
Dividends and interest	131	31	144
Fund shares sold	48	27	54
Investment securities sold	–	148	247
Total Assets	195,547	37,507	196,783
Liabilities			
Accrued management and investment advisory fees	102	–	–
Accrued distribution fees	7	–	–
Accrued directors' expenses	1	–	1
Accrued other expenses	5	3	4
Payables:			
Fund shares redeemed	1,185	175	300
Investment securities purchased	–	32	144
Total Liabilities	1,300	210	449
Net Assets Applicable to Outstanding Shares	$ 194,247	$ 37,297	$ 196,334
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 64,802	$ 31,813	$ 153,584
Total distributable earnings (accumulated loss)	129,445	5,484	42,750
Total Net Assets	$ 194,247	$ 37,297	$ 196,334
Capital Stock (par value: $.01 per share):			
Shares authorized	200,000	100,000	200,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 163,159	$ 37,297	$ 196,334
Shares issued and outstanding	3,896	2,782	12,926
Net Asset Value per share	$ 41.87	$ 13.41	$ 15.19
Class 2: Net Assets	$ 31,088	N/A	N/A
Shares issued and outstanding	754		
Net Asset Value per share	$ 41.19		

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Principal LifeTime 2030 Account	Principal LifeTime 2040 Account	Principal LifeTime 2050 Account
Investment in affiliated securities--at cost	$ 220,871	$ 110,727	$ 56,505
Assets			
Investment in affiliated securities--at value	$ 262,869	$ 134,176	$ 68,531
Receivables:			
Dividends and interest	159	33	2
Fund shares sold	360	49	124
Investment securities sold	–	418	–
Total Assets	263,388	134,676	68,657
Liabilities			
Accrued directors' expenses	1	–	–
Accrued other expenses	4	4	4
Payables:			
Fund shares redeemed	217	468	2
Investment securities purchased	302	32	124
Total Liabilities	524	504	130
Net Assets Applicable to Outstanding Shares	$ 262,864	$ 134,172	$ 68,527
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 198,371	$ 98,521	$ 49,753
Total distributable earnings (accumulated loss)	64,493	35,651	18,774
Total Net Assets	$ 262,864	$ 134,172	$ 68,527
Capital Stock (par value: $.01 per share):			
Shares authorized	200,000	200,000	200,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 262,864	$ 134,172	$ 68,527
Shares issued and outstanding	16,848	6,729	3,496
Net Asset Value per share	$ 15.60	$ 19.94	$ 19.60

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	Principal LifeTime 2060 Account	Principal LifeTime Strategic Income Account	Real Estate Securities Account
Investment in securities--at cost	$ –	$ –	$ 119,513
Investment in affiliated securities--at cost	$ 14,723	$ 28,163	$ 2,129
Assets			
Investment in securities--at value	$ –	$ –	$ 184,152
Investment in affiliated securities--at value	17,284	30,133	2,129
Receivables:			
Dividends and interest	–	26	620
Fund shares sold	10	15	29
Investment securities sold	85	6	–
Total Assets	17,379	30,180	186,930
Liabilities			
Accrued management and investment advisory fees	–	–	123
Accrued distribution fees	–	–	2
Accrued professional fees	–	4	–
Accrued other expenses	3	–	4
Payables:			
Fund shares redeemed	95	21	136
Investment securities purchased	1	26	93
Total Liabilities	99	51	358
Net Assets Applicable to Outstanding Shares	$ 17,280	$ 30,129	$ 186,572
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 13,143	$ 26,172	$ 109,594
Total distributable earnings (accumulated loss)	4,137	3,957	76,978
Total Net Assets	$ 17,280	$ 30,129	$ 186,572
Capital Stock (par value: $.01 per share):			
Shares authorized	100,000	100,000	300,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 17,280	$ 30,129	$ 174,922
Shares issued and outstanding	919	2,387	7,048
Net Asset Value per share	$ 18.81	$ 12.62	$ 24.82
Class 2: Net Assets	N/A	N/A	$ 11,650
Shares issued and outstanding			469
Net Asset Value per share			$ 24.86

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	SAM Balanced Portfolio	SAM Conservative Balanced Portfolio	SAM Conservative Growth Portfolio
Investment in affiliated securities--at cost	$ 575,740	$ 171,766	$ 317,495
Assets			
Investment in affiliated securities--at value	$ 744,468	$ 203,593	$ 434,457
Receivables:			
Dividends and interest	921	238	542
Fund shares sold	116	167	129
Investment securities sold	400	–	198
Total Assets	745,905	203,998	435,326
Liabilities			
Accrued management and investment advisory fees	141	39	82
Accrued distribution fees	33	7	40
Accrued directors' expenses	3	1	1
Accrued other expenses	4	4	4
Payables:			
Fund shares redeemed	516	127	327
Investment securities purchased	264	164	45
Total Liabilities	961	342	499
Net Assets Applicable to Outstanding Shares	$ 744,944	$ 203,656	$ 434,827
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 481,626	$ 152,269	$ 271,292
Total distributable earnings (accumulated loss)	263,318	51,387	163,535
Total Net Assets	$ 744,944	$ 203,656	$ 434,827
Capital Stock (par value: $.01 per share):			
Shares authorized	300,000	200,000	200,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 588,703	$ 169,338	$ 242,713
Shares issued and outstanding	32,514	12,442	9,780
Net Asset Value per share	$ 18.11	$ 13.61	$ 24.82
Class 2: Net Assets	$ 156,241	$ 34,318	$ 192,114
Shares issued and outstanding	8,756	2,561	7,877
Net Asset Value per share	$ 17.84	$ 13.40	$ 24.39

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	SAM Flexible Income Portfolio	SAM Strategic Growth Portfolio	Short-Term Income Account
Investment in securities--at cost	$ –	$ –	$ 136,768
Investment in affiliated securities--at cost	$ 177,905	$ 320,211	$ 1,991
Assets			
Investment in securities--at value	$ –	$ –	$ 136,808[a]
Investment in affiliated securities--at value	193,752	428,639	1,991
Deposits with counterparty	–	–	14
Receivables:			
Dividends and interest	247	436	438
Fund shares sold	432	112	1,898
Investment securities sold	–	66	–
Total Assets	194,431	429,253	141,149
Liabilities			
Accrued management and investment advisory fees	37	80	53
Accrued distribution fees	9	43	–
Accrued directors' expenses	1	1	1
Accrued other expenses	4	4	7
Payables:			
Fund shares redeemed	13	178	8
Investment securities purchased	515	–	250
Variation margin on futures	–	–	1
Collateral obligation on securities loaned, at value	–	–	297
Total Liabilities	579	306	617
Net Assets Applicable to Outstanding Shares	$ 193,852	$ 428,947	$ 140,532
Net Assets Consist of:			
Capital shares and additional paid-in-capital	$ 162,054	$ 276,654	$ 138,688
Total distributable earnings (accumulated loss)	31,798	152,293	1,844
Total Net Assets	$ 193,852	$ 428,947	$ 140,532
Capital Stock (par value: $.01 per share):			
Shares authorized	200,000	200,000	400,000
Net Asset Value Per Share:			
Class 1: Net Assets	$ 148,266	$ 223,578	$ 140,532
Shares issued and outstanding	11,261	7,960	55,481
Net Asset Value per share	$ 13.17	$ 28.09	$ 2.53
Class 2: Net Assets	$ 45,586	$ 205,369	N/A
Shares issued and outstanding	3,507	7,435	
Net Asset Value per share	$ 13.00	$ 27.62	

[a] Includes fair market value of securities loaned, see "Securities Lending" in Notes to Financial Statements.

See accompanying notes.

Statements of Assets and Liabilities
Principal Variable Contracts Funds, Inc.
December 31, 2021

Amounts in thousands, except per share amounts	SmallCap Account
Investment in securities--at cost	$ 164,697
Investment in affiliated securities--at cost	$ 7,998
Assets	
Investment in securities--at value	$ 223,655[a]
Investment in affiliated securities--at value	7,998
Cash	16
Receivables:	
Dividends and interest	142
Fund shares sold	367
Unrealized gain on unfunded commitments	75
Total Assets	232,253
Liabilities	
Accrued management and investment advisory fees	153
Accrued distribution fees	2
Accrued directors' expenses	1
Accrued other expenses	4
Payables:	
Fund shares redeemed	66
Collateral obligation on securities loaned, at value	7,640
Total Liabilities	7,866
Net Assets Applicable to Outstanding Shares	$ 224,387
Net Assets Consist of:	
Capital shares and additional paid-in-capital	$ 133,694
Total distributable earnings (accumulated loss)	90,693
Total Net Assets	$ 224,387
Capital Stock (par value: $.01 per share):	
Shares authorized	200,000
Net Asset Value Per Share:	
Class 1: Net Assets	$ 213,890
Shares issued and outstanding	10,667
Net Asset Value per share	$ 20.05
Class 2: Net Assets	$ 10,497
Shares issued and outstanding	527
Net Asset Value per share	$ 19.93

[a] Includes fair market value of securities loaned, see "Securities Lending" in Notes to Financial Statements.

Amounts in thousands	Blue Chip Account	Bond Market Index Account	Core Plus Bond Account
Net Investment Income (Loss)			
Income:			
Dividends	$ 34	$ 473	$ 374
Withholding tax	(1)	–	–
Interest	–	48,667	5,787
Securities lending - net	–	100	98
Total Income	33	49,240	6,259
Expenses:			
Management and investment advisory fees	47	3,993	1,117
Distribution fees - Class 3	20	N/A	N/A
Administration service fees - Class 3	12	N/A	N/A
Chief compliance officer expenses	–	3	–
Custodian fees	3	36	18
Directors' expenses	2	57	7
Professional fees	8	4	4
Other expenses	–	12	2
Total Gross Expenses	92	4,105	1,148
Less: Reimbursement from Manager - Class 3	10	N/A	N/A
Total Net Expenses	82	4,105	1,148
Net Investment Income (Loss)	(49)	45,135	5,111
Net Realized and Unrealized Gain (Loss) on investments, futures contracts and swap agreements			
Net realized gain (loss) from:			
Investment transactions	152	10,041	3,292
Futures contracts	–	–	64
Swap agreements	–	–	3
Change in unrealized appreciation/depreciation of:			
Investments	1,312	(104,415)	(9,785)
Futures contracts	–	–	19
Swap agreements	–	–	(6)
Net Realized and Unrealized Gain (Loss) on investments, futures contracts and swap agreements	1,464	(94,374)	(6,413)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 1,415	$ (49,239)	$ (1,302)

See accompanying notes.

Amounts in thousands	Diversified Balanced Account	Diversified Balanced Managed Volatility Account	Diversified Balanced Volatility Control Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 20,672	$ 4,731	$ 3,782
Dividends	–	–	482
Total Income	20,672	4,731	4,264
Expenses:			
Management and investment advisory fees	509	93	250
Distribution fees - Class 2	2,443	465	521
Distribution fees - Class 3	–	–	–
Administration service fees - Class 3	–	–	–
Chief compliance officer expenses	1	–	–
Custodian fees	–	–	1
Directors' expenses	22	6	6
Professional fees	3	3	3
Other expenses	4	1	1
Total Expenses	2,982	568	782
Net Investment Income (Loss)	17,690	4,163	3,482
Net Realized and Unrealized Gain (Loss) on investments			
Net realized gain (loss) from:			
Investment transactions	6	–	8,451
Investment transactions in affiliated securities	48,810	5,209	345
Capital gain distribution received from affiliated securities	34,302	6,482	4,016
Change in unrealized appreciation/depreciation of:			
Investments	–	–	408
Investments in affiliated securities	3,843	1,776	3,201
Net Realized and Unrealized Gain (Loss) on investments	86,961	13,467	16,421
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 104,651	$ 17,630	$ 19,903

Statements of Operations
Principal Variable Contracts Funds, Inc.
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Amounts in thousands	Diversified Growth Account	Diversified Growth Managed Volatility Account	Diversified Growth Volatility Control Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 80,724	$ 10,497	$ 21,011
Dividends	–	–	2,513
Interest	–	–	2
Total Income	80,724	10,497	23,526
Expenses:			
Management and investment advisory fees	1,974	195	1,369
Distribution fees - Class 2	9,868	973	2,852
Distribution fees - Class 3	–	–	–
Administration service fees - Class 3	–	–	–
Chief compliance officer expenses	4	–	1
Custodian fees	–	–	1
Directors' expenses	75	10	21
Professional fees	2	3	3
Other expenses	16	2	6
Total Expenses	11,939	1,183	4,253
Net Investment Income (Loss)	68,785	9,314	19,273
Net Realized and Unrealized Gain (Loss) on investments			
Net realized gain (loss) from:			
Investment transactions	–	–	47,825
Investment transactions in affiliated securities	145,745	11,496	1,286
Capital gain distribution received from affiliated securities	170,784	17,342	33,457
Change in unrealized appreciation/depreciation of:			
Investments	–	–	(1,384)
Investments in affiliated securities	157,988	11,557	45,676
Net Realized and Unrealized Gain (Loss) on investments	474,517	40,395	126,860
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 543,302	$ 49,709	$ 146,133

See accompanying notes.

Statements of Operations
Principal Variable Contracts Funds, Inc.
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Amounts in thousands	Diversified Income Account	Diversified International Account	Equity Income Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 6,770	$ –	$ –
Dividends	–	7,960	17,140
Withholding tax	–	(773)	(480)
Interest	–	–	1
Securities lending - net	–	33	52
Total Income	6,770	7,220	16,713
Expenses:			
Management and investment advisory fees	165	2,546	3,535
Distribution fees - Class 2	824	N/A	108
Distribution fees - Class 3	1	N/A	–
Administration service fees - Class 3	1	N/A	–
Chief compliance officer expenses	–	–	1
Custodian fees	–	120	15
Directors' expenses	9	7	15
Professional fees	2	20	2
Other expenses	1	23	3
Total Expenses	1,003	2,716	3,679
Net Investment Income (Loss)	5,767	4,504	13,034
Net Realized and Unrealized Gain (Loss) on investments and foreign currencies			
Net realized gain (loss) from:			
Investment transactions	–	26,320	89,817
Investment transactions in affiliated securities	5,931	–	–
Foreign currency transactions	–	(172)	–
Capital gain distribution received from affiliated securities	8,141	–	–
Change in unrealized appreciation/depreciation of:			
Investments (net of foreign taxes of $0, $259 and $0, respectively)	–	(2,843)	53,748
Investments in affiliated securities	2,165	–	–
Translation of assets and liabilities in foreign currencies	–	(21)	–
Net Realized and Unrealized Gain (Loss) on investments and foreign currencies	16,237	23,284	143,565
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 22,004	$ 27,788	$ 156,599

See accompanying notes.

Amounts in thousands	Government & High Quality Bond Account	International Emerging Markets Account	LargeCap Growth Account I
Net Investment Income (Loss)			
Income:			
Dividends	$ –	$ 2,362	$ 2,683
Withholding tax	–	(239)	(22)
Interest	1,794	–	–
Securities lending - net	–	3	22
Total Income	1,794	2,126	2,683
Expenses:			
Management and investment advisory fees	977	1,069	4,507
Chief compliance officer expenses	–	–	1
Custodian fees	5	57	16
Directors' expenses	6	4	14
Professional fees	4	12	2
Other expenses	1	–	3
Total Gross Expenses	993	1,142	4,543
Less: Reimbursement from Manager	–	–	107
Total Net Expenses	993	1,142	4,436
Net Investment Income (Loss)	801	984	(1,753)
Net Realized and Unrealized Gain (Loss) on investments, foreign currencies and futures contracts			
Net realized gain (loss) from:			
Investment transactions	173	7,114	69,844
Foreign currency transactions	–	(106)	–
Futures contracts	660	–	853
Change in unrealized appreciation/depreciation of:			
Investments (net of foreign taxes of $0, $463 and $0, respectively)	(4,227)	(7,255)	61,829
Futures contracts	27	–	52
Translation of assets and liabilities in foreign currencies	–	10	–
Net Realized and Unrealized Gain (Loss) on investments, foreign currencies and futures contracts	(3,367)	(237)	132,578
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (2,566)	$ 747	$ 130,825

Amounts in thousands	LargeCap S&P 500 Index Account	LargeCap S&P 500 Managed Volatility Index Account	MidCap Account
Net Investment Income (Loss)			
Income:			
Dividends	$ 42,218	$ 3,138	$ 3,650
Withholding tax	(6)	–	(139)
Interest	2	–	–
Securities lending - net	20	1	1
Total Income	42,234	3,139	3,512
Expenses:			
Management and investment advisory fees	7,719	1,085	3,532
Distribution fees - Class 2	94	N/A	78
Chief compliance officer expenses	3	–	1
Custodian fees	14	14	4
Directors' expenses	58	7	14
Professional fees	2	2	1
Other expenses	45	3	3
Total Expenses	7,935	1,111	3,633
Net Investment Income (Loss)	34,299	2,028	(121)
Net Realized and Unrealized Gain (Loss) on investments, futures contracts and options and swaptions			
Net realized gain (loss) from:			
Investment transactions	336,996	20,105	70,194
Futures contracts	9,852	835	–
Options and swaptions	–	5,971	–
Change in unrealized appreciation/depreciation of:			
Investments	388,017	25,180	83,393
Futures contracts	1,798	122	–
Options and swaptions	–	804	–
Net Realized and Unrealized Gain (Loss) on investments, futures contracts and options and swaptions	736,663	53,017	153,587
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 770,962	$ 55,045	$ 153,466

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Amounts in thousands	Principal Capital Appreciation Account	Principal LifeTime 2010 Account	Principal LifeTime 2020 Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ –	$ 1,027	$ 5,380
Dividends	2,465	–	–
Withholding tax	(19)	–	–
Total Income	2,446	1,027	5,380
Expenses:			
Management and investment advisory fees	1,124	–	–
Distribution fees - Class 2	62	N/A	N/A
Custodian fees	4	–	–
Directors' expenses	6	3	6
Professional fees	1	2	3
Other expenses	1	–	–
Total Expenses	1,198	5	9
Net Investment Income (Loss)	1,248	1,022	5,371
Net Realized and Unrealized Gain (Loss) on investments and foreign currencies			
Net realized gain (loss) from:			
Investment transactions	21,704	–	–
Investment transactions in affiliated securities	–	510	5,253
Foreign currency transactions	(4)	–	–
Capital gain distribution received from affiliated securities	–	931	6,200
Change in unrealized appreciation/depreciation of:			
Investments	21,069	–	–
Investments in affiliated securities	–	(386)	442
Net Realized and Unrealized Gain (Loss) on investments and foreign currencies	42,769	1,055	11,895
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 44,017	$ 2,077	$ 17,266

See accompanying notes.

Statements of Operations
Principal Variable Contracts Funds, Inc.
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Amounts in thousands	Principal LifeTime 2030 Account	Principal LifeTime 2040 Account	Principal LifeTime 2050 Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 6,909	$ 3,946	$ 2,080
Total Income	6,909	3,946	2,080
Expenses:			
Directors' expenses	7	5	3
Professional fees	4	2	2
Total Expenses	11	7	5
Net Investment Income (Loss)	6,898	3,939	2,075
Net Realized and Unrealized Gain (Loss) on investments			
Net realized gain (loss) from:			
Investment transactions in affiliated securities	5,309	769	287
Capital gain distribution received from affiliated securities	10,676	7,582	4,435
Change in unrealized appreciation/depreciation of:			
Investments in affiliated securities	6,546	4,896	2,429
Net Realized and Unrealized Gain (Loss) on investments	22,531	13,247	7,151
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 29,429	$ 17,186	$ 9,226

See accompanying notes.

Amounts in thousands	Principal LifeTime 2060 Account	Principal LifeTime Strategic Income Account	Real Estate Securities Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 504	$ 883	$ –
Dividends	–	–	3,300
Total Income	504	883	3,300
Expenses:			
Management and investment advisory fees	–	–	1,296
Distribution fees - Class 2	N/A	N/A	22
Custodian fees	–	–	3
Directors' expenses	3	3	5
Professional fees	2	2	1
Other expenses	–	–	1
Total Expenses	5	5	1,328
Net Investment Income (Loss)	499	878	1,972
Net Realized and Unrealized Gain (Loss) on investments			
Net realized gain (loss) from:			
Investment transactions	–	–	12,636
Investment transactions in affiliated securities	40	379	–
Capital gain distribution received from affiliated securities	1,102	762	–
Change in unrealized appreciation/depreciation of:			
Investments	–	–	39,587
Investments in affiliated securities	718	(641)	–
Net Realized and Unrealized Gain (Loss) on investments	1,860	500	52,223
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 2,359	$ 1,378	$ 54,195

Statements of Operations
Principal Variable Contracts Funds, Inc.
Year Ended December 31, 2021

Amounts in thousands	SAM Balanced Portfolio	SAM Conservative Balanced Portfolio	SAM Conservative Growth Portfolio
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 16,470	$ 4,803	$ 8,820
Total Income	16,470	4,803	8,820
Expenses:			
Management and investment advisory fees	1,660	457	944
Distribution fees - Class 2	364	80	447
Chief compliance officer expenses	1	–	–
Directors' expenses	16	6	10
Professional fees	2	2	2
Other expenses	3	1	2
Total Expenses	2,046	546	1,405
Net Investment Income (Loss)	14,424	4,257	7,415
Net Realized and Unrealized Gain (Loss) on investments			
Net realized gain (loss) from:			
Investment transactions	2	–	–
Investment transactions in affiliated securities	69,687	13,569	28,967
Capital gain distribution received from affiliated securities	18,099	3,299	13,938
Change in unrealized appreciation/depreciation of:			
Investments in affiliated securities	(8,821)	(2,486)	16,534
Net Realized and Unrealized Gain (Loss) on investments	78,967	14,382	59,439
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 93,391	$ 18,639	$ 66,854

See accompanying notes.

Statements of Operations
Principal Variable Contracts Funds, Inc.
Year Ended December 31, 2021

Amounts in thousands	SAM Flexible Income Portfolio	SAM Strategic Growth Portfolio	Short-Term Income Account
Net Investment Income (Loss)			
Income:			
Dividends from affiliated securities	$ 5,062	$ 8,801	$ –
Interest	–	–	2,308
Securities lending - net	–	–	2
Total Income	5,062	8,801	2,310
Expenses:			
Management and investment advisory fees	427	895	670
Distribution fees - Class 2	99	471	N/A
Custodian fees	–	–	12
Directors' expenses	6	10	5
Professional fees	3	2	4
Other expenses	1	2	1
Total Expenses	536	1,380	692
Net Investment Income (Loss)	4,526	7,421	1,618
Net Realized and Unrealized Gain (Loss) on investments and futures contracts			
Net realized gain (loss) from:			
Investment transactions	–	–	110
Investment transactions in affiliated securities	11,330	21,965	–
Futures contracts	–	–	88
Capital gain distribution received from affiliated securities	1,718	17,919	–
Change in unrealized appreciation/depreciation of:			
Investments	–	–	(2,813)
Investments in affiliated securities	(5,173)	22,379	–
Futures contracts	–	–	4
Net Realized and Unrealized Gain (Loss) on investments and futures contracts	7,875	62,263	(2,611)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 12,401	$ 69,684	$ (993)

See accompanying notes.

Amounts in thousands	SmallCap Account
Net Investment Income (Loss)	
Income:	
Dividends	$ 1,697
Withholding tax	(12)
Securities lending - net	77
Total Income	1,762
Expenses:	
Management and investment advisory fees	1,850
Distribution fees - Class 2	24
Custodian fees	6
Directors' expenses	7
Professional fees	1
Other expenses	1
Total Expenses	1,889
Net Investment Income (Loss)	(127)
Net Realized and Unrealized Gain (Loss) on investments	
Net realized gain (loss) from:	
Investment transactions	35,323
Change in unrealized appreciation/depreciation of:	
Investments	5,193
Net Realized and Unrealized Gain (Loss) on investments	40,516
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 40,389

See accompanying notes.

Amounts in thousands	Blue Chip Account		Bond Market Index Account	
	Year Ended December 31, 2021	Period Ended December 31, 2020[a]	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ (49)	$ (2)	$ 45,135	$ 51,808
Net realized gain (loss) on investments	152	2	10,041	34,032
Change in unrealized appreciation/depreciation of investments	1,312	170	(104,415)	87,025
Net Increase (Decrease) in Net Assets Resulting from Operations	1,415	170	(49,239)	172,865
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	N/A	N/A	(65,097)	(66,635)
Class 3	(90)	–	N/A	N/A
Total Dividends and Distributions	(90)	–	(65,097)	(66,635)
Capital Share Transactions				
Dollars sold:				
Class 1	N/A	N/A	547,705	731,232
Class 3	7,278	5,000	N/A	N/A
Dollars issued in reinvestment of dividends and distributions:				
Class 1	N/A	N/A	65,097	66,635
Class 3	90	–	N/A	N/A
Dollars redeemed:				
Class 1	N/A	N/A	(333,117)	(708,298)
Class 3	(348)	–	N/A	N/A
Net Increase (Decrease) in Net Assets from Capital Share Transactions	7,020	5,000	279,685	89,569
Total Increase (Decrease)	8,345	5,170	165,349	195,799
Net Assets				
Beginning of period	5,170	–	2,735,259	2,539,460
End of period	$ 13,515	$ 5,170	$ 2,900,608	$ 2,735,259
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	N/A	N/A	50,001	65,182
Class 3	575	500	N/A	N/A
Shares issued in reinvestment of dividends and distributions:				
Class 1	N/A	N/A	5,983	5,971
Class 3	7	–	N/A	N/A
Shares redeemed:				
Class 1	N/A	N/A	(30,507)	(63,937)
Class 3	(27)	–	N/A	N/A
Net Increase (Decrease)	555	500	25,477	7,216

[a] Period from December 9, 2020, date operations commenced, through December 31, 2020.

Amounts in thousands	Core Plus Bond Account		Diversified Balanced Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020[a]
Operations				
Net investment income (loss)	$ 5,111	$ 4,918	$ 17,690	$ 19,207
Net realized gain (loss) on investments, futures contracts and swap agreements	3,359	10,718	83,118	59,571
Change in unrealized appreciation/depreciation of investments, futures contracts and swap agreements	(9,772)	7,744	3,843	37,371
Net Increase (Decrease) in Net Assets Resulting from Operations	(1,302)	23,380	104,651	116,149
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(12,230)	(9,503)	(3,051)	(2,241)
Class 2	N/A	N/A	(68,811)	(52,088)
Class 3	N/A	N/A	(7)	–
Total Dividends and Distributions	(12,230)	(9,503)	(71,869)	(54,329)
Capital Share Transactions				
Dollars sold:				
Class 1	29,658	59,751	1,245	1,819
Class 2	N/A	N/A	11,560	6,443
Class 3	N/A	N/A	314	10
Dollars issued in reinvestment of dividends and distributions:				
Class 1	12,230	9,503	3,051	2,241
Class 2	N/A	N/A	68,811	52,088
Class 3	N/A	N/A	7	–
Dollars redeemed:				
Class 1	(47,930)	(80,049)	(4,144)	(6,732)
Class 2	N/A	N/A	(128,657)	(126,371)
Class 3	N/A	N/A	(1)	–
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(6,042)	(10,795)	(47,814)	(70,502)
Total Increase (Decrease)	(19,574)	3,082	(15,032)	(8,682)
Net Assets				
Beginning of period	255,956	252,874	1,020,276	1,028,958
End of period	$ 236,382	$ 255,956	$ 1,005,244	$ 1,020,276
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	2,504	4,979	68	113
Class 2	N/A	N/A	634	387
Class 3	N/A	N/A	17	1
Shares issued in reinvestment of dividends and distributions:				
Class 1	1,057	795	172	137
Class 2	N/A	N/A	3,872	3,184
Class 3	N/A	N/A	–	–
Shares redeemed:				
Class 1	(4,025)	(6,709)	(227)	(408)
Class 2	N/A	N/A	(7,075)	(7,660)
Class 3	N/A	N/A	–	–
Net Increase (Decrease)	(464)	(935)	(2,539)	(4,246)

[a] Period from December 9, 2020, date operations commenced, through December 31, 2020 for Class 3 shares.

Amounts in thousands	Diversified Balanced Managed Volatility Account		Diversified Balanced Volatility Control Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020[a]	Year Ended December 31, 2021	Year Ended December 31, 2020[a]
Operations				
Net investment income (loss)	$ 4,163	$ 3,179	$ 3,482	$ 2,771
Net realized gain (loss) on investments	11,691	3,997	12,812	3,221
Change in unrealized appreciation/depreciation of investments	1,776	12,698	3,609	8,635
Net Increase (Decrease) in Net Assets Resulting from Operations	17,630	19,874	19,903	14,627
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 2	(7,203)	(9,814)	(6,085)	(4,487)
Class 3	(1)	–	–	–
Total Dividends and Distributions	(7,204)	(9,814)	(6,085)	(4,487)
Capital Share Transactions				
Dollars sold:				
Class 2	11,475	9,530	32,617	30,906
Class 3	–	10	–	10
Dollars issued in reinvestment of dividends and distributions:				
Class 2	7,203	9,814	6,085	4,487
Class 3	1	–	–	–
Dollars redeemed:				
Class 2	(30,183)	(20,500)	(7,201)	(6,435)
Class 3	–	–	–	–
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(11,504)	(1,146)	31,501	28,968
Total Increase (Decrease)	(1,078)	8,914	45,319	39,108
Net Assets				
Beginning of period	185,149	176,235	184,479	145,371
End of period	$ 184,071	$ 185,149	$ 229,798	$ 184,479
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 2	805	739	2,530	2,639
Class 3	–	1	–	1
Shares issued in reinvestment of dividends and distributions:				
Class 2	509	771	468	384
Class 3	–	–	–	–
Shares redeemed:				
Class 2	(2,121)	(1,602)	(559)	(553)
Class 3	–	–	–	–
Net Increase (Decrease)	(807)	(91)	2,439	2,471

[a] Period from December 9, 2020, date operations commenced, through December 31, 2020 for Class 3 shares.

Amounts in thousands	Diversified Growth Account		Diversified Growth Managed Volatility Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020[a]	Year Ended December 31, 2021	Year Ended December 31, 2020[a]
Operations				
Net investment income (loss)	$ 68,785	$ 68,287	$ 9,314	$ 6,062
Net realized gain (loss) on investments	316,529	201,785	28,838	9,139
Change in unrealized appreciation/depreciation of investments	157,988	201,145	11,557	29,119
Net Increase (Decrease) in Net Assets Resulting from Operations	543,302	471,217	49,709	44,320
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 2	(250,728)	(190,828)	(15,269)	(22,413)
Class 3	(1)	–	–	–
Total Dividends and Distributions	(250,729)	(190,828)	(15,269)	(22,413)
Capital Share Transactions				
Dollars sold:				
Class 2	29,205	17,827	14,028	13,484
Class 3	257	10	1	10
Dollars issued in reinvestment of dividends and distributions:				
Class 2	250,728	190,828	15,269	22,413
Class 3	1	–	–	–
Dollars redeemed:				
Class 2	(451,399)	(408,107)	(53,062)	(33,253)
Class 3	(1)	–	–	–
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(171,209)	(199,442)	(23,764)	2,654
Total Increase (Decrease)	121,364	80,947	10,676	24,561
Net Assets				
Beginning of period	3,853,092	3,772,145	378,248	353,687
End of period	$ 3,974,456	$ 3,853,092	$ 388,924	$ 378,248
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 2	1,372	966	929	1,020
Class 3	12	1	–	1
Shares issued in reinvestment of dividends and distributions:				
Class 2	11,911	10,405	1,002	1,709
Class 3	–	–	–	–
Shares redeemed:				
Class 2	(21,202)	(22,032)	(3,481)	(2,480)
Class 3	–	–	–	–
Net Increase (Decrease)	(7,907)	(10,660)	(1,550)	250

[a] Period from December 9, 2020, date operations commenced, through December 31, 2020 for Class 3 shares.

See accompanying notes.

Amounts in thousands	Diversified Growth Volatility Control Account		Diversified Income Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020[a]	Year Ended December 31, 2021	Year Ended December 31, 2020[a]
Operations				
Net investment income (loss)	$ 19,273	$ 13,788	$ 5,767	$ 6,093
Net realized gain (loss) on investments	82,568	15,480	14,072	7,377
Change in unrealized appreciation/depreciation of investments	44,292	53,997	2,165	18,607
Net Increase (Decrease) in Net Assets Resulting from Operations	146,133	83,265	22,004	32,077
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 2	(31,026)	(26,804)	(13,513)	(10,799)
Class 3	–	–	(31)	–
Total Dividends and Distributions	(31,026)	(26,804)	(13,544)	10,799
Capital Share Transactions				
Dollars sold:				
Class 2	158,445	158,414	50,123	60,558
Class 3	–	10	769	10
Dollars issued in reinvestment of dividends and distributions:				
Class 2	31,026	26,804	13,513	10,799
Class 3	–	–	31	–
Dollars redeemed:				
Class 2	(23,023)	(11,521)	(69,652)	(48,998)
Class 3	–	–	(15)	–
Net Increase (Decrease) in Net Assets from Capital Share Transactions	166,448	173,707	(5,231)	(22,369)
Total Increase (Decrease)	281,555	230,168	3,229	43,647
Net Assets				
Beginning of period	995,585	765,417	323,535	279,888
End of period	$ 1,277,140	$ 995,585	$ 326,764	$ 323,535
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 2	11,705	13,413	3,308	4,296
Class 3	–	1	50	1
Shares issued in reinvestment of dividends and distributions:				
Class 2	2,268	2,277	899	768
Class 3	–	–	2	–
Shares redeemed:				
Class 2	(1,701)	(960)	(4,598)	(3,488)
Class 3	–	–	(1)	–
Net Increase (Decrease)	12,272	14,731	(340)	1,577

[a] Period from December 9, 2020, date operations commenced, through December 31, 2020 for Class 3 shares.

Amounts in thousands	Diversified International Account		Equity Income Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020[a]
Operations				
Net investment income (loss)	$ 4,504	$ 2,924	$ 13,034	$ 15,088
Net realized gain (loss) on investments and foreign currencies	26,148	2,355	89,817	3,936
Change in unrealized appreciation/depreciation of investments	(2,864)	35,065	53,748	28,636
Net Increase (Decrease) in Net Assets Resulting from Operations	27,788	40,344	156,599	47,660
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(5,303)	(6,493)	(13,771)	(33,840)
Class 2	N/A	N/A	(875)	(1,309)
Class 3	N/A	N/A	(1)	–
Total Dividends and Distributions	(5,303)	(6,493)	(14,647)	(35,149)
Capital Share Transactions				
Dollars sold:				
Class 1	17,997	23,408	42,546	69,175
Class 2	N/A	N/A	15,172	5,224
Class 3	N/A	N/A	174	10
Dollars issued in reinvestment of dividends and distributions:				
Class 1	5,303	6,493	13,771	33,840
Class 2	N/A	N/A	875	1,309
Class 3	N/A	N/A	1	–
Dollars redeemed:				
Class 1	(38,085)	(38,794)	(245,030)	(100,507)
Class 2	N/A	N/A	(3,764)	(4,904)
Class 3	N/A	N/A	(44)	–
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(14,785)	(8,893)	(176,299)	4,147
Total Increase (Decrease)	7,700	24,958	(34,347)	16,658
Net Assets				
Beginning of period	291,726	266,768	789,843	773,185
End of period	$ 299,426	$ 291,726	$ 755,496	$ 789,843
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	955	1,592	1,340	2,814
Class 2	N/A	N/A	477	205
Class 3	N/A	N/A	5	–
Shares issued in reinvestment of dividends and distributions:				
Class 1	274	429	426	1,364
Class 2	N/A	N/A	27	53
Class 3	N/A	N/A	–	–
Shares redeemed:				
Class 1	(2,021)	(2,591)	(7,761)	(3,991)
Class 2	N/A	N/A	(119)	(197)
Class 3	N/A	N/A	(1)	–
Net Increase (Decrease)	(792)	(570)	(5,606)	248

[a] Period from December 9, 2020, date operations commenced, through December 31, 2020 for Class 3 shares.

See accompanying notes.

Amounts in thousands	Government & High Quality Bond Account		International Emerging Markets Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 801	$ 2,928	$ 984	$ 575
Net realized gain (loss) on investments, foreign currencies and futures contracts	833	1,550	7,008	1,801
Change in unrealized appreciation/depreciation of investments and futures contracts	(4,200)	2,307	(7,245)	12,316
Net Increase (Decrease) in Net Assets Resulting from Operations	(2,566)	6,785	747	14,692
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(4,266)	(5,987)	(1,851)	(1,960)
Total Dividends and Distributions	(4,266)	(5,987)	(1,851)	(1,960)
Capital Share Transactions				
Dollars sold:				
Class 1	35,129	48,406	10,524	6,687
Dollars issued in reinvestment of dividends and distributions:				
Class 1	4,266	5,987	1,851	1,960
Dollars redeemed:				
Class 1	(62,782)	(68,527)	(14,295)	(17,269)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(23,387)	(14,134)	(1,920)	(8,622)
Total Increase (Decrease)	(30,219)	(13,336)	(3,024)	4,110
Net Assets				
Beginning of period	227,996	241,332	93,839	89,729
End of period	$ 197,777	$ 227,996	$ 90,815	$ 93,839
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	3,648	4,870	504	403
Shares issued in reinvestment of dividends and distributions:				
Class 1	445	610	90	117
Shares redeemed:				
Class 1	(6,431)	(6,882)	(684)	(1,050)
Net Increase (Decrease)	(2,338)	(1,402)	(90)	(530)

See accompanying notes.

Amounts in thousands	LargeCap Growth Account I		LargeCap S&P 500 Index Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ (1,753)	$ (766)	$ 34,299	$ 42,203
Net realized gain (loss) on investments and futures contracts	70,697	89,670	346,848	305,143
Change in unrealized appreciation/depreciation of investments and futures contracts	61,881	81,761	389,815	151,298
Net Increase (Decrease) in Net Assets Resulting from Operations	130,825	170,665	770,962	498,644
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(78,910)	(32,044)	(289,214)	(209,074)
Class 2	N/A	N/A	(3,863)	(1,726)
Total Dividends and Distributions	(78,910)	(32,044)	(293,077)	(210,800)
Capital Share Transactions				
Dollars sold:				
Class 1	49,902	76,419	138,939	412,611
Class 2	N/A	N/A	13,085	10,151
Dollars issued in reinvestment of dividends and distributions:				
Class 1	78,910	32,044	289,214	209,074
Class 2	N/A	N/A	3,863	1,726
Dollars redeemed:				
Class 1	(86,428)	(137,380)	(630,975)	(707,658)
Class 2	N/A	N/A	(3,405)	(2,283)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	42,384	(28,917)	(189,279)	(76,379)
Total Increase (Decrease)	94,299	109,704	288,606	211,465
Net Assets				
Beginning of period	612,357	502,653	2,920,643	2,709,178
End of period	$ 706,656	$ 612,357	$ 3,209,249	$ 2,920,643
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	962	1,875	5,730	23,526
Class 2	N/A	N/A	556	525
Shares issued in reinvestment of dividends and distributions:				
Class 1	1,526	747	12,121	10,760
Class 2	N/A	N/A	165	90
Shares redeemed:				
Class 1	(1,661)	(3,339)	(25,846)	(35,841)
Class 2	N/A	N/A	(149)	(124)
Net Increase (Decrease)	827	(717)	(7,423)	(1,064)

See accompanying notes.

Amounts in thousands	LargeCap S&P 500 Managed Volatility Index Account		MidCap Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 2,028	$ 2,849	$ (121)	$ 712
Net realized gain (loss) on investments, futures contracts and options and swaptions	26,911	14,091	70,194	52,550
Change in unrealized appreciation/depreciation of investments, futures contracts and options and swaptions	26,106	20,710	83,393	44,805
Net Increase (Decrease) in Net Assets Resulting from Operations	55,045	37,650	153,466	98,067
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(26,835)	(8,348)	(42,787)	(55,618)
Class 2	N/A	N/A	(2,139)	(2,129)
Total Dividends and Distributions	(26,835)	(8,348)	(44,926)	(57,747)
Capital Share Transactions				
Dollars sold:				
Class 1	9,025	28,455	42,968	16,217
Class 2	N/A	N/A	8,836	3,754
Dollars issued in reinvestment of dividends and distributions:				
Class 1	26,835	8,348	42,787	55,618
Class 2	N/A	N/A	2,139	2,129
Dollars redeemed:				
Class 1	(59,287)	(48,772)	(82,470)	(94,297)
Class 2	N/A	N/A	(2,638)	(2,666)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(23,427)	(11,969)	11,622	(19,245)
Total Increase (Decrease)	4,783	17,333	120,162	21,075
Net Assets				
Beginning of period	235,112	217,779	629,737	608,662
End of period	$ 239,895	$ 235,112	$ 749,899	$ 629,737
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	492	2,164	601	298
Class 2	N/A	N/A	126	66
Shares issued in reinvestment of dividends and distributions:				
Class 1	1,513	552	610	1,013
Class 2	N/A	N/A	31	39
Shares redeemed:				
Class 1	(3,199)	(3,262)	(1,183)	(1,635)
Class 2	N/A	N/A	(39)	(48)
Net Increase (Decrease)	(1,194)	(546)	146	(267)

See accompanying notes.

Amounts in thousands	Principal Capital Appreciation Account		Principal LifeTime 2010 Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 1,248	$ 1,495	$ 1,022	$ 627
Net realized gain (loss) on investments and foreign currencies	21,700	7,923	1,441	1,964
Change in unrealized appreciation/depreciation of investments	21,069	16,879	(386)	993
Net Increase (Decrease) in Net Assets Resulting from Operations	44,017	26,297	2,077	3,584
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(7,194)	(8,219)	(2,606)	(1,397)
Class 2	(1,221)	(845)	N/A	N/A
Total Dividends and Distributions	(8,415)	(9,064)	(2,606)	(1,397)
Capital Share Transactions				
Dollars sold:				
Class 1	4,872	5,155	7,457	13,158
Class 2	8,993	4,919	N/A	N/A
Dollars issued in reinvestment of dividends and distributions:				
Class 1	7,194	8,219	2,606	1,397
Class 2	1,221	845	N/A	N/A
Dollars redeemed:				
Class 1	(26,775)	(25,015)	(8,061)	(12,417)
Class 2	(2,574)	(2,405)	N/A	N/A
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(7,069)	(8,282)	2,002	2,138
Total Increase (Decrease)	28,533	8,951	1,473	4,325
Net Assets				
Beginning of period	165,714	156,763	35,824	31,499
End of period	$ 194,247	$ 165,714	$ 37,297	$ 35,824
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	125	179	538	1,023
Class 2	241	159	N/A	N/A
Shares issued in reinvestment of dividends and distributions:				
Class 1	184	269	195	108
Class 2	32	28	N/A	N/A
Shares redeemed:				
Class 1	(699)	(824)	(587)	(965)
Class 2	(71)	(81)	N/A	N/A
Net Increase (Decrease)	(188)	(270)	146	166

See accompanying notes.

Amounts in thousands	Principal LifeTime 2020 Account		Principal LifeTime 2030 Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 5,371	$ 3,226	$ 6,898	$ 3,386
Net realized gain (loss) on investments	11,453	10,967	15,985	8,619
Change in unrealized appreciation/depreciation of investments	442	5,602	6,546	16,183
Net Increase (Decrease) in Net Assets Resulting from Operations	17,266	19,795	29,429	28,188
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(14,360)	(7,874)	(12,163)	(7,444)
Total Dividends and Distributions	(14,360)	(7,874)	(12,163)	(7,444)
Capital Share Transactions				
Dollars sold:				
Class 1	26,050	41,931	49,164	60,753
Dollars issued in reinvestment of dividends and distributions:				
Class 1	14,360	7,874	12,163	7,444
Dollars redeemed:				
Class 1	(41,149)	(58,034)	(44,020)	(42,822)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(739)	(8,229)	17,307	25,375
Total Increase (Decrease)	2,167	3,692	34,573	46,119
Net Assets				
Beginning of period	194,167	190,475	228,291	182,172
End of period	$ 196,334	$ 194,167	$ 262,864	$ 228,291
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	1,689	2,969	3,203	4,701
Shares issued in reinvestment of dividends and distributions:				
Class 1	954	569	792	570
Shares redeemed:				
Class 1	(2,674)	(4,285)	(2,883)	(3,418)
Net Increase (Decrease)	(31)	(747)	1,112	1,853

See accompanying notes.

Amounts in thousands	Principal LifeTime 2040 Account		Principal LifeTime 2050 Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 3,939	$ 1,600	$ 2,075	$ 709
Net realized gain (loss) on investments	8,351	4,034	4,722	1,976
Change in unrealized appreciation/depreciation of investments	4,896	9,163	2,429	4,442
Net Increase (Decrease) in Net Assets Resulting from Operations	17,186	14,797	9,226	7,127
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(5,654)	(3,620)	(2,689)	(1,684)
Total Dividends and Distributions	(5,654)	(3,620)	(2,689)	(1,684)
Capital Share Transactions				
Dollars sold:				
Class 1	28,876	23,228	21,207	9,945
Dollars issued in reinvestment of dividends and distributions:				
Class 1	5,654	3,620	2,689	1,684
Dollars redeemed:				
Class 1	(19,027)	(16,293)	(11,685)	(6,174)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	15,503	10,555	12,211	5,455
Total Increase (Decrease)	27,035	21,732	18,748	10,898
Net Assets				
Beginning of period	107,137	85,405	49,779	38,881
End of period	$ 134,172	$ 107,137	$ 68,527	$ 49,779
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	1,495	1,475	1,120	656
Shares issued in reinvestment of dividends and distributions:				
Class 1	289	227	140	111
Shares redeemed:				
Class 1	(979)	(1,044)	(614)	(412)
Net Increase (Decrease)	805	658	646	355

See accompanying notes.

Amounts in thousands	Principal LifeTime 2060 Account		Principal LifeTime Strategic Income Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 499	$ 154	$ 878	$ 576
Net realized gain (loss) on investments	1,142	316	1,141	1,263
Change in unrealized appreciation/depreciation of investments	718	1,132	(641)	900
Net Increase (Decrease) in Net Assets Resulting from Operations	2,359	1,602	1,378	2,739
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(526)	(346)	(1,855)	(686)
Total Dividends and Distributions	(526)	(346)	(1,855)	(686)
Capital Share Transactions				
Dollars sold:				
Class 1	6,857	5,470	5,995	13,699
Dollars issued in reinvestment of dividends and distributions:				
Class 1	526	346	1,855	686
Dollars redeemed:				
Class 1	(3,404)	(3,735)	(8,269)	(11,692)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	3,979	2,081	(419)	2,693
Total Increase (Decrease)	5,812	3,337	(896)	4,746
Net Assets				
Beginning of period	11,468	8,131	31,025	26,279
End of period	$ 17,280	$ 11,468	$ 30,129	$ 31,025
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	383	395	467	1,125
Shares issued in reinvestment of dividends and distributions:				
Class 1	29	24	147	56
Shares redeemed:				
Class 1	(189)	(277)	(644)	(968)
Net Increase (Decrease)	223	142	(30)	213

See accompanying notes.

Statements of Changes in Net Assets
Principal Variable Contracts Funds, Inc.

Amounts in thousands	Real Estate Securities Account		SAM Balanced Portfolio	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 1,972	$ 2,591	$ 14,424	$ 11,114
Net realized gain (loss) on investments	12,636	9,588	87,788	15,288
Change in unrealized appreciation/depreciation of investments	39,587	(19,045)	(8,821)	42,753
Net Increase (Decrease) in Net Assets Resulting from Operations	54,195	(6,866)	93,391	69,155
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(12,078)	(10,113)	(21,306)	(28,428)
Class 2	(701)	(471)	(5,166)	(6,281)
Total Dividends and Distributions	(12,779)	(10,584)	(26,472)	(34,709)
Capital Share Transactions				
Dollars sold:				
Class 1	21,019	14,394	20,819	15,889
Class 2	2,630	2,633	14,289	12,156
Dollars issued in reinvestment of dividends and distributions:				
Class 1	12,078	10,113	21,306	28,428
Class 2	701	471	5,166	6,281
Dollars redeemed:				
Class 1	(26,908)	(33,684)	(76,310)	(77,946)
Class 2	(946)	(1,825)	(10,232)	(15,097)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	8,574	(7,898)	(24,962)	(30,289)
Total Increase (Decrease)	49,990	(25,348)	41,957	4,157
Net Assets				
Beginning of period	136,582	161,930	702,987	698,830
End of period	$ 186,572	$ 136,582	$ 744,944	$ 702,987
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	955	757	1,185	1,033
Class 2	117	136	817	811
Shares issued in reinvestment of dividends and distributions:				
Class 1	535	571	1,200	1,893
Class 2	31	27	295	424
Shares redeemed:				
Class 1	(1,224)	(1,781)	(4,324)	(5,156)
Class 2	(43)	(94)	(594)	(1,001)
Net Increase (Decrease)	371	(384)	(1,421)	(1,996)

See accompanying notes.

Amounts in thousands	SAM Conservative Balanced Portfolio		SAM Conservative Growth Portfolio	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 4,257	$ 3,643	$ 7,415	$ 4,716
Net realized gain (loss) on investments	16,868	2,428	42,905	7,957
Change in unrealized appreciation/depreciation of investments	(2,486)	10,081	16,534	30,555
Net Increase (Decrease) in Net Assets Resulting from Operations	18,639	16,152	66,854	43,228
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(5,275)	(6,527)	(7,539)	(7,057)
Class 2	(980)	(1,120)	(5,513)	(4,603)
Total Dividends and Distributions	(6,255)	(7,647)	(13,052)	(11,660)
Capital Share Transactions				
Dollars sold:				
Class 1	14,199	10,993	17,827	15,388
Class 2	6,406	6,465	13,856	10,170
Dollars issued in reinvestment of dividends and distributions:				
Class 1	5,275	6,527	7,539	7,057
Class 2	980	1,120	5,513	4,603
Dollars redeemed:				
Class 1	(25,083)	(24,358)	(39,869)	(28,311)
Class 2	(5,094)	(4,138)	(8,456)	(12,707)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(3,317)	(3,391)	(3,590)	(3,800)
Total Increase (Decrease)	9,067	5,114	50,212	27,768
Net Assets				
Beginning of period	194,589	189,475	384,615	356,847
End of period	$ 203,656	$ 194,589	$ 434,827	$ 384,615
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	1,072	905	756	809
Class 2	487	542	597	541
Shares issued in reinvestment of dividends and distributions:				
Class 1	392	548	312	365
Class 2	74	95	232	242
Shares redeemed:				
Class 1	(1,870)	(2,063)	(1,678)	(1,484)
Class 2	(393)	(354)	(362)	(682)
Net Increase (Decrease)	(238)	(327)	(143)	(209)

See accompanying notes.

Amounts in thousands	SAM Flexible Income Portfolio		SAM Strategic Growth Portfolio	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 4,526	$ 4,396	$ 7,421	$ 3,541
Net realized gain (loss) on investments	13,048	2,977	39,884	8,211
Change in unrealized appreciation/depreciation of investments	(5,173)	4,312	22,379	35,189
Net Increase (Decrease) in Net Assets Resulting from Operations	12,401	11,685	69,684	46,941
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(5,721)	(7,314)	(6,518)	(6,858)
Class 2	(1,591)	(1,558)	(5,802)	(5,802)
Total Dividends and Distributions	(7,312)	(8,872)	(12,320)	(12,660)
Capital Share Transactions				
Dollars sold:				
Class 1	14,388	12,405	20,247	17,678
Class 2	14,144	7,059	15,072	10,818
Dollars issued in reinvestment of dividends and distributions:				
Class 1	5,721	7,314	6,518	6,858
Class 2	1,591	1,558	5,802	5,802
Dollars redeemed:				
Class 1	(25,468)	(30,419)	(21,478)	(23,845)
Class 2	(5,875)	(5,053)	(10,188)	(11,395)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	4,501	(7,136)	15,973	5,916
Total Increase (Decrease)	9,590	(4,323)	73,337	40,197
Net Assets				
Beginning of period	184,262	188,585	355,610	315,413
End of period	$ 193,852	$ 184,262	$ 428,947	$ 355,610
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	1,101	1,003	758	858
Class 2	1,082	577	566	543
Shares issued in reinvestment of dividends and distributions:				
Class 1	437	601	239	327
Class 2	123	129	216	281
Shares redeemed:				
Class 1	(1,944)	(2,490)	(811)	(1,170)
Class 2	(453)	(415)	(391)	(555)
Net Increase (Decrease)	346	(595)	577	284

Amounts in thousands	Short-Term Income Account		SmallCap Account	
	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
Operations				
Net investment income (loss)	$ 1,618	$ 2,255	$ (127)	$ 397
Net realized gain (loss) on investments and futures contracts	198	1,329	35,323	8,395
Change in unrealized appreciation/depreciation of investments and futures contracts	(2,809)	1,248	5,193	28,277
Net Increase (Decrease) in Net Assets Resulting from Operations	(993)	4,832	40,389	37,069
Dividends and Distributions to Shareholders				
From net investment income and net realized gain on investments:				
Class 1	(2,932)	(3,166)	(7,164)	(12,854)
Class 2	N/A	N/A	(318)	(488)
Total Dividends and Distributions	(2,932)	(3,166)	(7,482)	(13,342)
Capital Share Transactions				
Dollars sold:				
Class 1	34,540	76,173	17,504	11,103
Class 2	N/A	N/A	1,948	1,429
Dollars issued in reinvestment of dividends and distributions:				
Class 1	2,932	3,166	7,164	12,854
Class 2	N/A	N/A	318	488
Dollars redeemed:				
Class 1	(50,034)	(54,838)	(38,216)	(35,244)
Class 2	N/A	N/A	(1,500)	(1,358)
Net Increase (Decrease) in Net Assets from Capital Share Transactions	(12,562)	24,501	(12,782)	(10,728)
Total Increase (Decrease)	(16,487)	26,167	20,125	12,999
Net Assets				
Beginning of period	157,019	130,852	204,262	191,263
End of period	$ 140,532	$ 157,019	$ 224,387	$ 204,262
Increase (Decrease) in Capital Shares				
Shares sold:				
Class 1	13,394	29,351	883	841
Class 2	N/A	N/A	98	102
Shares issued in reinvestment of dividends and distributions:				
Class 1	1,150	1,223	360	965
Class 2	N/A	N/A	16	37
Shares redeemed:				
Class 1	(19,407)	(21,193)	(1,926)	(2,487)
Class 2	N/A	N/A	(77)	(96)
Net Increase (Decrease)	(4,863)	9,381	(646)	(638)

See accompanying notes.

1. Organization

Principal Variable Contracts Funds, Inc. (the "Fund") is registered under the Investment Company Act of 1940, as amended, (the "1940 Act") as an open-end management investment company and operates as a series fund in the mutual fund industry. The financial statements for Blue Chip Account, Bond Market Index Account, Core Plus Bond Account, Diversified Balanced Account, Diversified Balanced Managed Volatility Account, Diversified Balanced Volatility Control Account, Diversified Growth Account, Diversified Growth Managed Volatility Account, Diversified Growth Volatility Control Account, Diversified Income Account, Diversified International Account, Equity Income Account, Government & High Quality Bond Account, International Emerging Markets Account, LargeCap Growth Account I, LargeCap S&P 500 Index Account, LargeCap S&P 500 Managed Volatility Index Account, MidCap Account, Principal Capital Appreciation Account, Principal LifeTime 2010 Account, Principal LifeTime 2020 Account, Principal LifeTime 2030 Account, Principal LifeTime 2040 Account, Principal LifeTime 2050 Account, Principal LifeTime 2060 Account, Principal LifeTime Strategic Income Account, Real Estate Securities Account, SAM Balanced Portfolio, SAM Conservative Balanced Portfolio, SAM Conservative Growth Portfolio, SAM Flexible Income Portfolio, SAM Strategic Growth Portfolio, Short-Term Income Account and SmallCap Account, series of the Fund, (known as the "Funds"), are presented herein. Principal LifeTime 2010 Account, Principal LifeTime 2020 Account, Principal LifeTime 2030 Account, Principal LifeTime 2040 Account, Principal LifeTime 2050 Account, Principal LifeTime 2060 Account, and Principal LifeTime Strategic Income Account are referred to collectively as the "Principal LifeTime Funds". SAM Balanced Portfolio, SAM Conservative Balanced Portfolio, SAM Conservative Growth Portfolio, SAM Flexible Income Portfolio, and SAM Strategic Growth Portfolio are referred to collectively as the "SAM Portfolios". The Funds may offer up to three classes of shares: Class 1, Class 2, and Class 3.

Each of the Funds is an investment company and applies specialized accounting and reporting under Accounting Standards Codification ("ASC") Topic 946, *Financial Services - Investment Companies*. The Funds have not provided financial support and are not contractually required to provide financial support to any investee.

Effective December 9, 2020, the initial purchase of $5,000,000 of Class 3 shares of Blue Chip Account was made by Principal Financial Services, Inc.

Effective December 9, 2020, the initial purchases of $10,000 of Class 3 shares of the following Funds were made by the Principal Global Investors, LLC ("Manager").

Diversified Balanced Account	Diversified Growth Managed Volatility Account
Diversified Balanced Managed Volatility Account	Diversified Growth Volatility Control Account
Diversified Balanced Volatility Control Account	Diversified Income Account
Diversified Growth Account	Equity Income Account

All classes of shares for each of the Funds represent interests in the same portfolio of investments and will vote together as a single class, except where otherwise required by law or as determined by the Fund's Board of Directors. In addition, the Board of Directors declares separate dividends on each class of shares.

2. Significant Accounting Policies

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("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 revenues and expenses during the reporting period. Actual results could differ from those estimates. The following summarizes the significant accounting policies of the Funds:

Security Valuation. The Funds may invest in other series of the Fund, Principal Funds, Inc., and other investment funds, which may include exchange-traded funds, money market funds and other registered open-end investment companies. Investments in registered open-end investment companies, other than exchange-traded funds, are valued at the respective fund's closing net asset value per share on the day of valuation.

The Funds (with the exception of Diversified Balanced Volatility Control Account, Diversified Balanced Managed Volatility Account, Diversified Growth Account, Diversified Growth Managed Volatility Account, Diversified Growth Volatility Control Account, Diversified Income Account, Principal LifeTime Funds, and SAM Portfolios) value securities, including exchange-traded funds, for which market quotations are readily available at fair value, which is determined using the last reported sale price. If no sales are reported, as is regularly the case for some securities traded over-the-counter, securities are valued using the last reported bid price or an evaluated bid price provided by a pricing service. Pricing services use modeling techniques that incorporate security characteristics such as current quotations by broker/dealers, coupon, maturity, quality, type of issue, trading characteristics, other yield and risk factors, and other market conditions to determine an evaluated bid price or, in the case of certain credit default swaps, a mean price provided by a pricing service. When reliable market quotations are not considered to be readily available, which may be the case, for example, with respect to restricted securities, certain debt

2. Significant Accounting Policies (continued)

securities, preferred stocks, and foreign securities, the investments are valued at their fair value as determined in good faith by the Manager under procedures established and periodically reviewed by the Fund's Board of Directors.

The value of foreign securities used in computing the net asset value per share is generally determined as of the close of the foreign exchange where the security is principally traded. Events that occur after the close of the applicable foreign market or exchange but prior to the calculation of the Funds' net asset values are reflected in the Funds' net asset values and these securities are valued at fair value. Many factors, provided by independent pricing services, are reviewed in the course of making a good faith determination of a security's fair value, including, but not limited to, price movements in American depository receipts ("ADRs"), futures contracts, industry indices, general indices, and foreign currencies.

To the extent the Funds invest in foreign securities listed on foreign exchanges which trade on days on which the Funds do not determine net asset values, for example, weekends and other customary national U.S. holidays, the Funds' net asset values could be significantly affected on days when shareholders cannot purchase or redeem shares.

Certain securities issued by companies in emerging market countries may have more than one quoted valuation at any given point in time, sometimes referred to as a "local" price and a "premium" price. The premium price is often a negotiated price, which may not consistently represent a price at which a specific transaction can be effected. It is the policy of the Fund to value such securities at prices at which it is expected those shares may be sold, and the Manager or any sub-advisor, is authorized to make such determinations subject to such oversight by the Fund's Board of Directors, as may occasionally be necessary.

Currency Translation. Foreign holdings are translated to U.S. dollars using the exchange rate at the daily close of the New York Stock Exchange. The identified cost of the Funds' holdings is translated at approximate rates prevailing when acquired. Income and expense amounts are translated at approximate rates prevailing when received or paid, with daily accruals of such amounts reported at approximate rates prevailing at the date of valuation. Since the carrying amount of the foreign securities is determined based on the exchange rate and market values at the close of the period, it is not practicable to isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of securities during the period.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between trade and settlement dates on security transactions, and the difference between the amount of dividends, interest income, interest expense, and foreign withholding taxes recorded on the books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized appreciation (depreciation) on translation of assets and liabilities in foreign currencies arise from changes in the exchange rate relating to assets and liabilities, other than investments in securities, purchased and held in non-U.S. denominated currencies.

The following Funds held securities denominated in foreign currencies that exceeded 5% of net assets of the respective fund as of December 31, 2021:

Diversified International Account	
Euro	23.7%
Japanese Yen	16.1
British Pound Sterling	11.4
Swiss Franc	7.2
Canadian Dollar	5.5
International Emerging Markets Account	
Hong Kong Dollar	25.7%
New Taiwan Dollar	15.6
Indian Rupee	14.8
South Korean Won	11.4

Income and Investment Transactions. The Funds record investment transactions on a trade date basis. Trade date for senior floating rate interests purchased in the primary market is considered the date on which the loan allocations are determined. Trade date for senior floating rate interests purchased in the secondary market is the date on which the transaction is entered into. The identified cost basis has been used in determining the net realized gain or loss from investment transactions and unrealized appreciation or depreciation of investments. The Funds record dividend income on the ex-dividend date, except dividend income from foreign securities whereby the ex-dividend date has passed; such dividends are recorded as soon as the Funds are informed of the ex-dividend date. Interest income is recognized on an accrual basis. Payment in kind income is computed on the value of the securities received at the contractual rate specified in each loan agreement. Discounts and premiums on securities are accreted/amortized, respectively, on the level yield method over the expected lives of the respective securities. Callable debt securities purchased at a premium are amortized to the earliest call date and to the callable amount, if

2. Significant Accounting Policies (continued)

other than par. The Funds allocate all income and realized and unrealized gains or losses on a daily basis to each class of shares based upon the relative proportion of the value of shares outstanding.

Distributions from Real Estate Investment Trusts ("REITs") may be characterized as ordinary income, capital gain, or a return of capital to the fund. The proper characterization of REIT distributions is generally not known until after the end of each calendar year. As such, estimates are used in reporting the character of income and distributions for financial statement purposes. Real Estate Securities Account receives substantial distributions from holdings in REITs.

Expenses. Expenses directly attributed to a particular fund are charged to that fund. Other expenses not directly attributed to a particular fund are apportioned among the registered investment companies managed by the Manager.

Management fees are allocated daily to each class of shares based upon the relative proportion of the value of shares outstanding of each class. Expenses specifically attributable to a particular class are charged directly to such class and are included separately in the statements of operations.

In addition to the expenses the Funds bear directly, each of the Funds may indirectly bear a pro rata share of the fees and expenses of the other series of the Fund, Principal Funds, Inc. and other investment companies (collectively, "Underlying Funds") in which they invest. Because the Underlying Funds have varied expense levels and each of the Funds may own different proportions of the Underlying Funds at different times, the amount of expense incurred indirectly by each of the Funds will vary. Expenses included in the statements of operations and financial highlights of the Funds do not include any expenses associated with the Underlying Funds.

Dividends and Distributions to Shareholders. Dividends and distributions to shareholders are recorded on the ex-dividend date. Dividends and distributions to shareholders from net investment income and net realized gain from investments and foreign currency transactions are determined in accordance with federal tax regulations, which may differ from U.S. GAAP. These differences are primarily due to differing treatments for amortization of premiums and discounts, net operating losses, foreign currency transactions, options and futures contracts, certain defaulted securities, sales of passive foreign investment companies, losses deferred due to wash sales, tax straddles, mortgage-backed securities, certain preferred securities, swap agreements, partnership investments, REITs, utilization of earnings and profits distributed to shareholders on redemption of shares, and limitations imposed by Sections 381 – 384 of the Internal Revenue Code. Permanent book and tax basis differences are reclassified within the capital accounts based on federal tax-basis treatment; temporary differences do not require reclassification. To the extent dividends and distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as return of capital distributions.

Federal Income Taxes. No provision for federal income taxes is considered necessary because each of the Funds intends to qualify as a "regulated investment company" under the Internal Revenue Code and intends to distribute each year substantially all of its net investment income and realized capital gains to shareholders.

Management evaluates tax positions taken or expected to be taken in the course of preparing the Funds' tax returns to determine whether it is "more likely than not" that each tax position would be sustained upon examination by a taxing authority based on the technical merits of the position. Tax positions not deemed to meet the "more likely than not" threshold would be recorded as a tax benefit or expense in the current year. During the year ended December 31, 2021, the Funds did not record any such tax benefit or expense in the accompanying financial statements. The statute of limitations remains open for the last three fiscal years, once a return is filed. No examinations are in progress at this time.

Foreign Taxes. Certain of the Funds are subject to foreign income taxes imposed by certain countries in which they invest. Foreign income taxes are accrued by the Funds as a reduction of income. These amounts are shown as withholding tax on the statements of operations. In consideration of recent decisions rendered by European courts, certain of the Funds have filed additional tax reclaims for taxes withheld in prior years. Due to the uncertainty regarding collectability and timing of these reclaims, among other factors, a corresponding receivable will only be recognized when the tax position meets the "more likely than not" threshold. Any tax reclaims received are included in dividend income on the statements of operations.

Gains realized upon the disposition of certain foreign securities held by certain Funds may be subject to capital gains tax, payable prior to the repatriation of sale proceeds. The tax is computed on certain net realized gains and, if any, is shown on the statements of operations. Realized losses in excess of gains may be carried forward to offset future gains. In addition, the Funds accrue an estimated tax liability for future gains on certain foreign securities. Any accrued foreign tax liability is shown on the statements of assets and liabilities. As of December 31, 2021, Diversified International Account and International Emerging Markets Account had an accrued foreign tax liability of $259,000 and $463,000, respectively.

2. Significant Accounting Policies (continued)

Recent Accounting Pronouncements. In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-04 *Reference Rate Reform (Topic 848); Facilitation of the Effects of Reference Rate Reform on Financial Reporting,* which provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform. The guidance is applicable to contracts referencing London Interbank Offered Rate ("LIBOR") or another reference rate that is expected to be discontinued due to reference rate reform. The ASU is effective as of March 12, 2020 and generally can be applied through December 31, 2022. Management is evaluating the impact of the ASU over the period of time the ASU is effective.

3. Operating Policies

Borrowings. Pursuant to an exemptive order issued by the Securities and Exchange Commission (the "SEC"), the Funds and other registered investment companies managed by the Manager may participate in an interfund lending facility (“Facility”). The Facility allows the Funds to borrow money from or loan money to the other participants. Loans under the Facility are made to handle unusual and/or unanticipated short-term cash requirements. Interest paid and received on borrowings is the average of the current repurchase agreement rate and the bank loan rate. The bank loan rate equals the higher of (i) the Federal Funds Rate or (ii) the LIBOR rate (or such successor if no longer available) plus 1.25%. The interest income received is included in interest income on the statements of operations. The interest expense associated with these borrowings is included in other expenses on the statements of operations. There were no outstanding loans or borrowings as of December 31, 2021.

During the year ended December 31, 2021, Funds lending to the Facility were as follows (amounts in thousands):

	Average Daily Amount Loaned	Weighted Average Annual Interest Rate
Blue Chip Account	$ 1	0.70%
Bond Market Index Account	2,026	0.70
Core Plus Bond Account	100	0.70
Diversified Balanced Volatility Control Account	6	0.71
Diversified Growth Volatility Control Account	232	0.71
Diversified International Account	9	0.70
Equity Income Account	158	0.68
Government & High Quality Bond Account	56	0.69
International Emerging Markets Account	15	0.69
LargeCap Growth Account I	36	0.70
LargeCap S&P 500 Index Account	528	0.68
LargeCap S&P 500 Managed Volatility Index Account	66	0.70
MidCap Account	2	0.70
Principal Capital Appreciation Account	9	0.71
Real Estate Securities Account	2	0.71
Short-Term Income Account	28	0.70
SmallCap Account	18	0.70

During the year ended December 31, 2021, Funds borrowing from the Facility were as follows (amounts in thousands):

	Average Daily Outstanding Balance	Weighted Average Annual Interest Rate
Blue Chip Account	$ —	0.70%
Diversified Balanced Volatility Control Account	66	0.70
Diversified Growth Volatility Control Account	289	0.69
Diversified International Account	20	0.71
International Emerging Markets Account	—	0.62
LargeCap S&P 500 Index Account	158	0.70
MidCap Account	93	0.71
Real Estate Securities Account	14	0.67
Short-Term Income Account	2	0.70
SmallCap Account	2	0.61

In addition, the Funds participate with other registered investment companies managed by the Manager in an unsecured joint line of credit with a bank which allows the participants to borrow up to $250 million, collectively, effective April 19, 2021. Prior to April 19, 2021, participants could borrow up to $100 million, collectively. Borrowings are made solely to facilitate the handling of unusual and/or unanticipated short-term cash requirements. Interest is charged to each participant, based on its borrowings, at a rate equal to the higher of the Federal Funds Rate or the LIBOR rate (or such successor if no longer available) plus 1.25%. Additionally, a commitment fee is charged at an annual rate of .15% (effective April 19, 2021 and thereafter) on the amount of the line of credit which is allocated to each participant based on average net assets.

3. Operating Policies (continued)

Prior to April 19, 2021, the commitment fee was charged at an annual rate of .20%. The interest expense associated with these borrowings is included in other expenses on the statements of operations. During the year ended December 31, 2021, there were no borrowings against the line of credit.

Contingent Convertible Securities. As footnoted in the schedules of investments, certain of the Funds invest in contingent convertible securities ("CoCos"). CoCos are hybrid debt securities that may convert into equity or have their principal written down upon the occurrence of certain "triggers." Although a contingent convertible security's equity conversion and principal write-down features are tailored to the particular issuing banking institution and its regulatory requirements, triggers are generally linked to regulatory capital thresholds or regulatory actions calling into question such institution's continued viability as a going-concern. CoCos may have no stated maturity and fully discretionary coupons, which means coupon payments can be canceled at the issuing banking institution's discretion or at the request of the relevant regulatory authority without causing a default. To provide the appropriate regulatory capital treatment, CoCos are usually issued in the form of subordinated debt instruments that rank junior to the claims of holders of more senior obligations in the event of the issuer's liquidation. If CoCos are converted into equity securities due to a trigger event, holders will be further subordinated. The future value of CoCos is unpredictable and is influenced by many factors including, without limitation: the creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; supply and demand for CoCos; general market conditions and available liquidity; and economic, financial and political events that affect the issuer, its particular market or the financial markets in general. Due to these features, CoCos may have substantially greater risk than other securities in times of financial stress. Because of the uncertainty regarding whether a conversion event will occur, it may be difficult to predict when, if at all, a contingent convertible security will be converted to equity, and a fund may suffer losses as a result. If the trigger level is breached, the issuer's decision to write down, write off or convert a contingent convertible security may result in the fund's complete loss on an investment in CoCos with no chance of recovery even if the issuer remains in existence.

Counterparties. The Funds may be exposed to counterparty risk, or the risk that another party with which the Funds have unsettled or open transactions will fail to perform on their commitment. To the extent that unpaid amounts owed to the Funds exceed a predetermined threshold agreed to with the counterparty, as stated in the counterparties' master netting agreements ("Master Netting Agreements"), such counterparty shall advance collateral to the Funds in the form of cash or cash equivalents equal in value to the unpaid amount owed to the Funds. If the unpaid amount owed to the Funds subsequently decreases, the Funds would be required to return all or a portion of the collateral.

Master Netting Agreements may also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under the Master Netting Agreements, collateral is routinely transferred if the total net exposure to certain transactions governed under the relevant Master Netting Agreement with a counterparty exceeds a specified threshold.

The financial instruments that are subject to Master Netting Agreements or similar agreements may include right of setoff provisions. Derivative instruments include provisions to setoff positions covered under the agreements with the same counterparties and provisions to setoff positions outside of the agreements with the same counterparties in the event of default by one of the parties. Derivative instruments are shown gross on the statements of assets and liabilities. Derivative instruments also include collateral provisions. Collateral received and pledged are generally settled daily with each counterparty. As of December 31, 2021, none of the Funds had financial assets and liabilities subject to Master Netting Agreements or similar agreements.

Cross Trades. The Funds may engage in cross trades. A cross trade is a purchase or sale transaction between affiliated portfolios executed directly or through an intermediary. Mutual funds and other managed portfolios may be considered affiliated if they have a common investment advisor, so a fund may be considered affiliated with any portfolio for which the fund's sub-advisor acts as an investment advisor. Such transactions are permissible provided that the conditions of Rule 17a-7 under the 1940 Act are satisfied. For the year ended December 31, 2021, none of the Funds had cross trades.

Deposits with Counterparty. Cash pledged as collateral is reflected as an asset on the statements of assets and liabilities as deposits with counterparty. There are a variety of security types which require varying levels of pledged collateral. Customer account agreements govern cleared derivatives transactions such as futures contracts and certain swap agreements. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant ("FCM") registered with the Commodity Futures Trading Commission. International Swaps and Derivatives Association ("ISDA") accounts are maintained in a segregated account at the custodian for over-the-counter ("OTC") derivatives. Master Securities Forward Transaction Agreements ("MSFTA") accounts are also maintained in a segregated account at the custodian for collateral related to forward currency contracts and "to-be-announced" ("TBA") securities. Certain of the Funds may pledge cash to a broker for securities sold short.

3. Operating Policies (continued)

As of December 31, 2021, deposits with counterparty were as follows (amounts in thousands):

	FCM (Futures and Cleared Swaps)	ISDA (OTC Derivatives)	MSFTA (Forward Currency Contracts and TBA Securities)	Total Deposits with Counterparty
Core Plus Bond Account	$ —	$ 1	$ 8	$ 9
Government & High Quality Bond Account	164	—	—	164
LargeCap Growth Account I	265	—	—	265
Short-Term Income Account	14	—	—	14

Deposits from Counterparty. Cash received from a counterparty as collateral is reflected as a liability on the statements of assets and liabilities as deposits from counterparty. There are a variety of security types which require varying levels of pledged collateral. The collateral posted to the Funds by the broker is received in the fund's custodian account. As of December 31, 2021, none of the Funds had deposits from counterparty.

Foreign Currency Contracts. Certain of the Funds may be subject to foreign currency exchange rate risk in the normal course of pursuing such Funds' investment objectives. The Funds may use foreign currency contracts to gain exposure to, or hedge against changes in the value of foreign currencies. Certain of the Funds enter into forward contracts to purchase and sell foreign currencies at a specified future date at a fixed exchange rate. Forward foreign currency contracts are valued at the forward rate, and are marked-to-market daily. The change in fair value is recorded by the Funds as an unrealized gain or loss. When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The use of forward foreign currency contracts does not eliminate the fluctuations in underlying prices of the Funds' portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign currency contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Funds could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts or if the value of the currency changes unfavorably to the U.S. dollar or other respective currency.

Futures Contracts. The Funds are subject to equity price risk, interest rate risk, and foreign currency exchange rate risk in the normal course of pursuing their investment objectives. The Funds (with the exception of Diversified Balanced Account, Diversified Balanced Managed Volatility Account, Diversified Growth Account, Diversified Growth Managed Volatility Account, Diversified Income Account, Principal LifeTime Funds, and SAM Portfolios) may enter into futures contracts to hedge against changes in or to gain exposure to, change in the value of equities, interest rates and foreign currencies. Initial margin deposits are made by cash deposits or segregation of specific securities as may be required by the exchange on which the transaction was conducted. Pursuant to the contracts, typically a fund agrees to receive from or pay to the broker, an amount of cash equal to the daily fluctuation in the value of the contract. Such receipts or payments are known as "variation margin" and are recorded by the fund as a variation margin receivable or payable on financial derivative instruments. For those contracts where daily variation margin payments are not received from or paid to the broker, the cumulative unrealized gains or losses are included in variation margin receivable or payable on financial derivative instruments. Futures contracts are marked to market daily at the closing settlement price or in the absence of such a price, the most recent quoted bid price. If there are no quotations available, the security is valued at the last available closing settlement price. During the period the futures contracts are open, daily changes in the fair value of the contracts are recognized as unrealized gains or losses. These unrealized gains or losses are included as a component of total distributable earnings (accumulated loss) on the statements of assets and liabilities. When the contracts are closed, the fund recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the fund's cost basis in the contract. There is minimal counterparty credit risk to the Funds because futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default.

Long equity futures contracts are used to obtain market exposure for the cash balances that are maintained by certain of the Funds and the notional values of the futures contracts will vary in accordance with changing cash balances. Long and short U.S. Treasury futures contracts are used to obtain interest rate exposure in order to manage duration of Core Plus Bond Account, Government & High Quality Bond Account and Short-Term Income Account. The notional values of the futures contracts will vary in accordance with the changing duration of these funds.

Illiquid Securities. Illiquid securities generally cannot be sold or disposed of in the ordinary course of business (within seven calendar days) at approximately the value at which each of the Funds has valued the investments. This may have an adverse effect on each of the Funds'

3. Operating Policies (continued)

ability to dispose of particular illiquid securities at fair value and may limit each of the Funds' ability to obtain accurate market quotations for purposes of valuing the securities.

Indemnification. Under the Fund's by-laws, present and past officers, directors, and employees are indemnified against certain liabilities arising out of the performance of their duties. In addition, in the normal course of business, the Fund may enter into a variety of contracts that may contain representations and warranties which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund.

Inflation-Indexed Bonds. Certain of the Funds may invest in inflation-indexed bonds. Inflation-indexed bonds are fixed-income securities whose principal value is periodically adjusted to the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value, which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the statements of operations, even though the Funds would not receive the principal until maturity.

Mortgage Dollar Rolls. Certain of the Funds have entered into mortgage-dollar-roll transactions on TBA securities, in which the Funds sell mortgage-backed securities and simultaneously agree to purchase similar securities in the future at a predetermined price. The proceeds of the securities sold in mortgage-dollar-roll transactions are invested in additional securities. The Funds forgo principal and interest paid on the securities and are compensated by interest earned on the proceeds of the initial sale and by a lower price on the securities to be repurchased. The Funds treat mortgage-dollar-roll transactions as purchases and sales; as such, these transactions may increase the Funds' portfolio turnover ratio. Amounts to be received or paid in connection with open mortgage-dollar-rolls are included in investment securities sold and investment securities purchased on the statements of assets and liabilities.

Options Contracts. During the year, LargeCap S&P 500 Managed Volatility Index Account wrote call and put options on indices based on securities in which it may invest for both hedging and non-hedging purposes. Writing put options tends to increase a fund's exposure to the underlying instrument. Writing call options tends to decrease a fund's exposure to the underlying instrument. When a fund writes a call or put option, an amount equal to the premium received is recorded as a liability and subsequently marked to market to reflect the current value of the option written. These liabilities are reflected as options contracts written on the statements of assets and liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying index to determine the realized gain or loss. A fund, as a writer of an option, has no control over whether the underlying index may be sold (call) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the index underlying the written option. There is the risk a fund may not be able to enter into a closing transaction because of an illiquid market. The maximum potential amount of future payments (undiscounted) that a fund as a writer of put options could be required to make is equal to the notional amount multiplied by the exercise price as shown in the schedules of investments. A fund may also purchase put and call options. Purchasing call options tends to increase a fund's exposure to the underlying instrument. Purchasing put options tends to decrease a fund's exposure to the underlying instrument. A fund pays a premium which is included on the fund's statements of assets and liabilities as an investment and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying index transaction to determine the realized gain or loss. Details of options contracts open at year end are included in the Funds' schedules of investments.

Private Investments in Public Equity. The Funds may invest in private investments in public equity ("PIPEs") which are issued by a company in the secondary market as a means of raising capital. In connection with PIPEs, the Funds may enter into unfunded commitments. Commitments may be subject to various contingencies and are recognized when the commitment is legally binding. These contingencies are considered in the valuation of the commitments. The Funds are obligated to fund these commitments when the contingencies are met and therefore, the Funds must have funds sufficient to cover their obligation. Commitments are marked to market daily and the unrealized gain or loss is shown as a separate line item called unrealized gain or loss on unfunded commitments on the statements of assets and liabilities and included in the net change in unrealized appreciation/(depreciation) of investments on the statements of operations, as applicable. As of year end, the commitments are categorized as Level 2 within the disclosure hierarchy. As of December 31, 2021, the Funds had unfunded commitments in connection with PIPEs as follows (amounts in thousands).

	Unfunded Commitment	Net Unrealized Gain/(Loss)
SmallCap Account	$ 2,064	$ 75

Rebates. Subject to best execution, the Funds may direct certain portfolio transactions to brokerage firms that, in turn, have agreed to rebate a portion of the related brokerage commission to the Funds in cash. Commission rebates are included as a component of realized gain from investment transactions in the statements of operations.

3. Operating Policies (continued)

Repurchase Agreements. The Funds may invest in repurchase agreements that are fully collateralized, typically by U.S. government or U.S. government agency securities. It is the Fund's policy that the counterparties' custodian takes possession of the underlying collateral securities. The fair value of the collateral is at all times at least equal to the total amount of the repurchase obligation. In the event of default on the obligation to repurchase, the Funds have the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. In the event the seller of a repurchase agreement defaults, the Funds could experience delays in the realization of the collateral.

Restricted Securities. Certain of the Funds may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult.

Securities Lending. As footnoted on the schedules of investments, certain of the Funds may lend portfolio securities to approved brokerage firms to earn additional income. The Funds receive collateral, in the form of cash, against the loaned securities. During the period of the loan, the borrower must maintain collateral in an amount not less than 102% of the market value of the domestic and foreign fixed income loaned securities and 105% of the market value of the foreign equity loaned securities. The market value of the loaned securities is determined at the close of business of the Funds and any additional required collateral is delivered to the Funds on the next business day. The cash collateral received is usually invested in a SEC-registered money market mutual fund and the Funds could realize a loss on such investments. Further, the Funds could experience a delay in recovering their securities and possible loss of income or value if the borrower fails to return them. Securities lending income, net of related fees, is shown on the statements of operations.

Senior Floating Rate Interests. The Funds may invest in senior floating rate interests (bank loans). Senior floating rate interests typically hold the most senior position in the capital structure of a business entity (the "Borrower"), and are secured by specific collateral and have a claim on the assets and/or stock of the Borrower that is senior to that held by subordinated debtholders and stockholders of the Borrower. Senior floating rate interests are typically structured and administered by a financial institution that acts as the agent of the lenders participating in the senior floating rate interest. Borrowers of senior floating rate interests are typically rated below-investment-grade, which means they are more likely to default than investment-grade loans. A default could lead to non-payment of income which would result in a reduction of income to the fund and there can be no assurance that the liquidation of any collateral would satisfy the Borrower's obligation in the event of non-payment of scheduled interest or principal payments, or that such collateral could be readily liquidated.

Senior floating rate interests pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. These base lending rates are generally the prime rate offered by a designated U.S. bank or the LIBOR rate.

Senior floating rate interests generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for the Borrower to repay, prepayments of senior floating rate interests may occur. As a result, the actual remaining maturity of senior floating rate interests may be substantially less than stated maturities shown in the schedules of investments.

In connection with the senior floating rate interests, the Funds may also enter into unfunded loan commitments. All or a portion of the loan commitments may be unfunded. The Funds are obligated to fund these loan commitments at the Borrower's discretion. Therefore, the Funds must have funds sufficient to cover their contractual obligation. Unfunded loan commitments are marked to market daily and the unrealized gain or loss is shown as a separate line item called unrealized gain or loss on unfunded commitments on the statements of assets and liabilities and included in the net change in unrealized appreciation/(depreciation) of investments on the statements of operations, as applicable. Unfunded loan commitments are categorized as Level 2 within the disclosure hierarchy. As of December 31, 2021, the Funds had no unfunded loan commitments.

Short Sales. Certain of the Funds may enter into short sales transactions. A short sale is a transaction in which a fund sells a security it does not own as a hedge against some of its long positions and/or in anticipation of a decline in the market price of the security. The fund must borrow the security sold short and deliver it to the broker dealer which made the short sale. A security sold in a short sale transaction and the interest or dividend payable on the security if any, is reflected as a liability on the statements of assets and liabilities. The fund is obligated to pay any interest or dividends received on the borrowed securities. Interest accrued and dividends declared on short positions are recorded as an expense and, if any, appear as dividends and interest on shorts on the statements of operations. A fund is obligated to deliver the security at the market price at the time the short position is closed. Possible losses from short sales may be unlimited.

The fund is required to pledge cash or securities to the broker as collateral for securities sold short. Collateral requirements are calculated daily based on the current market value of the short positions. Cash deposited with the broker for collateral is included in deposits with counterparty on the statements of assets and liabilities and securities segregated as collateral are footnoted in the schedules of investments.

3. Operating Policies (continued)

The fund may pay broker's fees on the borrowed securities and may also pay a financing charge for the difference in the market value of the short position and cash collateral deposited with the broker. These fees would be included as short sale fees on the statements of operations. None of the Funds entered into short sales transactions during the year ended December 31, 2021.

Swap Agreements. Certain of the Funds may enter into swap agreements. Swap agreements are negotiated agreements between a fund and a counterparty to exchange a series of cash flows at specified intervals based upon, or calculated by reference to, changes in specified prices or rates for a specified amount of an underlying asset. A fund may enter into credit default, interest rate, or total return swap agreements to manage its exposure to credit, interest rate, or market risk. In connection with these agreements, securities may be identified as collateral in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/ insolvency.

Swap agreements are valued through a pricing service or using procedures established and periodically reviewed by the Fund's Board of Directors. Centrally cleared swaps are valued using the last traded price from the primary trading exchange. OTC swaps are modeled taking into account the counterparties' creditworthiness and using a series of techniques, including simulation models. Changes in value are recorded as unrealized gain or loss which is included as a component of total distributable earnings (accumulated loss) on the statements of assets and liabilities.

Upon termination of swap agreements, the Funds recognize a realized gain or loss. Net periodic payments to be received or paid are accrued daily and are recorded in the statements of operations as realized gains or losses.

Payments received or made at the beginning of the measurement period are reflected as such on the statements of assets and liabilities and represent payments made or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, interest rates, and other relevant factors). These upfront payments are amortized daily over the term of the swap agreement as realized gains or losses on the statements of operations.

Notional principal amounts are used to express the extent of involvement in these agreements. Risks may exceed amounts shown on the statements of assets and liabilities. These risks include changes in the returns of the underlying instruments, unfavorable interest rate fluctuation, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements, and the possible lack of liquidity with respect to the swap agreements.

The Funds and any counterparty are required to maintain an agreement that requires the Funds and that counterparty to monitor the net fair value of all derivative transactions entered into pursuant to the contract between the Funds and such counterparty. If the net fair value of such derivatives transactions between the Funds and that counterparty exceeds a certain threshold (as defined in the agreement), the Funds or the counterparty are required to post cash and/or securities as collateral. Fair values of derivatives transactions presented in the financial statements are not netted with the fair values of other derivatives transactions or with any collateral amounts posted by the Funds or any counterparty.

Credit default swaps involve commitments to pay a fixed rate at a predetermined frequency in exchange for a lump sum payment if a "credit event", as defined in the agreement, affecting a third party occurs. Credit events may include a failure to pay interest, bankruptcy, restructuring, or other event as defined in the agreement. A "buyer" of credit protection agrees to pay a counterparty to assume the credit risk of an issuer upon the occurrence of a credit event. The "seller" of the protection receives periodic payments and agrees to assume the credit risk of an issuer upon the occurrence of a credit event. As the seller of credit protection, a fund would add leverage to its portfolio because, in addition to its total net assets, a fund would be subject to investment exposure on the notional amount of the swap.

If a fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If a fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, a fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities

3. Operating Policies (continued)

comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. A fund may use credit default swaps on credit indices to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are benchmarks for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Wider credit spreads and increasing values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that a fund as a seller of protection could be required to make under a credit default swap agreement would be an amount equal to the notional amount of the agreement. Notional amounts of all credit default swap agreements outstanding as of December 31, 2021 for which a fund is the seller of protection are disclosed in the footnotes to the schedules of investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by a fund for the same referenced entity or entities.

Interest rate swaps involve the commitment to exchange fixed or floating rate cash flows based on changes in the value of a specific reference rate.

Certain collateral amounts relate to exchange cleared swaps which are not subject to Master Netting Agreements with counterparties.

To Be Announced Securities. The Funds may trade portfolio securities on a TBA or when-issued basis. In a TBA or when-issued transaction, the Funds commit to purchase or sell securities for which all specific information is not known at the time of the trade. Securities purchased on a TBA or when-issued basis are not settled until they are delivered to the Funds, normally 15 to 30 days later. These transactions are subject to market fluctuations and their current value is determined in the same manner as for other portfolio securities.

Underlying Funds. The performance and risks of each of the Principal LifeTime Funds, SAM Portfolios, Diversified Balanced Account, Diversified Balanced Volatility Control Account, Diversified Balanced Managed Volatility Account, Diversified Growth Account, Diversified Growth Managed Volatility Account, Diversified Growth Volatility Control Account, and Diversified Income Account (singly, "a fund of funds" and collectively, "the funds of funds") directly corresponds to the performance and risks of the Underlying Funds in which the fund of funds invests. By investing in many Underlying Funds, the funds of funds have partial exposure to the risks of many different areas of the market. The more a fund of funds allocates to stock funds, the greater the expected risk.

An underlying fund to a fund of funds may experience relatively large redemptions or purchases as the fund of funds periodically reallocates or rebalances its assets. These transactions may accelerate the realization of taxable income if sales of portfolio securities result in gains and could increase transaction costs. In addition, when a fund of funds reallocates or redeems significant assets away from an underlying fund, the loss of assets to the underlying fund could result in increased expense ratios for that fund.

The Manager is the advisor to the Fund, Principal Funds, Inc., Principal Exchange-Traded Funds, and other asset allocation programs. The Manager is committed to minimizing the potential impact of underlying fund risk to the extent consistent with pursuing the investment objectives of the funds of funds which it manages. Each may face conflicts of interest in fulfilling its responsibilities to all such funds. Shareholder reports for Principal Funds, Inc. and Principal Exchange-Traded Funds can be found at www.principalfunds.com.

As of December 31, 2021, series of the Fund owned the following percentages, in aggregate, of the outstanding shares of the Funds listed below:

	Total Percentage of Outstanding Shares Owned
Bond Market Index Account	98.96%

3. Operating Policies (continued)

	Total Percentage of Outstanding Shares Owned
Equity Income Account	23.35%
Government & High Quality Bond Account	32.99
LargeCap S&P 500 Index Account	80.46
LargeCap S&P 500 Managed Volatility Index Account	100.00
MidCap Account	4.06

U.S. Government Agencies or Government-Sponsored Enterprises. Certain of the Funds may invest in U.S. Government agencies or government-sponsored enterprises. U.S. Government securities are obligations of, and in certain cases, guaranteed by, the U.S. Government or its agencies. The U.S. Government does not guarantee the net asset value of the Funds' shares. Some U.S. Government securities such as treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association ("GNMA") are supported by the full faith and credit of the U.S. Government. Other securities, such as those of the Federal Home Loan Bank, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury. Still other securities, such as those of the Federal National Mortgage Association ("FNMA"), are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations.

Government related guarantors (those not backed by the full faith and credit of the U.S. Government) include the FNMA and the Federal Home Loan Mortgage Corporation ("FHLMC"). The FNMA is a government sponsored corporation, the common stock of which is owned entirely by private stockholders. The FNMA purchases conventional residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks, credit unions, and mortgage bankers. Pass-through securities issued by the FNMA are guaranteed as to the timely payment of principal and interest by the FNMA, but are not backed by the full faith and credit of the U.S. Government. The FHLMC issues participation certificates, which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. The FHLMC guarantees the timely payment of interest and ultimate collection of principal, but participation certificates are not backed by the full faith and credit of the U.S. Government.

Derivatives. The following tables provide information about where in the statements of assets and liabilities and statements of operations information about derivatives can be found (amounts in thousands):

	Asset Derivatives December 31, 2021		Liability Derivatives December 31, 2021	
Derivatives not accounted for as hedging instruments	**Statement of Assets and Liabilities Location**	**Fair Value**	**Statement of Assets and Liabilities Location**	**Fair Value**
Core Plus Bond Account				
Credit contracts	Receivables, Total distributable earnings (accumulated loss)	$ —	Payables, Total distributable earnings (accumulated loss)	$ 6*
Interest rate contracts	Receivables, Total distributable earnings (accumulated loss)	$ 26*	Payables, Total distributable earnings (accumulated loss)	$ 6*
	Total	**$ 26***		**$ 12***
Government & High Quality Bond Account				
Interest rate contracts	Receivables, Total distributable earnings (accumulated loss)	$ 61*	Payables, Total distributable earnings (accumulated loss)	$ 16*
LargeCap Growth Account I				
Equity contracts	Receivables, Total distributable earnings (accumulated loss)	$ 64*	Payables, Total distributable earnings (accumulated loss)	$ —
LargeCap S&P 500 Index Account				
Equity contracts	Receivables, Total distributable earnings (accumulated loss)	$ 2,798*	Payables, Total distributable earnings (accumulated loss)	$ —
LargeCap S&P 500 Managed Volatility Index Account				
Equity contracts	Investment in securities—at value, Receivables, Total distributable earnings (accumulated loss)	$ 822*	Payables, Total distributable earnings (accumulated loss)	$ 421
Short-Term Income Account				
Interest rate contracts	Receivables, Total distributable earnings (accumulated loss)	$ 4*	Payables, Total distributable earnings (accumulated loss)	$ —

* Includes cumulative unrealized appreciation/(depreciation) of exchange traded swaps and futures contracts as shown in the schedules of investments. Only the portion of the unrealized appreciation/(depreciation) not yet cash settled is shown in the statements of assets and liabilities as variation margin.

3. Operating Policies (continued)

Derivatives not accounted for as hedging instruments	Location of Gain or (Loss) on Derivatives Recognized in Statement of Operations	Net Realized Gain or (Loss) on Derivatives Recognized in Statement of Operations	Net Change in Unrealized Appreciation/ (Depreciation) of Derivatives Recognized in Statement of Operations
Core Plus Bond Account			
Credit contracts	Net realized gain (loss) from Swap agreements/ Net change in unrealized appreciation/ (depreciation) of Swap agreements	$ 3	$ (6)
Interest rate contracts	Net realized gain (loss) from Futures contracts/ Net change in unrealized appreciation/ (depreciation) of Futures contracts	$ 64	$ 19
	Total	**$ 67**	**$ 13**
Government & High Quality Bond Account			
Interest rate contracts	Net realized gain (loss) from Futures contracts/ Net change in unrealized appreciation/ (depreciation) of Futures contracts	$ 660	$ 27
LargeCap Growth Account I			
Equity contracts	Net realized gain (loss) from Futures contracts/ Net change in unrealized appreciation/ (depreciation) of Futures contracts	$ 853	$ 52
LargeCap S&P 500 Index Account			
Equity contracts	Net realized gain (loss) from Futures contracts/ Net change in unrealized appreciation/ (depreciation) of Futures contracts	$ 9,852	$ 1.798
LargeCap S&P 500 Managed Volatility Index Account			
Equity contracts	Net realized gain (loss) from Investment transactions, Futures contracts, and Options and swaptions/Net change in unrealized appreciation/ (depreciation) of Investments, Futures contracts, and Options and swaptions	$ (991)	$ 22
Short-Term Income Account			
Interest rate contracts	Net realized gain (loss) from Futures contracts/ Net change in unrealized appreciation/ (depreciation) of Futures contracts	$ 88	$ 4

The following table includes a summary of the average quarterly outstanding notional by derivative instrument type for the year ended December 31, 2021 (amounts in thousands):

Contract Type	Derivative Type	Average Notional
Core Plus Bond Account		
Credit Contracts	Exchange Cleared Credit Default Swaps - Buy Protection	$ 8,240
Interest Rate Contracts	Futures - Long	4,671
	Futures - Short	17,443
Government & High Quality Bond Account		
Interest Rate Contracts	Futures - Long	13,468
	Futures - Short	7,405
LargeCap Growth Account I		
Equity Contracts	Futures - Long	3,310
LargeCap S&P 500 Index Account		
Equity Contracts	Futures - Long	49,838
LargeCap S&P 500 Managed Volatility Index Account		
Equity Contracts	Futures - Long	3,735
	Purchased Options	28
	Written Options	28
Short-Term Income Account		
Interest Rate Contracts	Futures - Short	4,678

4. Fair Valuation

Fair value is defined as the price that the Funds would receive upon selling a security or transferring a liability in a timely transaction to an independent buyer in the principal or most advantageous market of the security at the measurement date. In determining fair value, the Funds may use one or more of the following approaches: market, income and/or cost. A hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

4. Fair Valuation (continued)

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Funds. Unobservable inputs are inputs that reflect the fund's own estimates about the estimates market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

● Level 1 – Quoted prices are available in active markets for identical securities as of the reporting date. Investments which are generally included in this category include listed equities and listed derivatives.

● Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.). Investments which are generally included in this category include certain foreign equities, corporate bonds, senior floating rate interests, municipal bonds, and U.S. Government and Government Agency Obligations.

● Level 3 – Significant unobservable inputs (including the Funds' assumptions in determining the fair value of investments). Investments which are generally included in this category include certain common stocks, convertible preferred stocks, corporate bonds, preferred stocks or senior floating rate interests.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the market place, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Funds in determining fair value is greatest for instruments categorized in Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market based measure considered from the perspective of a market participant who holds the asset rather than an entity specific measure. Therefore, even when market assumptions are not readily available, the Funds' own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Funds use prices and inputs that are current as of the measurement date, when available.

Investments which are included in the Level 3 category may be valued using quoted prices from brokers and dealers participating in the market for these investments. These investments are classified as Level 3 investments due to the lack of market transparency and market corroboration to support these quoted prices. Valuation models may be used as the pricing source for other investments classified as Level 3. Benchmark pricing procedures set the base price of a security based on current market data. The base price may be a broker-dealer quote, transaction price, or internal value based on relevant market data.

The fair values of these securities are dependent on economic, political, and other considerations. The values of such securities may be affected by significant changes in the economic conditions, changes in government policies, and other factors (e.g., natural disasters, pandemics, accidents, conflicts, etc.).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those instruments.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Funds' securities carried at fair value (amounts in thousands):

Fund	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Totals (Level 1,2,3)
Blue Chip Account				
Common Stocks*	$ 13,490	$ —	$ —	$ 13,490
Investment Companies	30	—	—	30
Total investments in securities	$ 13,520	$ —	$ —	$ 13,520

4. Fair Valuation (continued)

Fund	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Totals (Level 1,2,3)
Bond Market Index Account				
Bonds*	$ —	$ 917,285	$ —	$ 917,285
Investment Companies	304,867	—	—	304,867
Municipal Bonds*	—	17,102	—	17,102
U.S. Government & Government Agency Obligations*	—	1,908,741	—	1,908,741
Total investments in securities	$ 304,867	$ 2,843,128	$ —	$ 3,147,995
Core Plus Bond Account				
Bonds*	—	136,473	7	136,480
Common Stocks				
Energy	—	234	—	234
Investment Companies	11,320	—	—	11,320
Senior Floating Rate Interests*	—	3,862	—	3,862
U.S. Government & Government Agency Obligations*	—	100,192	—	100,192
Total investments in securities	$ 11,320	$ 240,761	$ 7	$ 252,088
Derivative Assets				
Interest Rate Contracts				
Futures**	26	—	—	26
Derivative Liabilities				
Credit Contracts				
Exchange Cleared Credit Default Swaps**	—	(6)	—	(6)
Interest Rate Contracts				
Futures**	(6)	—	—	(6)
Diversified Balanced Account				
Investment Companies	1,005,498	—	—	1,005,498
Total investments in securities	$ 1,005,498	$ —	$ —	$ 1,005,498
Diversified Balanced Managed Volatility Account				
Investment Companies	184,122	—	—	184,122
Total investments in securities	$ 184,122	$ —	$ —	$ 184,122
Diversified Balanced Volatility Control Account				
Investment Companies	229,911	—	—	229,911
Total investments in securities	$ 229,911	$ —	$ —	$ 229,911
Diversified Growth Account				
Investment Companies	3,975,483	—	—	3,975,483
Total investments in securities	$ 3,975,483	$ —	$ —	$ 3,975,483
Diversified Growth Managed Volatility Account				
Investment Companies	389,028	—	—	389,028
Total investments in securities	$ 389,028	$ —	$ —	$ 389,028
Diversified Growth Volatility Control Account				
Investment Companies	1,278,471	—	—	1,278,471
Total investments in securities	$ 1,278,471	$ —	$ —	$ 1,278,471
Diversified Income Account				
Investment Companies	326,851	—	—	326,851
Total investments in securities	$ 326,851	$ —	$ —	$ 326,851
Diversified International Account				
Common Stocks				
Basic Materials	3,176	9,936	—	13,112
Communications	3,293	7,976	—	11,269
Consumer, Cyclical	7,197	52,170	—	59,367
Consumer, Non-cyclical	3,114	50,065	—	53,179
Energy	—	11,719	—	11,719

4. Fair Valuation (continued)

Fund	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Totals (Level 1,2,3)
Diversified International Account				
Financial	$ 14,206	$ 47,226	$ —	$ 61,432
Industrial	1,981	39,233	—	41,214
Technology	931	40,851	—	41,782
Utilities	1,236	4,534	—	5,770
Investment Companies	1,753	—	—	1,753
Total investments in securities	$ 36,887	$ 263,710	$ —	$ 300,597
Equity Income Account				
Common Stocks*	745,508	—	—	745,508
Investment Companies	11,060	—	—	11,060
Total investments in securities	$ 756,568	$ —	$ —	$ 756,568
Government & High Quality Bond Account				
Bonds*	—	31,560	—	31,560
Investment Companies	17,990	—	—	17,990
U.S. Government & Government Agency Obligations*	—	204,704	—	204,704
Total investments in securities	$ 17,990	$ 236,264	$ —	$ 254,254
Derivative Assets				
Interest Rate Contracts				
Futures**	61	—	—	61
Derivative Liabilities				
Interest Rate Contracts				
Futures**	(16)	—	—	(16)
International Emerging Markets Account				
Common Stocks				
Basic Materials	—	3,417	—	3,417
Communications	2,255	10,203	—	12,458
Consumer, Cyclical	2,001	8,459	—	10,460
Consumer, Non-cyclical	1,695	7,261	—	8,956
Energy	1,090	4,448	—	5,538
Financial	1,948	15,546	—	17,494
Industrial	1,410	6,920	—	8,330
Technology	806	19,465	—	20,271
Utilities	—	1,857	—	1,857
Investment Companies	2,210	—	—	2,210
Preferred Stocks				
Financial	—	15	—	15
Technology	—	235	—	235
Total investments in securities	$ 13,415	$ 77,826	$ —	$ 91,241
LargeCap Growth Account I				
Common Stocks				
Basic Materials	11,319	—	—	11,319
Communications	165,730	—	—	165,730
Consumer, Cyclical	65,167	—	—	65,167
Consumer, Non-cyclical	156,304	—	—	156,304
Energy	344	—	—	344
Financial	36,373	—	—	36,373
Industrial	24,728	—	—	24,728
Technology	232,341	—	379	232,720
Utilities	19	—	—	19
Convertible Preferred Stocks				
Basic Materials	—	—	203	203
Consumer, Cyclical	—	—	229	229
Technology	—	—	694	694
Investment Companies	18,729	—	—	18,729
Total investments in securities	$ 711,054	$ —	$ 1,505	$ 712,559
Derivative Assets				
Equity Contracts				
Futures**	64	—	—	64

4. Fair Valuation (continued)

Fund	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Totals (Level 1,2,3)
LargeCap S&P 500 Index Account				
Common Stocks*	$ 3,116,873	$ —	$ —	$ 3,116,873
Investment Companies	98,491	—	—	98,491
Total investments in securities	$ 3,215,364	$ —	$ —	$ 3,215,364
Derivative Assets				
Equity Contracts				
Futures**	2,798	—	—	2,798
LargeCap S&P 500 Managed Volatility Index Account				
Common Stocks*	223,208	—	—	223,208
Investment Companies	17,151	—	—	17,151
Purchased Options	605	—	—	605
Total investments in securities	$ 240,964	$ —	$ —	$ 240,964
Derivative Assets				
Equity Contracts				
Futures**	217	—	—	217
Derivative Liabilities				
Equity Contracts				
Written Options	(421)	—	—	(421)
MidCap Account				
Common Stocks				
Basic Materials	7,191	46	—	7,237
Communications	62,796	—	—	62,796
Consumer, Cyclical	190,259	—	—	190,259
Consumer, Non-cyclical	77,875	—	—	77,875
Financial	171,211	—	—	171,211
Industrial	97,112	—	—	97,112
Technology	125,033	—	—	125,033
Utilities	18,832	—	—	18,832
Investment Companies	1,988	—	—	1,988
Total investments in securities	$ 752,297	$ 46	$ —	$ 752,343
Principal Capital Appreciation Account				
Common Stocks				
Basic Materials	3,207	—	—	3,207
Communications	24,660	—	—	24,660
Consumer, Cyclical	24,202	—	—	24,202
Consumer, Non-cyclical	33,226	—	—	33,226
Energy	7,236	—	—	7,236
Financial	31,349	—	—	31,349
Industrial	11,936	2,074	—	14,010
Technology	50,946	—	—	50,946
Utilities	4,536	—	—	4,536
Investment Companies	1,996	—	—	1,996
Total investments in securities	$ 193,294	$ 2,074	$ —	$ 195,368
Principal LifeTime 2010 Account				
Investment Companies	37,301	—	—	37,301
Total investments in securities	$ 37,301	$ —	$ —	$ 37,301
Principal LifeTime 2020 Account				
Investment Companies	196,338	—	—	196,338
Total investments in securities	$ 196,338	$ —	$ —	$ 196,338
Principal LifeTime 2030 Account				
Investment Companies	262,869	—	—	262,869
Total investments in securities	$ 262,869	$ —	$ —	$ 262,869

4. Fair Valuation (continued)

Fund	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Totals (Level 1,2,3)
Principal LifeTime 2040 Account				
Investment Companies	$ 134,176	$ —	$ —	$ 134,176
Total investments in securities	$ 134,176	$ —	$ —	$ 134,176
Principal LifeTime 2050 Account				
Investment Companies	68,531	—	—	68,531
Total investments in securities	$ 68,531	$ —	$ —	$ 68,531
Principal LifeTime 2060 Account				
Investment Companies	17,284	—	—	17,284
Total investments in securities	$ 17,284	$ —	$ —	$ 17,284
Principal LifeTime Strategic Income Account				
Investment Companies	30,133	—	—	30,133
Total investments in securities	$ 30,133	$ —	$ —	$ 30,133
Real Estate Securities Account				
Common Stocks*	184,152	—	—	184,152
Investment Companies	2,129	—	—	2,129
Total investments in securities	$ 186,281	$ —	$ —	$ 186,281
SAM Balanced Portfolio				
Investment Companies	744,468	—	—	744,468
Total investments in securities	$ 744,468	$ —	$ —	$ 744,468
SAM Conservative Balanced Portfolio				
Investment Companies	203,593	—	—	203,593
Total investments in securities	$ 203,593	$ —	$ —	$ 203,593
SAM Conservative Growth Portfolio				
Investment Companies	434,457	—	—	434,457
Total investments in securities	$ 434,457	$ —	$ —	$ 434,457
SAM Flexible Income Portfolio				
Investment Companies	193,752	—	—	193,752
Total investments in securities	$ 193,752	$ —	$ —	$ 193,752
SAM Strategic Growth Portfolio				
Investment Companies	428,639	—	—	428,639
Total investments in securities	$ 428,639	$ —	$ —	$ 428,639
Short-Term Income Account				
Bonds*	—	129,463	—	129,463
Investment Companies	2,288	—	—	2,288
U.S. Government & Government Agency Obligations*	—	7,048	—	7,048
Total investments in securities	$ 2,288	$ 136,511	$ —	$ 138,799
Derivative Assets				
Interest Rate Contracts				
Futures**	4	—	—	4
SmallCap Account				
Common Stocks*	220,036	—	—	220,036
Investment Companies	11,617	—	—	11,617
Total investments in securities	$ 231,653	$ —	$ —	$ 231,653

*For additional detail regarding sector classifications, please see the schedules of investments.
**Exchange cleared swaps and futures are presented at the unrealized appreciation/(depreciation) of the instrument.

4. Fair Valuation (continued)

At the end of the year, there were no Funds which had a significant Level 3 balance. During the year, there were no significant purchases, sales, or transfers into or out of Level 3.

5. Management Agreement and Transactions with Affiliates

Management Services. The Funds have agreed to pay management and investment advisory fees to the Manager computed at an annual percentage rate of each fund's average daily net assets. A portion of the management fee is paid by the Manager to the sub-advisor of each of the Funds, some of which are affiliates of the Manager. The annual rate paid by the SAM Portfolios is based upon the aggregate average daily net assets ("aggregate net assets") of the SAM Portfolios. The management and investment advisory fee schedule for the SAM Portfolios is .25% of aggregate net assets up to the first $1 billion and .20% of aggregate net assets over $1 billion. The Principal LifeTime Funds do not pay management and investment advisory fees. The annual rates used in this calculation for each of the other Funds are as follows:

	Net Assets of Fund (in millions)				
	First $100	Next $100	Next $100	Next $100	Thereafter
Core Plus Bond Account	.50%	.45%	.40%	.35%	.30%
Equity Income Account	.60	.55	.50	.45	.40
Government & High Quality Bond Account	.50	.48	.46	.45	.44
LargeCap Growth Account I	.80	.75	.70	.65	.60
MidCap Account	.65	.60	.55	.50	.45
Real Estate Securities Account	.83	.78	.73	.70	.68
SmallCap Account	.85	.80	.75	.70	.65

	Net Assets of Fund (in millions)				
	First $250	Next $250	Next $250	Next $250	Thereafter
Diversified International Account	.85%	.80%	.75%	.70%	.65%
International Emerging Markets Account	1.10	1.05	1.00	.95	.90

	Net Assets of Fund (in millions)	
	First $500	Over $500
Blue Chip Account	.60%	.55%
Principal Capital Appreciation Account	.625	.50
Short-Term Income Account	.45	.39

	All Net Assets
Bond Market Index Account	.14%
Diversified Balanced Account	.05
Diversified Balanced Managed Volatility Account	.05
Diversified Balanced Volatility Control Account	.12
Diversified Growth Account	.05
Diversified Growth Managed Volatility Account	.05
Diversified Growth Volatility Control Account	.12
Diversified Income Account	.05
LargeCap S&P 500 Index Account	.25
LargeCap S&P 500 Managed Volatility Index Account	.45

The Manager has contractually agreed to waive certain of the Funds' management and investment advisory fees. The expense waiver will reduce the fund's management and investment advisory fees. The waivers are expressed as a percentage of average daily net assets on an annualized basis during the reporting period. The waivers are as follows:

	Period from January 1, 2021 through December 31, 2021	
		Expiration
LargeCap Growth Account I	.016%	April 30, 2022

The Manager has contractually agreed to limit the expenses (excluding interest expense, expenses related to fund investments, acquired fund fees and expenses, and tax reclaim recovery expenses and other extraordinary expenses) for certain classes of shares of certain of the Funds. The reductions and reimbursements are in amounts that maintain total operating expenses at or below certain limits. The limits are expressed as a percentage of average daily net assets attributable to each class of shares on an annualized basis during the reporting period. The expenses borne by the Manager are subject to reimbursement by the Funds through the fiscal year end, provided no reimbursement will be made if it would result in the Funds exceeding the total operating expense limits. Any amounts outstanding at the end of the year are shown

5. Management Agreement and Transactions with Affiliates (continued)

as an expense reimbursement from Manager or expense reimbursement to Manager on the statements of assets and liabilities. The operating expense limits are as follows:

	Period from January 1, 2021 through December 31, 2021			
	Class 1	Class 2	Class 3	Expiration
Blue Chip Account	N/A	N/A	1.05%	April 30, 2022
Diversified Balanced Managed Volatility Account	N/A	.31%	N/A	April 30, 2022
International Emerging Markets Account	1.20%	N/A	N/A	April 30, 2022
LargeCap Growth Account I	.69	N/A	N/A	April 30, 2022
Principal LifeTime 2060 Account	.10	N/A	N/A	April 30, 2022

In addition, the Manager has voluntarily agreed to limit the expenses (excluding interest expense, expenses related to fund investments, acquired fund fees and expenses, and tax reclaim recovery expenses and other extraordinary expenses) attributable to Class 2 shares of certain of the Funds. The reductions and reimbursements are in amounts that maintain total operating expenses at or below certain limits. The limits are expressed as a percentage of average daily net assets on an annualized basis during the reporting period. The expense limit may be terminated at any time. The operating expense limits are as follows:

	Period from January 1, 2021 through December 31, 2021
	Class 2
Diversified Income Account	.31%

Distribution Fees. Class 2 and Class 3 shares of the Funds bear distribution fees. The fee is computed at an annual rate of the average daily net assets attributable to Class 2 and Class 3 shares of each of the Funds. Distribution fees are paid to Principal Funds Distributor, Inc. (an affiliate of the Manager), the principal distributor of the Funds. A portion of the distribution fees may be paid to other selling dealers for providing certain services. The annual distribution fee rate is .25%.

Administration Service Fees. Class 3 shares of the Funds bear administration service fees. The fee is computed at an annual rate of the average daily net assets attributable to Class 3 shares of each of the Funds. Administration fees are paid to Principal Shareholder Services, Inc. (an affiliate of the Manager), the principal administrator of the Funds. The annual administration service fee rate is .15%.

Chief Compliance Officer Expenses. The Funds pay certain expenses associated with the Chief Compliance Officer ("CCO"). This expense is allocated among the registered investment companies managed by the Manager based on the relative net assets of each fund and is shown on the statements of operations.

Affiliated Ownership. At December 31, 2021, the Manager, Principal National Life Insurance Company (an affiliate of the Manager), Principal Life Insurance Company (an affiliate of the Manager), Principal Financial Services, Inc. (an affiliate of the Manager) and/or one or more separate accounts sponsored by Principal Life Insurance Company owned shares of the Funds as follows (amounts in thousands):

	Class 1	Class 2	Class 3
Blue Chip Account	N/A	N/A	1,049
Bond Market Index Account	2,801	N/A	N/A
Core Plus Bond Account	20,066	N/A	N/A
Diversified Balanced Account	2,318	53,065	1
Diversified Balanced Managed Volatility Account	N/A	12,754	1
Diversified Balanced Volatility Control Account	N/A	17,320	1
Diversified Growth Account	N/A	183,287	1
Diversified Growth Managed Volatility Account	N/A	24,840	1
Diversified Growth Volatility Control Account	N/A	90,776	1
Diversified Income Account	N/A	21,436	—
Diversified International Account	15,425	N/A	N/A
Equity Income Account	11,271	386	—
Government & High Quality Bond Account	13,599	N/A	N/A
International Emerging Markets Account	4,617	N/A	N/A
LargeCap Growth Account I	13,183	N/A	N/A
LargeCap S&P 500 Index Account	22,714	1,856	N/A
MidCap Account	8,926	180	N/A
Principal Capital Appreciation Account	3,303	311	N/A
Principal LifeTime 2010 Account	2,782	N/A	N/A
Principal LifeTime 2020 Account	12,926	N/A	N/A
Principal LifeTime 2030 Account	16,848	N/A	N/A
Principal LifeTime 2040 Account	6,729	N/A	N/A
Principal LifeTime 2050 Account	3,496	N/A	N/A

5. Management Agreement and Transactions with Affiliates (continued)

	Class 1	Class 2	Class 3
Principal LifeTime 2060 Account	919	N/A	N/A
Principal LifeTime Strategic Income Account	2,387	N/A	N/A
Real Estate Securities Account	7,027	458	N/A
SAM Balanced Portfolio	30,238	2,176	N/A
SAM Conservative Balanced Portfolio	12,218	1,238	N/A
SAM Conservative Growth Portfolio	8,524	1,216	N/A
SAM Flexible Income Portfolio	10,843	2,550	N/A
SAM Strategic Growth Portfolio	7,588	846	N/A
Short-Term Income Account	54,633	N/A	N/A
SmallCap Account	10,425	265	N/A

6. Investment Transactions

For the year ended December 31, 2021, the cost of investment securities purchased and proceeds from investment securities sold (not including short-term investments, return of capital, and U.S. government securities) by the Funds were as follows (amounts in thousands):

	Purchases	Sales
Blue Chip Account	$ 7,845	$ 988
Bond Market Index Account	2,570,561	2,460,016
Core Plus Bond Account	270,340	302,331
Diversified Balanced Account	145,195	212,885
Diversified Balanced Managed Volatility Account	34,702	42,767
Diversified Balanced Volatility Control Account	117,761	98,462
Diversified Growth Account	575,920	758,258
Diversified Growth Managed Volatility Account	67,414	79,789
Diversified Growth Volatility Control Account	737,454	647,868
Diversified Income Account	81,530	86,398
Diversified International Account	108,732	123,912
Equity Income Account	70,900	245,668
Government & High Quality Bond Account	484,644	493,989
International Emerging Markets Account	33,772	38,218
LargeCap Growth Account I	144,875	188,065
LargeCap S&P 500 Index Account	78,752	553,992
LargeCap S&P 500 Managed Volatility Index Account	5,889	55,858
MidCap Account	114,512	147,523
Principal Capital Appreciation Account	53,995	67,643
Principal LifeTime 2010 Account	10,946	9,599
Principal LifeTime 2020 Account	45,843	49,373
Principal LifeTime 2030 Account	88,834	66,117
Principal LifeTime 2040 Account	45,701	24,333
Principal LifeTime 2050 Account	33,169	17,139
Principal LifeTime 2060 Account	8,742	3,690
Principal LifeTime Strategic Income Account	10,930	11,565
Real Estate Securities Account	36,457	39,543
SAM Balanced Portfolio	281,693	322,606
SAM Conservative Balanced Portfolio	82,223	88,868
SAM Conservative Growth Portfolio	179,532	188,326
SAM Flexible Income Portfolio	82,797	82,619
SAM Strategic Growth Portfolio	159,937	140,587
Short-Term Income Account	70,003	71,666
SmallCap Account	81,020	106,142

For the year ended December 31, 2021, the cost of U.S. government securities purchased and proceeds from U.S. government securities sold (not including short-term investments) by the Funds were as follows (amounts in thousands):

	Purchases	Sales
Bond Market Index Account	$ 1,363,939	$ 1,207,210
Core Plus Bond Account	90,680	100,761
Government & High Quality Bond Account	277,148	285,686
Short-Term Income Account	8,791	9,350

7. Federal Tax Information

Distributions to Shareholders. The federal income tax character of distributions paid for the years ended December 31, 2021 and December 31, 2020 were as follows (amounts in thousands):

	Ordinary Income		Long-Term Capital Gain*	
	2021	2020	2021	2020
Blue Chip Account	$ 88	$ —	$ 2	$ —
Bond Market Index Account	60,596	66,635	4,501	—
Core Plus Bond Account	12,218	9,503	12	—
Diversified Balanced Account	28,150	24,559	43,719	29,770
Diversified Balanced Managed Volatility Account	4,631	3,789	2,573	6,025
Diversified Balanced Volatility Control Account	5,290	3,190	795	1,297
Diversified Growth Account	96,364	80,741	154,365	110,087
Diversified Growth Managed Volatility Account	8,754	7,464	6,515	14,949
Diversified Growth Volatility Control Account	24,199	17,491	6,827	9,313
Diversified Income Account	8,098	6,762	5,446	4,037
Diversified International Account	3,880	6,493	1,423	—
Equity Income Account	14,234	15,534	413	19,615
Government & High Quality Bond Account	4,266	5,987	—	—
International Emerging Markets Account	421	1,960	1,430	—
LargeCap Growth Account I	8,155	3,033	70,755	29,011
LargeCap S&P 500 Index Account	49,598	51,542	243,479	159,258
LargeCap S&P 500 Managed Volatility Index Account	7,341	3,444	19,494	4,904
MidCap Account	832	3,984	44,094	53,763
Principal Capital Appreciation Account	1,798	2,350	6,617	6,714
Principal LifeTime 2010 Account	1,193	887	1,413	510
Principal LifeTime 2020 Account	4,268	5,542	10,092	2,332
Principal LifeTime 2030 Account	5,514	4,185	6,649	3,259
Principal LifeTime 2040 Account	2,447	1,831	3,207	1,789
Principal LifeTime 2050 Account	1,109	794	1,580	890
Principal LifeTime 2060 Account	288	151	238	195
Principal LifeTime Strategic Income Account	887	686	968	—
Real Estate Securities Account	2,299	2,794	10,480	7,790
SAM Balanced Portfolio	11,456	14,711	15,016	19,998
SAM Conservative Balanced Portfolio	3,678	4,519	2,577	3,128
SAM Conservative Growth Portfolio	4,710	6,417	8,342	5,243
SAM Flexible Income Portfolio	4,511	5,111	2,801	3,761
SAM Strategic Growth Portfolio	3,534	5,611	8,786	7,049
Short-Term Income Account	2,921	3,166	11	—
SmallCap Account	4,950	838	2,532	12,504

*The Funds designate these distributions as long-term capital gain dividends per Internal Revenue Code Sec. 852 (b)(3)(C) in the 20-percent group (which may be taxed at a 20-percent rate, a 15-percent rate or a 0-percent rate, depending on the shareholder's taxable income).

Certain Funds may also utilize earnings and profits distributed to shareholders on redemptions of shares as part of the dividends paid deduction.

For U.S. federal income tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Distributable Earnings. As of December 31, 2021, the components of total distributable earnings (accumulated loss) on a federal tax basis were as follows (amounts in thousands):

	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Accumulated Losses	Net Unrealized Appreciation (Depreciation)	Other Temporary Differences*	Total Accumulated Earnings (Deficit)
Blue Chip Account	$ —	$ 13	$ —	$ 1,482	$ —	$ 1,495
Bond Market Index Account	53,034	2,289	—	64,710	—	120,033
Core Plus Bond Account	6,361	2,263	—	2,923	(17)	11,530
Diversified Balanced Account	20,652	71,156	—	308,480	—	400,288
Diversified Balanced Managed Volatility Account	4,379	11,499	—	36,309	—	52,187
Diversified Balanced Volatility Control Account	11,935	4,212	—	18,479	(66)	34,560
Diversified Growth Account	82,168	276,352	—	1,377,274	—	1,735,794
Diversified Growth Managed Volatility Account	9,754	25,974	—	92,897	—	128,625

7. Federal Tax Information (continued)

	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Accumulated Losses	Net Unrealized Appreciation (Depreciation)	Other Temporary Differences*	Total Accumulated Earnings (Deficit)
Diversified Growth Volatility Control Account	67,129	33,791	—	136,691	(620)	236,991
Diversified Income Account	7,315	12,539	—	59,465	—	79,319
Diversified International Account	6,556	23,295	—	78,151	—	108,002
Equity Income Account	30,295	60,326	—	408,803	—	499,424
Government & High Quality Bond Account	2,203	—	(9,519)	(650)	(28)	(7,994)
International Emerging Markets Account	2,586	5,557	—	18,564	—	26,707
LargeCap Growth Account I	6,216	53,721	—	310,723	—	370,660
LargeCap S&P 500 Index Account	41,627	282,767	—	1,671,962	—	1,996,356
LargeCap S&P 500 Managed Volatility Index Account	2,090	19,413	—	115,120	(14,131)	122,492
MidCap Account	1,712	62,845	—	358,054	—	422,611
Principal Capital Appreciation Account	5,175	15,516	—	108,754	—	129,445
Principal LifeTime 2010 Account	1,060	1,397	—	3,027	—	5,484
Principal LifeTime 2020 Account	6,677	10,079	—	25,994	—	42,750
Principal LifeTime 2030 Account	8,528	14,279	—	41,686	—	64,493
Principal LifeTime 2040 Account	4,193	8,107	—	23,351	—	35,651
Principal LifeTime 2050 Account	2,200	4,610	—	11,964	—	18,774
Principal LifeTime 2060 Account	522	1,122	—	2,493	—	4,137
Principal LifeTime Strategic Income Account	926	1,091	—	1,940	—	3,957
Real Estate Securities Account	3,318	9,215	—	64,445	—	76,978
SAM Balanced Portfolio	21,416	74,884	—	167,018	—	263,318
SAM Conservative Balanced Portfolio	5,815	14,870	—	30,702	—	51,387
SAM Conservative Growth Portfolio	12,087	35,690	—	115,758	—	163,535
SAM Flexible Income Portfolio	6,577	10,410	—	14,811	—	31,798
SAM Strategic Growth Portfolio	9,750	36,153	—	106,390	—	152,293
Short-Term Income Account	1,611	199	—	40	(6)	1,844
SmallCap Account	6,011	26,211	—	58,471	—	90,693

*Represents book-to-tax accounting differences.

Capital Loss Carryforwards. For federal income tax purposes, capital loss carryforwards are losses that can be used to offset future capital gains of the Funds. As of December 31, 2021, the Funds had approximate net capital loss carryforwards as follows (amounts in thousands):

	Short-Term	Long-Term	Total
Government & High Quality Bond Account	$ 1,577	$ 7,942	$ 9,519

All of these capital losses were generated in the taxable years beginning after the enactment date of the Regulated Investment Company Modernization Act of 2010 on December 22, 2010, and will be carried forward with no expiration and with the character of the loss retained. For the year ended December 31, 2021, the Funds did not utilize capital loss carryforwards.

Late-Year Losses. A regulated investment company may elect to treat any portion of its qualified late-year loss as arising on the first day of the next taxable year. Qualified late-year losses are certain capital and ordinary losses which occur during the portion of the fund's taxable year subsequent to October 31. For the taxable year ended December 31, 2021, the Funds do not plan to defer any late-year losses.

Reclassification of Capital Accounts. The Funds may record reclassifications in their capital accounts. These reclassifications have no impact on the total net assets of the Funds. The reclassifications are a result of permanent differences between U.S. GAAP and tax accounting. Adjustments are made to reflect the impact these items have on current and future distributions to shareholders. Therefore, the source of the Funds' distributions may be shown in the accompanying statements of changes in net assets as from net investment income and net realized gain on investments or from tax return of capital depending on the type of book and tax differences that exist. For the year ended December 31, 2021, the Funds recorded reclassifications as follows (amounts in thousands):

	Total Distributable Earnings (Accumulated Loss)	Capital Shares and Additional Paid-in-Capital
Diversified Balanced Account	$ (9,050)	$ 9,050
Diversified Growth Account	(26,814)	26,814
Diversified Growth Managed Volatility Account	(2,440)	2,440

7. Federal Tax Information (continued)

	Total Distributable Earnings (Accumulated Loss)	Capital Shares and Additional Paid-in-Capital
Diversified International Account	$ (2,080)	$ 2,080
Equity Income Account	(14,243)	14,243
LargeCap Growth Account I	(8,456)	8,456
LargeCap S&P 500 Index Account	(55,728)	55,728
LargeCap S&P 500 Managed Volatility Index Account	(2,169)	2,169
MidCap Account	(6,171)	6,171
Principal Capital Appreciation Account	(1,946)	1,946
Real Estate Securities Account	(1,763)	1,763
SAM Balanced Portfolio	(5,413)	5,413
SAM Conservative Growth Portfolio	(2,230)	2,230
SAM Strategic Growth Portfolio	(1,343)	1,343
SmallCap Account	(2,932)	2,932

Federal Income Tax Basis. As of December 31, 2021, the net federal income tax unrealized appreciation (depreciation) and federal tax cost of investments held by the Funds were as follows (amounts in thousands):

	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)	Cost for Federal Income Tax Purposes
Blue Chip Account	$ 1,811	$ (329)	$ 1,482	$ 12,038
Bond Market Index Account	92,453	(27,743)	64,710	3,083,285
Core Plus Bond Account	5,473	(2,550)	2,923	249,179
Diversified Balanced Account	311,702	(3,222)	308,480	697,018
Diversified Balanced Managed Volatility Account	37,020	(711)	36,309	147,813
Diversified Balanced Volatility Control Account	20,025	(1,546)	18,479	211,432
Diversified Growth Account	1,390,631	(13,357)	1,377,274	2,598,209
Diversified Growth Managed Volatility Account	94,337	(1,440)	92,897	296,131
Diversified Growth Volatility Control Account	144,112	(7,421)	136,691	1,141,780
Diversified Income Account	61,704	(2,239)	59,465	267,386
Diversified International Account	84,190	(6,031)	78,159	222,438
Equity Income Account	413,509	(4,706)	408,803	347,765
Government & High Quality Bond Account	3,090	(3,740)	(650)	254,949
International Emerging Markets Account	25,363	(6,807)	18,556	72,685
LargeCap Growth Account I	328,950	(18,227)	310,723	401,900
LargeCap S&P 500 Index Account	1,744,711	(72,749)	1,671,962	1,546,200
LargeCap S&P 500 Managed Volatility Index Account	121,803	(6,683)	115,120	125,640
MidCap Account	362,769	(4,714)	358,055	394,288
Principal Capital Appreciation Account	110,537	(1,783)	108,754	86,614
Principal LifeTime 2010 Account	3,677	(650)	3,027	34,274
Principal LifeTime 2020 Account	29,243	(3,249)	25,994	170,344
Principal LifeTime 2030 Account	44,126	(2,440)	41,686	221,183
Principal LifeTime 2040 Account	25,210	(1,859)	23,351	110,825
Principal LifeTime 2050 Account	13,256	(1,292)	11,964	56,567
Principal LifeTime 2060 Account	2,794	(301)	2,493	14,791
Principal LifeTime Strategic Income Account	2,560	(620)	1,940	28,193
Real Estate Securities Account	66,847	(2,402)	64,445	121,836
SAM Balanced Portfolio	173,230	(6,212)	167,018	577,450
SAM Conservative Balanced Portfolio	33,076	(2,374)	30,702	172,891
SAM Conservative Growth Portfolio	119,880	(4,122)	115,758	318,699
SAM Flexible Income Portfolio	17,732	(2,921)	14,811	178,941
SAM Strategic Growth Portfolio	111,350	(4,960)	106,390	322,249
Short-Term Income Account	976	(936)	40	138,763
SmallCap Account	75,660	(17,189)	58,471	173,257

8. Subsequent Events

Management has evaluated events and transactions that have occurred through the date the financial statements were issued that would merit recognition or disclosure in the financial statements. There were no items requiring adjustment of the financial statements or additional disclosure.

Schedule of Investments
Blue Chip Account
December 31, 2021

INVESTMENT COMPANIES - 0.22%	Shares Held	Value (000's)
Money Market Funds - 0.22%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	29,704	$ 30
TOTAL INVESTMENT COMPANIES		$ 30

COMMON STOCKS - 99.82%	Shares Held	Value (000's)
Aerospace & Defense - 4.00%		
TransDigm Group Inc [b]	850	$ 541
Chemicals - 1.46%		
Linde PLC	406	140
Sherwin-Williams Co/The	161	57
		$ 197
Commercial Services - 5.19%		
CoStar Group Inc [b]	2,208	174
PayPal Holdings Inc [b]	1,966	371
S&P Global Inc	331	156
		$ 701
Diversified Financial Services - 8.92%		
Brookfield Asset Management Reinsurance Partners Ltd [b]	75	5
Charles Schwab Corp/The	1,556	131
Mastercard Inc	1,823	655
Visa Inc	1,916	415
		$ 1,206
Healthcare - Products - 6.47%		
Danaher Corp	1,494	492
IDEXX Laboratories Inc [b]	152	100
Intuitive Surgical Inc [b]	786	282
		$ 874
Insurance - 0.71%		
Progressive Corp/The	932	96
Internet - 22.89%		
Alphabet Inc - A Shares [b]	56	162
Alphabet Inc - C Shares [b]	251	726
Amazon.com Inc [b]	333	1,111
Etsy Inc [b]	406	89
Meta Platforms Inc [b]	1,627	547
Netflix Inc [b]	688	415
Spotify Technology SA [b]	184	43
		$ 3,093
Lodging - 1.38%		
Hilton Worldwide Holdings Inc [b]	1,202	187
Media - 3.02%		
Charter Communications Inc [b]	480	313
Liberty Broadband Corp - C Shares [b]	587	95
		$ 408
Pharmaceuticals - 1.07%		
Zoetis Inc	596	145
Private Equity - 6.16%		
Brookfield Asset Management Inc	11,334	684
KKR & Co Inc	1,981	148
		$ 832
REITs - 3.84%		
American Tower Corp	1,774	519
Retail - 3.01%		
CarMax Inc [b]	660	86
Costco Wholesale Corp	221	125
O'Reilly Automotive Inc [b]	102	72
Starbucks Corp	1,057	124
		$ 407
Semiconductors - 4.36%		
NVIDIA Corp	2,004	589
Software - 27.34%		
Adobe Inc [b]	1,061	601
Autodesk Inc [b]	623	175
Intuit Inc	925	595
Microsoft Corp	3,948	1,328
Roper Technologies Inc	421	207
salesforce.com Inc [b]	2,258	574

COMMON STOCKS (continued)	Shares Held	Value (000's)
Software (continued)		
Snowflake Inc - Class A [b]	70	$ 24
Twilio Inc [b]	724	191
		$ 3,695
TOTAL COMMON STOCKS		$ 13,490
Total Investments		**$ 13,520**
Other Assets and Liabilities - (0.04)%		**(5)**
TOTAL NET ASSETS - 100.00%		**$ 13,515**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(b) Non-income producing security

(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Sector	Percent
Technology	31.70%
Communications	25.91%
Financial	19.63%
Consumer, Non-cyclical	12.73%
Consumer, Cyclical	4.39%
Industrial	4.00%
Basic Materials	1.46%
Money Market Funds	0.22%
Other Assets and Liabilities	(0.04)%
TOTAL NET ASSETS	100.00%

See accompanying notes.

Schedule of Investments
Blue Chip Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Principal Government Money Market Fund - Institutional Class 0.00%	$ 6	$ 4,819	$ 4,795	$ 30
	$ 6	$ 4,819	$ 4,795	$ 30

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Principal Government Money Market Fund - Institutional Class 0.00%	$ —	$ —	$ —	$ —
	$ —	$ —	$ —	$ —

Amounts in thousands.

Schedule of Investments
Bond Market Index Account
December 31, 2021

INVESTMENT COMPANIES - 10.51%	Shares Held	Value (000's)
Exchange-Traded Funds - 0.49%		
iShares iBoxx $ Investment Grade Corporate Bond ETF [a]	85,000	$ 11,264
Vanguard Short-Term Corporate Bond ETF [a]	35,000	2,844
		$ 14,108
Money Market Funds - 10.02%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[b],[c]	5,679,140	5,680
Principal Government Money Market Fund - Institutional Class 0.00%[b],[c],[d],[e]	285,079,206	285,079
		$ 290,759
TOTAL INVESTMENT COMPANIES		$ 304,867

BONDS - 31.62%	Principal Amount (000's)	Value (000's)
Advertising - 0.04%		
Interpublic Group of Cos Inc/The		
2.40%, 03/01/2031	$ 190	$ 189
5.40%, 10/01/2048	300	407
Omnicom Group Inc		
2.45%, 04/30/2030	160	160
2.60%, 08/01/2031	295	299
		$ 1,055
Aerospace & Defense - 0.60%		
Boeing Co/The		
1.43%, 02/04/2024	810	809
2.75%, 02/01/2026	175	180
2.95%, 02/01/2030	170	173
3.25%, 02/01/2028	1,200	1,250
3.25%, 02/01/2035	170	171
3.63%, 02/01/2031	175	187
3.75%, 02/01/2050	235	244
3.95%, 08/01/2059	315	327
4.51%, 05/01/2023	970	1,013
4.88%, 05/01/2025	620	678
5.04%, 05/01/2027	310	349
5.15%, 05/01/2030	310	361
5.71%, 05/01/2040	310	398
5.81%, 05/01/2050	505	684
5.88%, 02/15/2040	154	197
General Dynamics Corp		
1.15%, 06/01/2026	195	193
2.25%, 06/01/2031	195	198
3.25%, 04/01/2025	80	85
3.38%, 05/15/2023	300	310
3.50%, 04/01/2027	160	174
3.75%, 05/15/2028	300	331
4.25%, 04/01/2040	160	195
L3Harris Technologies Inc		
1.80%, 01/15/2031	90	86
2.90%, 12/15/2029	60	62
3.83%, 04/27/2025	500	533
Lockheed Martin Corp		
1.85%, 06/15/2030	55	54
3.55%, 01/15/2026	240	260
3.60%, 03/01/2035	350	391
3.80%, 03/01/2045	625	714
4.07%, 12/15/2042	47	55
4.09%, 09/15/2052	389	481
4.70%, 05/15/2046	25	33
Northrop Grumman Corp		
3.20%, 02/01/2027	500	531
3.85%, 04/15/2045	500	567
4.03%, 10/15/2047	600	708
Raytheon Technologies Corp		
1.90%, 09/01/2031	170	164
2.25%, 07/01/2030	160	160
2.38%, 03/15/2032	195	195
2.82%, 09/01/2051	175	169
3.03%, 03/15/2052	195	196
3.50%, 03/15/2027	800	857

BONDS (continued)	Principal Amount (000's)	Value (000's)
Aerospace & Defense (continued)		
Raytheon Technologies Corp (continued)		
3.75%, 11/01/2046	$ 30	$ 33
4.05%, 05/04/2047	300	347
4.13%, 11/16/2028	435	487
4.15%, 05/15/2045	40	47
4.35%, 04/15/2047	40	49
4.50%, 06/01/2042	600	742
4.63%, 11/16/2048	210	269
4.88%, 10/15/2040	154	194
Teledyne Technologies Inc		
0.95%, 04/01/2024	190	188
2.25%, 04/01/2028	190	190
		$ 17,269
Agriculture - 0.29%		
Altria Group Inc		
2.35%, 05/06/2025	160	164
2.45%, 02/04/2032	190	180
3.40%, 05/06/2030	325	336
3.70%, 02/04/2051	190	177
3.88%, 09/16/2046	60	58
4.00%, 02/04/2061	190	181
4.80%, 02/14/2029	63	71
5.80%, 02/14/2039	380	457
Archer-Daniels-Midland Co		
2.50%, 08/11/2026	850	884
2.70%, 09/15/2051	195	196
BAT Capital Corp		
2.26%, 03/25/2028	170	166
2.73%, 03/25/2031	170	165
2.79%, 09/06/2024	245	252
3.46%, 09/06/2029	245	254
3.56%, 08/15/2027	800	839
3.98%, 09/25/2050	170	163
4.54%, 08/15/2047	325	340
BAT International Finance PLC		
1.67%, 03/25/2026	170	167
Bunge Ltd Finance Corp		
2.75%, 05/14/2031	195	198
Philip Morris International Inc		
0.88%, 05/01/2026	175	169
1.75%, 11/01/2030	175	166
2.75%, 02/25/2026	310	322
3.25%, 11/10/2024	30	32
3.38%, 08/11/2025	375	398
4.13%, 03/04/2043	300	332
4.25%, 11/10/2044	30	34
4.38%, 11/15/2041	61	69
4.50%, 03/20/2042	400	463
4.88%, 11/15/2043	35	43
Reynolds American Inc		
4.45%, 06/12/2025	250	270
4.85%, 09/15/2023	350	371
5.70%, 08/15/2035	25	30
5.85%, 08/15/2045	415	504
		$ 8,451
Airlines - 0.04%		
American Airlines 2019-1 Class AA Pass Through Trust		
3.15%, 08/15/2033	156	158
Delta Air Lines 2020-1 Class AA Pass Through Trust		
2.00%, 06/10/2028	291	285
Southwest Airlines Co		
5.25%, 05/04/2025	480	533
United Airlines 2014-2 Class A Pass Through Trust		
3.75%, 03/03/2028	133	138

See accompanying notes.

Schedule of Investments
Bond Market Index Account
December 31, 2021

BONDS (continued)	Principal Amount (000's)	Value (000's)
Airlines (continued)		
United Airlines 2019-2 Class AA Pass Through Trust		
2.70%, 11/01/2033	$ 75	$ 74
		$ 1,188
Apparel - 0.05%		
NIKE Inc		
2.25%, 05/01/2023	200	204
2.40%, 03/27/2025	160	166
2.75%, 03/27/2027	160	169
3.25%, 03/27/2040	160	174
3.38%, 11/01/2046	350	389
3.63%, 05/01/2043	200	228
		$ 1,330
Automobile Asset Backed Securities - 0.00%		
World Omni Auto Receivables Trust 2018-A		
2.50%, 04/17/2023	9	9
Automobile Manufacturers - 0.41%		
American Honda Finance Corp		
0.55%, 07/12/2024	190	188
0.65%, 09/08/2023	170	170
1.20%, 07/08/2025	165	164
1.30%, 09/09/2026	195	193
1.95%, 05/10/2023	160	163
2.05%, 01/10/2023	490	497
2.15%, 09/10/2024	445	456
Daimler Finance North America LLC		
8.50%, 01/18/2031	127	189
General Motors Co		
4.88%, 10/02/2023	675	717
5.00%, 10/01/2028	400	459
5.00%, 04/01/2035	200	236
5.40%, 04/01/2048	360	459
6.75%, 04/01/2046	25	36
General Motors Financial Co Inc		
1.05%, 03/08/2024	190	189
1.20%, 10/15/2024	175	174
1.25%, 01/08/2026	190	186
1.50%, 06/10/2026	190	187
1.70%, 08/18/2023	330	333
2.35%, 01/08/2031	190	185
2.40%, 04/10/2028	190	191
2.40%, 10/15/2028	175	175
2.70%, 06/10/2031	190	189
3.25%, 01/05/2023	400	409
3.70%, 05/09/2023	325	335
4.30%, 07/13/2025	325	350
4.35%, 01/17/2027	305	336
5.10%, 01/17/2024	500	536
PACCAR Financial Corp		
0.35%, 08/11/2023	165	164
0.35%, 02/02/2024	190	187
1.80%, 02/06/2025	170	172
Toyota Motor Corp		
1.34%, 03/25/2026	385	383
3.67%, 07/20/2028	200	221
Toyota Motor Credit Corp		
0.45%, 01/11/2024	190	188
0.50%, 08/14/2023	165	164
0.50%, 06/18/2024	190	187
0.80%, 10/16/2025	210	205
1.15%, 08/13/2027	165	160
1.35%, 08/25/2023	155	156
1.65%, 01/10/2031	190	183
1.80%, 02/13/2025	160	162
1.90%, 09/12/2031	195	191
2.00%, 10/07/2024	165	169
2.25%, 10/18/2023	350	359
3.35%, 01/08/2024	400	419

BONDS (continued)	Principal Amount (000's)	Value (000's)
Automobile Manufacturers (continued)		
Toyota Motor Credit Corp (continued)		
3.45%, 09/20/2023	$ 400	$ 418
		$ 11,790
Automobile Parts & Equipment - 0.02%		
BorgWarner Inc		
3.38%, 03/15/2025[a]	500	527
Banks - 5.98%		
Banco Santander SA		
1.85%, 03/25/2026	400	398
2.75%, 05/28/2025	200	207
2.75%, 12/03/2030	400	391
3.13%, 02/23/2023	600	614
3.22%, 11/22/2032[f]	200	200
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.60%		
3.49%, 05/28/2030	200	211
Bank of America Corp		
0.52%, 06/14/2024[f]	365	363
Secured Overnight Financing Rate + 0.41%		
0.81%, 10/24/2024[f]	340	338
Secured Overnight Financing Rate + 0.74%		
0.98%, 04/22/2025[f]	380	377
Secured Overnight Financing Rate + 0.69%		
0.98%, 09/25/2025[f]	170	168
Secured Overnight Financing Rate + 0.91%		
1.32%, 06/19/2026[f]	320	317
Secured Overnight Financing Rate + 1.15%		
1.66%, 03/11/2027[f]	365	362
Secured Overnight Financing Rate + 0.91%		
1.73%, 07/22/2027[f]	380	377
Secured Overnight Financing Rate + 0.96%		
1.90%, 07/23/2031[f]	750	718
Secured Overnight Financing Rate + 1.53%		
1.92%, 10/24/2031[f]	340	326
Secured Overnight Financing Rate + 1.37%		
2.09%, 06/14/2029[f]	190	189
Secured Overnight Financing Rate + 1.06%		
2.30%, 07/21/2032[f]	380	374
Secured Overnight Financing Rate + 1.22%		
2.46%, 10/22/2025[f]	310	318
3 Month USD LIBOR + 0.87%		
2.48%, 09/21/2036[f]	385	373
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 1.20%		
2.50%, 02/13/2031[f]	320	321
3 Month USD LIBOR + 0.99%		
2.57%, 10/20/2032[f]	355	357
Secured Overnight Financing Rate + 1.21%		
2.59%, 04/29/2031[f]	250	253
Secured Overnight Financing Rate + 2.15%		
2.65%, 03/11/2032[f]	570	577
Secured Overnight Financing Rate + 1.22%		
2.68%, 06/19/2041[f]	1,070	1,030
Secured Overnight Financing Rate + 1.93%		
2.83%, 10/24/2051[f]	880	864
Secured Overnight Financing Rate + 1.88%		
2.97%, 07/21/2052[f]	380	381
Secured Overnight Financing Rate + 1.56%		
3.19%, 07/23/2030[f]	335	353
3 Month USD LIBOR + 1.18%		
3.25%, 10/21/2027	40	43
3.30%, 01/11/2023	330	339
3.31%, 04/22/2042[f]	380	399
Secured Overnight Financing Rate + 1.58%		
3.42%, 12/20/2028[f]	1,041	1,111
3 Month USD LIBOR + 1.04%		

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Bank of America Corp (continued)		
3.48%, 03/13/2052[f]	$ 190	$ 210
Secured Overnight Financing Rate + 1.65%		
3.50%, 04/19/2026	795	856
3.55%, 03/05/2024[f]	550	566
3 Month USD LIBOR + 0.78%		
3.59%, 07/21/2028[f]	500	538
3 Month USD LIBOR + 1.37%		
3.82%, 01/20/2028[f]	400	433
3 Month USD LIBOR + 1.58%		
3.86%, 07/23/2024[f]	300	313
3 Month USD LIBOR + 0.94%		
3.88%, 08/01/2025	30	33
3.95%, 04/21/2025	830	887
3.97%, 02/07/2030[f]	1,000	1,102
3 Month USD LIBOR + 1.21%		
4.13%, 01/22/2024	500	531
4.18%, 11/25/2027	560	613
4.20%, 08/26/2024	625	670
4.27%, 07/23/2029[f]	360	401
3 Month USD LIBOR + 1.31%		
4.33%, 03/15/2050[f]	310	383
3 Month USD LIBOR + 1.52%		
4.44%, 01/20/2048[f]	30	37
3 Month USD LIBOR + 1.99%		
5.00%, 01/21/2044	25	33
5.88%, 02/07/2042	228	324
7.75%, 05/14/2038	250	392
Bank of America NA		
6.00%, 10/15/2036	250	343
Bank of Montreal		
0.45%, 12/08/2023	995	985
0.95%, 01/22/2027[f]	190	184
Secured Overnight Financing Rate + 0.60%		
1.85%, 05/01/2025	150	152
3.30%, 02/05/2024	400	419
Bank of New York Mellon Corp/The		
0.35%, 12/07/2023	150	149
0.50%, 04/26/2024	170	168
0.75%, 01/28/2026	185	180
1.60%, 04/24/2025	140	141
1.65%, 07/14/2028	150	149
1.85%, 01/27/2023	790	801
2.10%, 10/24/2024	775	795
Bank of Nova Scotia/The		
0.55%, 09/15/2023	170	169
1.05%, 03/02/2026	190	185
1.30%, 06/11/2025	160	159
1.30%, 09/15/2026	195	191
2.15%, 08/01/2031	190	189
2.70%, 08/03/2026	170	177
3.40%, 02/11/2024	400	420
4.50%, 12/16/2025	500	549
Barclays PLC		
1.01%, 12/10/2024[f]	200	199
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.80%		
2.28%, 11/24/2027[f]	420	421
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.05%		
2.65%, 06/24/2031[f]	320	319
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.90%		
2.67%, 03/10/2032[f]	200	198
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.20%		

BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Barclays PLC (continued)		
3.56%, 09/23/2035[f]	$ 200	$ 205
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 2.90%		
3.68%, 01/10/2023	1,700	1,701
3.81%, 03/10/2042[f]	200	213
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.70%		
4.34%, 01/10/2028	1,030	1,125
4.38%, 01/12/2026	200	219
4.97%, 05/16/2029[f]	210	240
3 Month USD LIBOR + 1.90%		
BNP Paribas SA		
4.25%, 10/15/2024	750	809
BPCE SA		
4.00%, 04/15/2024	250	266
Canadian Imperial Bank of Commerce		
0.50%, 12/14/2023	185	183
0.95%, 06/23/2023	70	70
1.25%, 06/22/2026	190	185
3.50%, 09/13/2023	500	523
Citibank NA		
3.65%, 01/23/2024	500	526
Citigroup Inc		
0.78%, 10/30/2024[f]	655	651
Secured Overnight Financing Rate + 0.69%		
0.98%, 05/01/2025[f]	485	481
Secured Overnight Financing Rate + 0.67%		
1.12%, 01/28/2027[f]	185	180
Secured Overnight Financing Rate + 0.77%		
1.28%, 11/03/2025[f]	145	145
Secured Overnight Financing Rate + 0.53%		
1.46%, 06/09/2027[f]	370	364
Secured Overnight Financing Rate + 0.77%		
1.68%, 05/15/2024[f]	160	162
Secured Overnight Financing Rate + 1.67%		
2.52%, 11/03/2032[f]	175	175
Secured Overnight Financing Rate + 1.18%		
2.56%, 05/01/2032[f]	520	523
Secured Overnight Financing Rate + 1.17%		
2.57%, 06/03/2031[f]	320	323
Secured Overnight Financing Rate + 2.11%		
2.67%, 01/29/2031[f]	315	320
Secured Overnight Financing Rate + 1.15%		
2.90%, 11/03/2042[f]	195	193
Secured Overnight Financing Rate + 1.38%		
2.98%, 11/05/2030[f]	155	161
Secured Overnight Financing Rate + 1.42%		
3.20%, 10/21/2026	770	816
3.50%, 05/15/2023	600	620
3.67%, 07/24/2028[f]	1,200	1,294
3 Month USD LIBOR + 1.39%		
3.75%, 06/16/2024	500	530
3.89%, 01/10/2028[f]	400	434
3 Month USD LIBOR + 1.56%		
4.07%, 04/23/2029[f]	240	265
3 Month USD LIBOR + 1.19%		
4.28%, 04/24/2048[f]	330	405
3 Month USD LIBOR + 1.84%		
4.30%, 11/20/2026	525	581
4.40%, 06/10/2025	780	849
4.45%, 09/29/2027	20	22
4.60%, 03/09/2026	60	66
4.65%, 07/30/2045	222	280
5.30%, 05/06/2044	25	33
5.50%, 09/13/2025	325	368
5.88%, 01/30/2042	328	464

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Citigroup Inc (continued)		
6.63%, 06/15/2032	$ 112	$ 149
6.68%, 09/13/2043	30	45
8.13%, 07/15/2039	132	223
Cooperatieve Rabobank UA		
5.25%, 05/24/2041	500	701
5.25%, 08/04/2045	250	329
5.75%, 12/01/2043	250	349
Cooperatieve Rabobank UA/NY		
0.38%, 01/12/2024	250	247
Credit Suisse AG/New York NY		
0.50%, 02/02/2024	305	301
0.52%, 08/09/2023	250	248
1.25%, 08/07/2026	250	244
3.63%, 09/09/2024	400	424
Credit Suisse Group AG		
3.75%, 03/26/2025	750	796
4.88%, 05/15/2045	500	633
Deutsche Bank AG/New York NY		
0.90%, 05/28/2024	150	149
1.69%, 03/19/2026	500	498
2.13%, 11/24/2026[f]	200	200
Secured Overnight Financing Rate + 1.87%		
2.22%, 09/18/2024[f]	170	172
Secured Overnight Financing Rate + 2.16%		
3.04%, 05/28/2032[f]	175	176
Secured Overnight Financing Rate + 1.72%		
4.10%, 01/13/2026	500	533
Discover Bank		
2.45%, 09/12/2024	320	328
2.70%, 02/06/2030	250	253
Fifth Third Bancorp		
2.38%, 01/28/2025	85	87
4.30%, 01/16/2024	30	32
Fifth Third Bank NA		
1.80%, 01/30/2023	250	253
3.85%, 03/15/2026	700	755
Goldman Sachs Group Inc/The		
0.66%, 09/10/2024[f]	385	382
Secured Overnight Financing Rate + 0.51%		
0.67%, 03/08/2024[f]	385	383
Secured Overnight Financing Rate + 0.57%		
0.86%, 02/12/2026[f]	155	152
Secured Overnight Financing Rate + 0.61%		
0.93%, 10/21/2024[f]	385	383
Secured Overnight Financing Rate + 0.49%		
1.09%, 12/09/2026[f]	315	307
Secured Overnight Financing Rate + 0.79%		
1.43%, 03/09/2027[f]	385	377
Secured Overnight Financing Rate + 0.80%		
1.54%, 09/10/2027[f]	190	186
Secured Overnight Financing Rate + 0.82%		
1.95%, 10/21/2027[f]	765	762
Secured Overnight Financing Rate + 0.91%		
1.99%, 01/27/2032[f]	475	455
Secured Overnight Financing Rate + 1.09%		
2.38%, 07/21/2032[f]	285	281
Secured Overnight Financing Rate + 1.25%		
2.60%, 02/07/2030	1,240	1,261
2.62%, 04/22/2032[f]	380	383
Secured Overnight Financing Rate + 1.28%		
2.65%, 10/21/2032[f]	195	196
Secured Overnight Financing Rate + 1.26%		
2.91%, 07/21/2042[f]	385	383
Secured Overnight Financing Rate + 1.47%		
3.21%, 04/22/2042[f]	190	197
Secured Overnight Financing Rate + 1.51%		
3.63%, 02/20/2024	1,000	1,049
Goldman Sachs Group Inc/The (continued)		
3.75%, 05/22/2025	$ 30	$ 32
3.81%, 04/23/2029[f]	2,000	2,175
3 Month USD LIBOR + 1.16%		
3.85%, 01/26/2027	60	64
4.02%, 10/31/2038[f]	750	858
3 Month USD LIBOR + 1.37%		
4.22%, 05/01/2029[f]	415	461
3 Month USD LIBOR + 1.30%		
4.25%, 10/21/2025	1,280	1,396
4.41%, 04/23/2039[f]	180	215
3 Month USD LIBOR + 1.43%		
4.80%, 07/08/2044	25	32
5.15%, 05/22/2045	310	403
6.75%, 10/01/2037	530	751
HSBC Holdings PLC		
0.98%, 05/24/2025[f]	400	395
Secured Overnight Financing Rate + 0.71%		
1.16%, 11/22/2024[f]	400	399
Secured Overnight Financing Rate + 0.58%		
1.59%, 05/24/2027[f]	400	391
Secured Overnight Financing Rate + 1.29%		
1.65%, 04/18/2026[f]	250	248
Secured Overnight Financing Rate + 1.54%		
2.01%, 09/22/2028[f]	335	328
Secured Overnight Financing Rate + 1.73%		
2.10%, 06/04/2026[f]	320	322
Secured Overnight Financing Rate + 1.93%		
2.36%, 08/18/2031[f]	200	195
Secured Overnight Financing Rate + 1.95%		
2.63%, 11/07/2025[f]	230	236
Secured Overnight Financing Rate + 1.40%		
2.80%, 05/24/2032[f]	200	201
Secured Overnight Financing Rate + 1.19%		
2.85%, 06/04/2031[f]	200	202
Secured Overnight Financing Rate + 2.39%		
2.87%, 11/22/2032[f]	400	403
Secured Overnight Financing Rate + 1.41%		
3.60%, 05/25/2023	500	518
3.90%, 05/25/2026	395	426
3.95%, 05/18/2024[f]	400	415
3 Month USD LIBOR + 0.99%		
3.97%, 05/22/2030[f]	400	434
3 Month USD LIBOR + 1.61%		
4.04%, 03/13/2028[f]	500	540
3 Month USD LIBOR + 1.55%		
4.25%, 03/14/2024	500	528
4.29%, 09/12/2026[f]	500	540
3 Month USD LIBOR + 1.35%		
4.58%, 06/19/2029[f]	365	409
3 Month USD LIBOR + 1.53%		
4.95%, 03/31/2030	200	235
5.25%, 03/14/2044	300	391
6.10%, 01/14/2042	174	249
6.50%, 05/02/2036	420	571
Huntington Bancshares Inc/OH		
2.55%, 02/04/2030	110	112
Huntington National Bank/The		
1.80%, 02/03/2023	250	253
3.55%, 10/06/2023	400	417
ING Groep NV		
1.73%, 04/01/2027[f]	200	199
Secured Overnight Financing Rate + 1.01%		
2.73%, 04/01/2032[f]	200	204
Secured Overnight Financing Rate + 1.32%		
3.55%, 04/09/2024	400	419

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
JPMorgan Chase & Co		
0.56%, 02/16/2025[f]	$ 190	$ 187
Secured Overnight Financing Rate + 0.42%		
0.65%, 09/16/2024[f]	920	916
Secured Overnight Financing Rate + 0.60%		
0.77%, 08/09/2025[f]	385	379
Secured Overnight Financing Rate + 0.49%		
0.82%, 06/01/2025[f]	730	721
Secured Overnight Financing Rate + 0.54%		
0.97%, 06/23/2025[f]	385	381
Secured Overnight Financing Rate + 0.58%		
1.04%, 02/04/2027[f]	380	368
Secured Overnight Financing Rate + 0.70%		
1.05%, 11/19/2026[f]	360	351
Secured Overnight Financing Rate + 0.80%		
1.47%, 09/22/2027[f]	155	152
Secured Overnight Financing Rate + 0.77%		
1.51%, 06/01/2024[f]	815	821
Secured Overnight Financing Rate + 1.46%		
1.58%, 04/22/2027[f]	380	376
Secured Overnight Financing Rate + 0.89%		
1.76%, 11/19/2031[f]	360	341
Secured Overnight Financing Rate + 1.11%		
1.95%, 02/04/2032[f]	380	366
Secured Overnight Financing Rate + 1.07%		
2.01%, 03/13/2026[f]	160	162
Secured Overnight Financing Rate + 1.59%		
2.07%, 06/01/2029[f]	1,395	1,383
Secured Overnight Financing Rate + 1.02%		
2.08%, 04/22/2026[f]	460	467
Secured Overnight Financing Rate + 1.85%		
2.18%, 06/01/2028[f]	815	822
Secured Overnight Financing Rate + 1.89%		
2.30%, 10/15/2025[f]	280	286
Secured Overnight Financing Rate + 1.16%		
2.52%, 04/22/2031[f]	730	738
Secured Overnight Financing Rate + 2.04%		
2.53%, 11/19/2041[f]	180	171
Secured Overnight Financing Rate + 1.51%		
2.55%, 11/08/2032[f]	390	392
Secured Overnight Financing Rate + 1.18%		
2.58%, 04/22/2032[f]	380	385
Secured Overnight Financing Rate + 1.25%		
2.74%, 10/15/2030[f]	260	267
Secured Overnight Financing Rate + 1.51%		
2.96%, 05/13/2031[f]	725	751
Secured Overnight Financing Rate + 2.52%		
3.11%, 04/22/2041[f]	730	756
Secured Overnight Financing Rate + 2.46%		
3.11%, 04/22/2051[f]	730	754
Secured Overnight Financing Rate + 2.44%		
3.20%, 01/25/2023	600	616
3.30%, 04/01/2026	500	533
3.33%, 04/22/2052[f]	380	407
Secured Overnight Financing Rate + 1.58%		
3.38%, 05/01/2023	400	412
3.51%, 01/23/2029[f]	400	428
3 Month USD LIBOR + 0.95%		
3.63%, 12/01/2027	25	27
3.80%, 07/23/2024[f]	270	281
3 Month USD LIBOR + 0.89%		
3.88%, 02/01/2024	520	550
3.88%, 09/10/2024	500	530
3.88%, 07/24/2038[f]	500	567
3 Month USD LIBOR + 1.36%		
3.96%, 11/15/2048[f]	400	469
3 Month USD LIBOR + 1.38%		

BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
JPMorgan Chase & Co (continued)		
4.01%, 04/23/2029[f]	$ 270	$ 298
3 Month USD LIBOR + 1.12%		
4.03%, 07/24/2048[f]	30	35
3 Month USD LIBOR + 1.46%		
4.20%, 07/23/2029[f]	300	336
3 Month USD LIBOR + 1.26%		
4.25%, 10/01/2027	10	11
4.85%, 02/01/2044	20	26
4.95%, 06/01/2045	55	72
5.40%, 01/06/2042	102	139
5.60%, 07/15/2041	154	213
5.63%, 08/16/2043	375	524
6.40%, 05/15/2038	200	291
KeyBank NA/Cleveland OH		
0.42%, 01/03/2024[f]	250	249
Secured Overnight Financing Rate + 0.34%		
1.25%, 03/10/2023	250	251
KeyCorp		
2.25%, 04/06/2027	410	417
2.55%, 10/01/2029	310	317
Korea Development Bank/The		
0.40%, 06/19/2024	400	394
0.80%, 04/27/2026	350	340
1.75%, 02/18/2025	500	507
Kreditanstalt fuer Wiederaufbau		
0.00%, 04/18/2036[e]	380	293
0.00%, 06/29/2037[e]	200	151
0.25%, 10/19/2023	340	337
0.25%, 03/08/2024	575	568
0.38%, 07/18/2025	1,630	1,586
0.50%, 09/20/2024	575	568
0.63%, 01/22/2026	1,515	1,478
1.00%, 10/01/2026	290	286
2.00%, 05/02/2025	380	391
2.13%, 01/17/2023	1,800	1,830
2.50%, 11/20/2024	300	313
2.88%, 04/03/2028	275	298
Landwirtschaftliche Rentenbank		
0.88%, 03/30/2026[a]	170	167
0.88%, 09/03/2030	330	311
2.00%, 01/13/2025	300	308
2.38%, 06/10/2025	1,200	1,250
Lloyds Banking Group PLC		
0.70%, 05/11/2024[f]	1,000	996
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.55%		
3.57%, 11/07/2028[f]	630	673
3 Month USD LIBOR + 1.21%		
3.75%, 01/11/2027	515	557
4.05%, 08/16/2023	400	419
4.45%, 05/08/2025	400	434
4.65%, 03/24/2026	500	550
5.30%, 12/01/2045	200	264
Mitsubishi UFJ Financial Group Inc		
0.95%, 07/19/2025[f]	400	395
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.55%		
1.41%, 07/17/2025	200	199
1.54%, 07/20/2027[f]	400	393
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.75%		
1.64%, 10/13/2027[f]	200	197
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.67%		
2.05%, 07/17/2030	250	243
2.19%, 02/25/2025	200	204
2.56%, 02/25/2030	200	202

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Mitsubishi UFJ Financial Group Inc (continued)		
2.76%, 09/13/2026	$ 400	$ 416
2.80%, 07/18/2024	650	674
3.20%, 07/18/2029	700	739
3.75%, 07/18/2039	550	623
3.76%, 07/26/2023	300	313
3.85%, 03/01/2026	350	379
Mizuho Financial Group Inc		
1.24%, 07/10/2024[f]	200	200
Secured Overnight Financing Rate + 1.25%		
2.20%, 07/10/2031[f]	200	196
Secured Overnight Financing Rate + 1.77%		
2.23%, 05/25/2026[f]	200	203
3 Month USD LIBOR + 0.83%		
2.26%, 07/09/2032[a],[f]	200	195
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.90%		
2.84%, 07/16/2025[f]	1,000	1,035
Secured Overnight Financing Rate + 1.24%		
3.15%, 07/16/2030[f]	400	419
3 Month USD LIBOR + 1.13%		
Morgan Stanley		
0.53%, 01/25/2024[f]	330	329
Secured Overnight Financing Rate + 0.46%		
0.73%, 04/05/2024[f]	360	359
Secured Overnight Financing Rate + 0.62%		
0.79%, 01/22/2025[f]	380	376
Secured Overnight Financing Rate + 0.51%		
0.79%, 05/30/2025[f]	385	380
Secured Overnight Financing Rate + 0.53%		
0.86%, 10/21/2025[f]	95	94
Secured Overnight Financing Rate + 0.75%		
0.99%, 12/10/2026[f]	280	272
Secured Overnight Financing Rate + 0.72%		
1.16%, 10/21/2025[f]	165	164
Secured Overnight Financing Rate + 0.56%		
1.51%, 07/20/2027[f]	380	374
Secured Overnight Financing Rate + 0.86%		
1.59%, 05/04/2027[f]	270	267
Secured Overnight Financing Rate + 0.88%		
1.79%, 02/13/2032[f]	1,360	1,287
Secured Overnight Financing Rate + 1.03%		
1.93%, 04/28/2032[f]	105	100
Secured Overnight Financing Rate + 1.02%		
2.19%, 04/28/2026[f]	475	484
Secured Overnight Financing Rate + 1.99%		
2.24%, 07/21/2032[f]	380	372
Secured Overnight Financing Rate + 1.18%		
2.48%, 09/16/2036[f]	265	255
Secured Overnight Financing Rate + 1.36%		
2.51%, 10/20/2032[f]	180	180
Secured Overnight Financing Rate + 1.20%		
2.72%, 07/22/2025[f]	250	258
Secured Overnight Financing Rate + 1.15%		
2.80%, 01/25/2052[f]	240	235
Secured Overnight Financing Rate + 1.43%		
3.13%, 01/23/2023	300	308
3.13%, 07/27/2026	1,330	1,409
3.22%, 04/22/2042[f]	190	199
Secured Overnight Financing Rate + 1.49%		
3.59%, 07/22/2028[f]	30	32
3 Month USD LIBOR + 1.34%		
3.63%, 01/20/2027	530	575
3.70%, 10/23/2024	25	27
3.75%, 02/25/2023	1,230	1,272
3.77%, 01/24/2029[f]	360	392
3 Month USD LIBOR + 1.14%		

BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Morgan Stanley (continued)		
3.88%, 04/29/2024	$ 30	$ 32
3.95%, 04/23/2027	50	55
3.97%, 07/22/2038[f]	15	17
3 Month USD LIBOR + 1.46%		
4.00%, 07/23/2025	30	33
4.10%, 05/22/2023	380	396
4.30%, 01/27/2045	50	61
4.35%, 09/08/2026	30	33
4.38%, 01/22/2047	30	38
5.00%, 11/24/2025	525	588
5.60%, 03/24/2051[f]	500	747
Secured Overnight Financing Rate + 4.84%		
6.38%, 07/24/2042	620	939
NatWest Group PLC		
1.64%, 06/14/2027[f]	265	261
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.90%		
3.88%, 09/12/2023	200	209
4.80%, 04/05/2026	500	556
4.89%, 05/18/2029[f]	400	457
3 Month USD LIBOR + 1.75%		
5.08%, 01/27/2030[f]	1,000	1,160
3 Month USD LIBOR + 1.91%		
Northern Trust Corp		
3.95%, 10/30/2025	500	546
Oesterreichische Kontrollbank AG		
0.38%, 09/17/2025	340	329
2.88%, 03/13/2023	1,000	1,027
PNC Bank NA		
2.70%, 10/22/2029	250	258
3.80%, 07/25/2023	650	677
PNC Financial Services Group Inc/The		
2.20%, 11/01/2024	130	133
2.31%, 04/23/2032[f]	150	151
Secured Overnight Financing Rate + 0.98%		
2.55%, 01/22/2030	160	164
2.60%, 07/23/2026	490	514
3.45%, 04/23/2029	300	327
Royal Bank of Canada		
0.43%, 01/19/2024	380	375
0.50%, 10/26/2023	170	169
1.15%, 07/14/2026	190	186
1.20%, 04/27/2026	175	172
1.95%, 01/17/2023	720	730
2.25%, 11/01/2024	310	318
2.55%, 07/16/2024	125	129
Santander Holdings USA Inc		
4.50%, 07/17/2025	780	844
Santander UK Group Holdings PLC		
1.09%, 03/15/2025[f]	200	198
Secured Overnight Financing Rate + 0.79%		
1.53%, 08/21/2026[f]	200	197
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.25%		
1.67%, 06/14/2027[f]	200	196
Secured Overnight Financing Rate + 0.99%		
3.57%, 01/10/2023	520	520
State Street Corp		
2.20%, 03/03/2031	190	188
2.35%, 11/01/2025[f]	365	376
Secured Overnight Financing Rate + 0.94%		
2.40%, 01/24/2030	160	165
2.65%, 05/19/2026	60	63
3.10%, 05/15/2023	325	335
3.55%, 08/18/2025	225	242
3.70%, 11/20/2023	10	11

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Sumitomo Mitsui Financial Group Inc		
0.51%, 01/12/2024	$ 200	$ 198
1.47%, 07/08/2025	300	298
1.90%, 09/17/2028	400	392
2.13%, 07/08/2030	930	904
2.14%, 09/23/2030	170	163
2.30%, 01/12/2041	200	186
2.35%, 01/15/2025	200	205
2.70%, 07/16/2024	420	434
2.75%, 01/15/2030	200	205
2.93%, 09/17/2041	195	193
3.04%, 07/16/2029	200	208
3.36%, 07/12/2027	750	803
3.45%, 01/11/2027	140	150
3.78%, 03/09/2026	500	539
Toronto-Dominion Bank/The		
0.25%, 01/06/2023	380	379
0.45%, 09/11/2023	670	666
0.70%, 09/10/2024	195	192
0.75%, 06/12/2023	330	330
1.15%, 06/12/2025	330	327
1.20%, 06/03/2026	190	187
2.00%, 09/10/2031	195	192
Truist Bank		
1.25%, 03/09/2023	250	252
1.50%, 03/10/2025	250	251
3.63%, 09/16/2025	250	268
3.80%, 10/30/2026	250	272
Truist Financial Corp		
1.13%, 08/03/2027	465	450
1.20%, 08/05/2025	665	660
1.27%, 03/02/2027[f]	60	59
Secured Overnight Financing Rate + 0.61%		
1.89%, 06/07/2029[f]	175	172
Secured Overnight Financing Rate + 0.86%		
1.95%, 06/05/2030	665	657
2.50%, 08/01/2024	350	361
US Bancorp		
1.38%, 07/22/2030	415	390
2.40%, 07/30/2024	190	196
2.49%, 11/03/2036[f]	175	174
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 0.95%		
3.00%, 07/30/2029	950	1,003
3.15%, 04/27/2027	25	27
US Bank NA/Cincinnati OH		
2.05%, 01/21/2025	300	307
Wells Fargo & Co		
0.81%, 05/19/2025[f]	110	109
Secured Overnight Financing Rate + 0.51%		
1.65%, 06/02/2024[f]	820	827
Secured Overnight Financing Rate + 1.60%		
2.16%, 02/11/2026[f]	645	655
3 Month USD LIBOR + 0.75%		
2.19%, 04/30/2026[f]	830	845
Secured Overnight Financing Rate + 2.00%		
2.39%, 06/02/2028[f]	820	833
Secured Overnight Financing Rate + 2.10%		
2.41%, 10/30/2025[f]	1,310	1,343
Secured Overnight Financing Rate + 1.09%		
3.00%, 04/22/2026	500	525
3.00%, 10/23/2026	530	557
3.07%, 04/30/2041[f]	480	492
Secured Overnight Financing Rate + 2.53%		
3.45%, 02/13/2023	515	530
3.58%, 05/22/2028[f]	500	538
3 Month USD LIBOR + 1.31%		
4.10%, 06/03/2026	600	654
Wells Fargo & Co (continued)		
4.40%, 06/14/2046	$ 385	$ 456
4.48%, 04/04/2031[f]	245	285
Secured Overnight Financing Rate + 4.03%		
4.65%, 11/04/2044	630	763
4.90%, 11/17/2045	520	654
5.01%, 04/04/2051[f]	325	444
Secured Overnight Financing Rate + 4.50%		
5.38%, 11/02/2043	20	26
5.61%, 01/15/2044	45	61
Wells Fargo Bank NA		
5.95%, 08/26/2036	750	997
6.60%, 01/15/2038	250	363
Westpac Banking Corp		
1.15%, 06/03/2026	190	187
1.95%, 11/20/2028	200	199
2.00%, 01/13/2023	1,155	1,172
2.15%, 06/03/2031	190	191
2.35%, 02/19/2025	155	160
2.65%, 01/16/2030	155	161
2.89%, 02/04/2030[f]	160	163
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 1.35%		
2.96%, 11/16/2040	80	78
3.02%, 11/18/2036[f]	150	148
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 1.53%		
3.13%, 11/18/2041	200	198
4.11%, 07/24/2034[f]	165	178
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 2.00%		
4.42%, 07/24/2039	165	193
		$ 173,355
Beverages - 0.67%		
Anheuser-Busch Cos LLC / Anheuser-Busch InBev Worldwide Inc		
3.65%, 02/01/2026	825	886
4.70%, 02/01/2036	1,030	1,243
4.90%, 02/01/2046	890	1,125
Anheuser-Busch InBev Finance Inc		
4.63%, 02/01/2044	25	30
Anheuser-Busch InBev Worldwide Inc		
3.50%, 06/01/2030	295	323
3.75%, 07/15/2042	100	109
4.35%, 06/01/2040	295	347
4.50%, 06/01/2050	720	888
4.75%, 01/23/2029	560	652
4.90%, 01/23/2031	750	901
5.45%, 01/23/2039	500	654
5.80%, 01/23/2059	595	860
8.20%, 01/15/2039	51	83
Coca-Cola Co/The		
1.00%, 03/15/2028	340	327
1.38%, 03/15/2031	340	321
1.45%, 06/01/2027[a]	1,060	1,054
1.50%, 03/05/2028	190	187
1.65%, 06/01/2030	260	251
1.75%, 09/06/2024	190	194
2.13%, 09/06/2029	165	168
2.25%, 01/05/2032	195	198
2.50%, 06/01/2040	260	261
2.50%, 03/15/2051	170	163
2.60%, 06/01/2050	260	254
2.88%, 05/05/2041	195	203
3.00%, 03/05/2051	285	302
3.38%, 03/25/2027	160	173

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Beverages (continued)		
Constellation Brands Inc		
2.25%, 08/01/2031	$ 170	$ 166
3.15%, 08/01/2029	630	664
3.20%, 02/15/2023	450	460
Diageo Capital PLC		
2.13%, 10/24/2024	200	204
2.13%, 04/29/2032	200	198
2.38%, 10/24/2029	200	204
2.63%, 04/29/2023	10	10
5.88%, 09/30/2036	139	194
Fomento Economico Mexicano SAB de CV		
3.50%, 01/16/2050	160	167
Keurig Dr Pepper Inc		
2.25%, 03/15/2031	190	187
3.13%, 12/15/2023	500	518
3.35%, 03/15/2051	190	198
4.06%, 05/25/2023	213	222
4.99%, 05/25/2038	600	742
Molson Coors Beverage Co		
3.00%, 07/15/2026	530	555
5.00%, 05/01/2042	50	60
PepsiCo Inc		
0.40%, 10/07/2023	125	124
0.75%, 05/01/2023	95	95
1.40%, 02/25/2031	165	157
1.63%, 05/01/2030	95	92
1.95%, 10/21/2031	165	165
2.38%, 10/06/2026	670	700
2.63%, 07/29/2029	170	179
2.63%, 10/21/2041	160	162
2.75%, 10/21/2051	160	164
2.85%, 02/24/2026	500	527
2.88%, 10/15/2049	160	168
		$ 19,439
Biotechnology - 0.30%		
Amgen Inc		
1.65%, 08/15/2028	180	176
1.90%, 02/21/2025	160	163
2.00%, 01/15/2032	180	174
2.20%, 02/21/2027	1,090	1,116
2.45%, 02/21/2030	160	163
2.60%, 08/19/2026	500	521
3.00%, 01/15/2052	180	175
3.15%, 02/21/2040	860	882
3.38%, 02/21/2050	160	166
4.40%, 05/01/2045	40	48
4.66%, 06/15/2051	300	384
Baxalta Inc		
4.00%, 06/23/2025	50	54
5.25%, 06/23/2045	130	173
Biogen Inc		
2.25%, 05/01/2030	115	113
5.20%, 09/15/2045	540	698
Gilead Sciences Inc		
1.65%, 10/01/2030	165	158
2.60%, 10/01/2040	85	82
2.80%, 10/01/2050	165	160
2.95%, 03/01/2027	530	558
4.00%, 09/01/2036	300	345
4.15%, 03/01/2047	70	82
4.60%, 09/01/2035	500	605
4.75%, 03/01/2046	195	247
4.80%, 04/01/2044	500	631
Regeneron Pharmaceuticals Inc		
1.75%, 09/15/2030	165	156

BONDS (continued)	Principal Amount (000's)	Value (000's)
Biotechnology (continued)		
Royalty Pharma PLC		
0.75%, 09/02/2023	$ 160	$ 159
1.75%, 09/02/2027	310	305
2.20%, 09/02/2030	160	155
3.30%, 09/02/2040	160	160
		$ 8,809
Building Materials - 0.19%		
Carrier Global Corp		
2.24%, 02/15/2025	160	164
2.49%, 02/15/2027	160	164
2.72%, 02/15/2030	320	327
3.38%, 04/05/2040	685	716
3.58%, 04/05/2050	160	170
Johnson Controls International plc		
3.63%, 07/02/2024[g]	500	526
4.50%, 02/15/2047	500	606
Johnson Controls International plc / Tyco Fire & Security Finance SCA		
2.00%, 09/16/2031	385	373
Martin Marietta Materials Inc		
0.65%, 07/15/2023	190	189
2.50%, 03/15/2030	735	742
3.20%, 07/15/2051	190	192
Masco Corp		
1.50%, 02/15/2028	190	184
4.50%, 05/15/2047	525	630
Owens Corning		
4.40%, 01/30/2048	300	351
Vulcan Materials Co		
3.50%, 06/01/2030	295	319
		$ 5,653
Chemicals - 0.37%		
Air Products and Chemicals Inc		
1.85%, 05/15/2027	655	664
2.80%, 05/15/2050	155	159
Albemarle Corp		
5.45%, 12/01/2044	150	195
Dow Chemical Co/The		
2.10%, 11/15/2030	165	162
3.60%, 11/15/2050	165	179
3.63%, 05/15/2026	300	323
4.38%, 11/15/2042	230	272
4.80%, 05/15/2049	300	382
5.25%, 11/15/2041	280	358
9.40%, 05/15/2039	30	54
DuPont de Nemours Inc		
4.73%, 11/15/2028	1,075	1,245
5.32%, 11/15/2038	500	644
5.42%, 11/15/2048	245	343
Eastman Chemical Co		
4.80%, 09/01/2042	100	120
Ecolab Inc		
1.30%, 01/30/2031	85	80
1.65%, 02/01/2027	350	352
2.13%, 08/15/2050	85	75
2.75%, 08/18/2055	307	301
4.80%, 03/24/2030	160	192
EI du Pont de Nemours and Co		
1.70%, 07/15/2025	185	186
Linde Inc/CT		
1.10%, 08/10/2030	165	154
LYB International Finance III LLC		
1.25%, 10/01/2025	84	83
2.25%, 10/01/2030	165	164
3.63%, 04/01/2051	165	175
4.20%, 10/15/2049	125	144

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Chemicals (continued)		
LyondellBasell Industries NV		
4.63%, 02/26/2055	$ 20	$ 24
5.75%, 04/15/2024	130	141
Mosaic Co/The		
4.25%, 11/15/2023	496	522
Nutrien Ltd		
1.90%, 05/13/2023	95	96
4.20%, 04/01/2029	600	677
4.90%, 06/01/2043	200	255
PPG Industries Inc		
1.20%, 03/15/2026	190	186
Sherwin-Williams Co/The		
2.20%, 03/15/2032	160	158
2.30%, 05/15/2030	160	160
2.95%, 08/15/2029	450	473
3.30%, 05/15/2050	160	169
3.80%, 08/15/2049	175	197
Westlake Chemical Corp		
3.13%, 08/15/2051	190	183
3.60%, 08/15/2026	350	375
		$ 10,622
Commercial Mortgage Backed Securities - 1.36%		
BANK 2018-BNK10		
3.69%, 02/15/2061	1,850	2,023
CFCRE Commercial Mortgage Trust 2016-C4		
3.28%, 05/10/2058	1,300	1,366
Citigroup Commercial Mortgage Trust 2016-GC36		
3.62%, 02/10/2049	1,000	1,066
COMM 2013-CCRE8 Mortgage Trust		
3.61%, 06/10/2046[g]	500	515
COMM 2015-DC1 Mortgage Trust		
3.35%, 02/10/2048	1,000	1,048
COMM 2015-LC19 Mortgage Trust		
3.18%, 02/10/2048	1,000	1,044
COMM 2016-CR28 Mortgage Trust		
3.76%, 02/10/2049	1,000	1,071
CSAIL 2016-C7 Commercial Mortgage Trust		
3.31%, 11/15/2049	836	868
Fannie Mae-Aces		
2.42%, 10/25/2026[g]	854	887
2.53%, 09/25/2024	839	863
2.71%, 06/25/2025[g]	1,708	1,777
2.78%, 02/25/2027[g]	1,037	1,096
2.96%, 02/25/2027[g]	1,000	1,059
2.99%, 12/25/2027[g]	917	981
3.37%, 07/25/2028[g]	2,025	2,219
Freddie Mac Multifamily Structured Pass Through Certificates		
2.67%, 03/25/2026	1,050	1,101
3.06%, 07/25/2023[g]	750	772
3.06%, 12/25/2024	500	525
3.31%, 05/25/2023[g]	810	836
3.32%, 02/25/2023[g]	972	996
3.41%, 12/25/2026	1,500	1,633
3.53%, 10/25/2023[g]	1,050	1,093
GS Mortgage Securities Trust 2012-GCJ9		
2.77%, 11/10/2045	485	492
GS Mortgage Securities Trust 2014-GC18		
3.80%, 01/10/2047	413	423
GS Mortgage Securities Trust 2015-GC34		
3.51%, 10/10/2048	1,000	1,060
GS Mortgage Securities Trust 2017-GS5		
3.47%, 03/10/2050	2,220	2,324
GS Mortgage Securities Trust 2018-GS9		
3.99%, 03/10/2051[g]	1,500	1,664

BONDS (continued)	Principal Amount (000's)	Value (000's)
Commercial Mortgage Backed Securities (continued)		
JPMBB Commercial Mortgage Securities Trust 2014-C22		
3.80%, 09/15/2047	$ 1,000	$ 1,054
Morgan Stanley Bank of America Merrill Lynch Trust 2015-C24		
3.48%, 05/15/2048	984	1,030
Morgan Stanley Capital I Trust 2017-H1		
3.26%, 06/15/2050	2,500	2,634
SG Commercial Mortgage Securities Trust 2016-C5		
3.06%, 10/10/2048	1,000	1,037
UBS-Barclays Commercial Mortgage Trust 2013-C6		
3.24%, 04/10/2046	500	509
Wells Fargo Commercial Mortgage Trust 2012-LC5		
2.92%, 10/15/2045	441	444
Wells Fargo Commercial Mortgage Trust 2015-C28		
3.29%, 05/15/2048	1,521	1,575
WFRBS Commercial Mortgage Trust 2013-C14		
2.98%, 06/15/2046	249	252
		$ 39,337
Commercial Services - 0.26%		
American University/The		
3.67%, 04/01/2049	125	144
Automatic Data Processing Inc		
1.70%, 05/15/2028	195	194
3.38%, 09/15/2025	500	536
California Institute of Technology		
4.32%, 08/01/2045	80	104
Global Payments Inc		
1.20%, 03/01/2026	370	359
1.50%, 11/15/2024	195	195
2.65%, 02/15/2025	170	175
3.20%, 08/15/2029	170	177
4.15%, 08/15/2049	85	97
Leland Stanford Junior University/The		
3.65%, 05/01/2048	287	348
Massachusetts Institute of Technology		
3.89%, 07/01/2116	250	311
4.68%, 07/01/2114	250	372
Moody's Corp		
2.55%, 08/18/2060	515	452
5.25%, 07/15/2044	500	679
PayPal Holdings Inc		
1.35%, 06/01/2023	160	161
1.65%, 06/01/2025	160	162
2.30%, 06/01/2030	160	163
2.40%, 10/01/2024	160	166
2.85%, 10/01/2029	160	168
President and Fellows of Harvard College		
3.15%, 07/15/2046	350	399
S&P Global Inc		
1.25%, 08/15/2030	165	154
2.50%, 12/01/2029	120	124
3.25%, 12/01/2049	120	130
University of Southern California		
2.81%, 10/01/2050	645	654
5.25%, 10/01/2111	30	48
Verisk Analytics Inc		
4.00%, 06/15/2025	500	537
William Marsh Rice University		
3.57%, 05/15/2045	500	580
		$ 7,589

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Computers - 0.66%		
Apple Inc		
0.55%, 08/20/2025	$ 525	$ 511
0.70%, 02/08/2026	350	343
0.75%, 05/11/2023	435	436
1.13%, 05/11/2025	550	548
1.20%, 02/08/2028	345	335
1.25%, 08/20/2030	525	495
1.40%, 08/05/2028	190	186
1.65%, 05/11/2030	160	156
1.65%, 02/08/2031	175	171
1.70%, 08/05/2031	385	376
2.20%, 09/11/2029	165	169
2.38%, 02/08/2041	175	170
2.40%, 01/13/2023	300	306
2.40%, 05/03/2023	330	338
2.40%, 08/20/2050	525	493
2.55%, 08/20/2060	260	244
2.65%, 05/11/2050	160	157
2.65%, 02/08/2051	175	172
2.70%, 08/05/2051	285	282
2.80%, 02/08/2061	175	174
2.85%, 02/23/2023	30	31
2.90%, 09/12/2027	655	698
2.95%, 09/11/2049	165	170
3.20%, 05/13/2025	445	473
3.20%, 05/11/2027	320	345
3.35%, 02/09/2027	535	581
3.45%, 02/09/2045	30	33
3.75%, 09/12/2047	115	134
3.75%, 11/13/2047	150	176
3.85%, 05/04/2043	300	353
4.65%, 02/23/2046	1,235	1,620
Dell International LLC / EMC Corp		
3.38%, 12/15/2041[h]	200	198
3.45%, 12/15/2051[h]	400	384
5.45%, 06/15/2023	66	70
6.02%, 06/15/2026	1,000	1,156
8.10%, 07/15/2036	138	210
8.35%, 07/15/2046	83	138
Hewlett Packard Enterprise Co		
1.45%, 04/01/2024	465	468
2.25%, 04/01/2023	165	167
4.45%, 10/02/2023	150	158
4.90%, 10/15/2025	300	333
6.20%, 10/15/2035	80	105
6.35%, 10/15/2045	195	261
HP Inc		
1.45%, 06/17/2026[h]	190	186
2.20%, 06/17/2025	240	245
3.00%, 06/17/2027	240	252
6.00%, 09/15/2041	154	205
International Business Machines Corp		
3.30%, 05/15/2026	1,050	1,122
3.38%, 08/01/2023	335	348
3.50%, 05/15/2029	470	510
4.00%, 06/20/2042	35	40
4.15%, 05/15/2039	230	266
4.25%, 05/15/2049	340	412
4.70%, 02/19/2046	185	237
5.60%, 11/30/2039	92	126
5.88%, 11/29/2032	200	263
6.22%, 08/01/2027	351	431
NetApp Inc		
2.38%, 06/22/2027	160	164
		$ 19,131

BONDS (continued)	Principal Amount (000's)	Value (000's)
Consumer Products - 0.05%		
Church & Dwight Co Inc		
3.15%, 08/01/2027	$ 300	$ 318
3.95%, 08/01/2047	300	349
Clorox Co/The		
1.80%, 05/15/2030	160	155
Kimberly-Clark Corp		
2.75%, 02/15/2026	400	423
2.88%, 02/07/2050	160	164
		$ 1,409
Cosmetics & Personal Care - 0.11%		
Estee Lauder Cos Inc/The		
1.95%, 03/15/2031	170	167
2.00%, 12/01/2024	240	247
2.38%, 12/01/2029	240	245
Procter & Gamble Co/The		
0.55%, 10/29/2025	240	234
1.20%, 10/29/2030	340	322
2.80%, 03/25/2027	660	698
3.10%, 08/15/2023	30	31
3.55%, 03/25/2040	160	185
Unilever Capital Corp		
1.38%, 09/14/2030	170	161
2.13%, 09/06/2029	115	116
2.60%, 05/05/2024	510	527
5.90%, 11/15/2032	230	309
		$ 3,242
Credit Card Asset Backed Securities - 0.05%		
Capital One Multi-Asset Execution Trust		
2.43%, 01/15/2025	1,500	1,507
Distribution & Wholesale - 0.01%		
WW Grainger Inc		
4.60%, 06/15/2045	250	320
Diversified Financial Services - 0.92%		
AerCap Ireland Capital DAC / AerCap Global Aviation Trust		
1.15%, 10/29/2023	380	378
1.65%, 10/29/2024	1,440	1,437
1.75%, 10/29/2024	380	379
1.75%, 01/30/2026	170	167
2.45%, 10/29/2026	225	227
2.88%, 08/14/2024	1,035	1,065
3.00%, 10/29/2028	245	248
3.30%, 01/30/2032	380	387
3.40%, 10/29/2033	275	280
3.88%, 01/23/2028	300	318
Air Lease Corp		
1.88%, 08/15/2026	200	197
2.10%, 09/01/2028	385	371
2.25%, 01/15/2023	130	132
2.30%, 02/01/2025	265	269
2.88%, 01/15/2026	385	397
3.25%, 03/01/2025	500	519
3.25%, 10/01/2029	95	97
Ally Financial Inc		
1.45%, 10/02/2023	185	186
2.20%, 11/02/2028	190	189
8.00%, 11/01/2031	540	764
American Express Co		
1.65%, 11/04/2026	1,350	1,354
3.30%, 05/03/2027[h]	30	32
4.05%, 12/03/2042	25	30
Ameriprise Financial Inc		
4.00%, 10/15/2023	225	237
BlackRock Inc		
2.10%, 02/25/2032	150	149
2.40%, 04/30/2030	125	129
3.50%, 03/18/2024	500	528

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Diversified Financial Services (continued)		
Brookfield Finance Inc		
2.72%, 04/15/2031	$ 190	$ 192
3.50%, 03/30/2051	165	173
3.90%, 01/25/2028	400	439
Brookfield Finance LLC		
3.45%, 04/15/2050	160	167
Capital One Bank USA NA		
3.38%, 02/15/2023	340	349
Capital One Financial Corp		
1.88%, 11/02/2027[f]	125	124
Secured Overnight Financing Rate + 0.86%		
2.36%, 07/29/2032[f]	190	180
Secured Overnight Financing Rate + 1.34%		
3.20%, 02/05/2025	415	435
3.50%, 06/15/2023	114	118
3.75%, 04/24/2024	5	5
3.75%, 07/28/2026	1,000	1,072
4.20%, 10/29/2025	30	33
Charles Schwab Corp/The		
0.90%, 03/11/2026	315	307
1.15%, 05/13/2026	195	192
1.65%, 03/11/2031	315	303
1.95%, 12/01/2031	195	192
2.00%, 03/20/2028	385	390
3.45%, 02/13/2026	250	268
CME Group Inc		
3.00%, 03/15/2025	530	556
5.30%, 09/15/2043	200	278
Credit Suisse USA Inc		
7.13%, 07/15/2032	300	426
Discover Financial Services		
4.10%, 02/09/2027	500	542
Intercontinental Exchange Inc		
0.70%, 06/15/2023	165	165
1.85%, 09/15/2032	125	120
2.10%, 06/15/2030	160	159
2.65%, 09/15/2040	165	159
3.00%, 09/15/2060	165	163
3.75%, 12/01/2025	50	54
4.00%, 10/15/2023	550	578
4.25%, 09/21/2048	150	187
Jefferies Group LLC		
6.50%, 01/20/2043	200	276
Jefferies Group LLC / Jefferies Group Capital Finance Inc		
2.63%, 10/15/2031	165	162
4.15%, 01/23/2030	400	443
Mastercard Inc		
2.00%, 03/03/2025	210	215
2.00%, 11/18/2031	170	169
2.95%, 11/21/2026	500	532
2.95%, 03/15/2051	190	197
3.35%, 03/26/2030	80	88
3.85%, 03/26/2050	560	673
Nasdaq Inc		
2.50%, 12/21/2040	185	171
4.25%, 06/01/2024	350	372
Nomura Holdings Inc		
1.85%, 07/16/2025	330	330
2.68%, 07/16/2030	330	328
ORIX Corp		
3.70%, 07/18/2027	300	326
Synchrony Financial		
4.25%, 08/15/2024	800	847
4.50%, 07/23/2025	20	22

BONDS (continued)	Principal Amount (000's)	Value (000's)
Diversified Financial Services (continued)		
Visa Inc		
1.10%, 02/15/2031	$ 165	$ 154
1.90%, 04/15/2027	475	482
2.00%, 08/15/2050	165	145
2.05%, 04/15/2030	155	157
2.70%, 04/15/2040	155	158
3.15%, 12/14/2025	600	640
3.65%, 09/15/2047	85	99
4.15%, 12/14/2035	215	257
4.30%, 12/14/2045	375	472
Western Union Co/The		
6.20%, 11/17/2036	200	247
		$ 26,754
Electric - 1.95%		
AEP Texas Inc		
2.10%, 07/01/2030	165	159
3.45%, 01/15/2050	55	56
3.45%, 05/15/2051	195	196
AEP Transmission Co LLC		
2.75%, 08/15/2051	190	181
4.00%, 12/01/2046	600	692
AES Corp/The		
2.45%, 01/15/2031	180	175
Alabama Power Co		
1.45%, 09/15/2030	160	150
3.13%, 07/15/2051	190	194
4.30%, 01/02/2046	400	479
Ameren Corp		
1.75%, 03/15/2028	190	184
Ameren Illinois Co		
1.55%, 11/15/2030	180	169
3.25%, 03/15/2050	80	85
American Electric Power Co Inc		
1.00%, 11/01/2025	45	44
2.30%, 03/01/2030	160	156
Appalachian Power Co		
3.30%, 06/01/2027	400	427
7.00%, 04/01/2038	120	172
Arizona Public Service Co		
2.60%, 08/15/2029	270	274
2.65%, 09/15/2050	170	153
4.50%, 04/01/2042	77	90
Baltimore Gas and Electric Co		
2.25%, 06/15/2031	190	190
Berkshire Hathaway Energy Co		
1.65%, 05/15/2031	135	128
2.85%, 05/15/2051	180	173
3.80%, 07/15/2048	300	336
4.50%, 02/01/2045	550	666
5.15%, 11/15/2043	15	19
6.13%, 04/01/2036	156	212
CenterPoint Energy Houston Electric LLC		
3.35%, 04/01/2051	190	209
4.25%, 02/01/2049	300	373
CenterPoint Energy Inc		
1.45%, 06/01/2026	195	191
2.50%, 09/01/2024	90	92
2.95%, 03/01/2030	125	129
3.70%, 09/01/2049	90	97
CMS Energy Corp		
3.45%, 08/15/2027	350	375
3.75%, 12/01/2050[f]	180	177
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 2.90%		
Commonwealth Edison Co		
3.00%, 03/01/2050	160	162
3.13%, 03/15/2051	190	197
4.00%, 03/01/2049	300	356

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Electric (continued)		
Connecticut Light and Power Co/The		
0.75%, 12/01/2025	$ 180	$ 175
2.05%, 07/01/2031	190	187
3.20%, 03/15/2027	165	175
4.00%, 04/01/2048	500	598
Consolidated Edison Co of New York Inc		
2.40%, 06/15/2031	195	196
3.00%, 12/01/2060	180	168
3.13%, 11/15/2027	300	316
3.70%, 11/15/2059	80	85
3.88%, 06/15/2047	650	710
4.13%, 05/15/2049	300	343
4.20%, 03/15/2042	128	144
4.30%, 12/01/2056	230	273
5.85%, 03/15/2036	51	67
6.75%, 04/01/2038	125	181
Consumers Energy Co		
2.50%, 05/01/2060	160	141
3.10%, 08/15/2050	245	255
Delmarva Power & Light Co		
4.15%, 05/15/2045	350	412
Dominion Energy Inc		
1.45%, 04/15/2026	190	188
3.30%, 04/15/2041	190	197
3.38%, 04/01/2030	155	164
4.70%, 12/01/2044	300	370
4.90%, 08/01/2041	77	95
5.95%, 06/15/2035	400	522
Dominion Energy South Carolina Inc		
5.45%, 02/01/2041	77	104
DTE Electric Co		
1.90%, 04/01/2028	435	431
2.25%, 03/01/2030	160	160
2.63%, 03/01/2031	155	159
3.95%, 03/01/2049	500	591
DTE Energy Co		
1.05%, 06/01/2025	85	83
Duke Energy Carolinas LLC		
2.45%, 08/15/2029	225	229
2.50%, 03/15/2023	279	284
3.20%, 08/15/2049	450	466
4.00%, 09/30/2042	100	115
5.30%, 02/15/2040	512	674
Duke Energy Corp		
0.90%, 09/15/2025	170	165
3.15%, 08/15/2027	15	16
3.30%, 06/15/2041	190	193
3.50%, 06/15/2051	190	196
3.75%, 09/01/2046	600	640
Duke Energy Florida LLC		
1.75%, 06/15/2030	160	154
2.50%, 12/01/2029	330	339
3.40%, 10/01/2046	300	316
5.65%, 04/01/2040	25	34
6.40%, 06/15/2038	66	95
Duke Energy Indiana LLC		
2.75%, 04/01/2050	160	156
6.12%, 10/15/2035	77	103
6.45%, 04/01/2039	300	430
Duke Energy Ohio Inc		
2.13%, 06/01/2030	160	157
Duke Energy Progress LLC		
2.50%, 08/15/2050	165	152
4.15%, 12/01/2044	300	352
Emera US Finance LP		
3.55%, 06/15/2026	25	27
4.75%, 06/15/2046	25	29

BONDS (continued)	Principal Amount (000's)	Value (000's)
Electric (continued)		
Entergy Arkansas LLC		
2.65%, 06/15/2051	$ 170	$ 158
Entergy Corp		
0.90%, 09/15/2025	580	562
1.90%, 06/15/2028	115	113
2.40%, 06/15/2031	190	187
Entergy Louisiana LLC		
2.90%, 03/15/2051	90	88
3.10%, 06/15/2041	190	195
Entergy Texas Inc		
1.75%, 03/15/2031	165	155
4.00%, 03/30/2029	300	329
4.50%, 03/30/2039	300	353
Evergy Inc		
2.45%, 09/15/2024	165	169
Evergy Kansas Central Inc		
4.25%, 12/01/2045	500	602
Evergy Metro Inc		
2.25%, 06/01/2030	160	159
Eversource Energy		
0.80%, 08/15/2025	165	161
1.65%, 08/15/2030	165	154
Exelon Corp		
3.95%, 06/15/2025	25	27
4.45%, 04/15/2046	20	24
5.63%, 06/15/2035	300	381
Exelon Generation Co LLC		
5.60%, 06/15/2042	500	591
6.25%, 10/01/2039	349	436
Florida Power & Light Co		
2.88%, 12/04/2051	195	198
3.15%, 10/01/2049	90	96
3.70%, 12/01/2047	200	229
4.05%, 10/01/2044	500	592
5.69%, 03/01/2040	48	67
Georgia Power Co		
2.20%, 09/15/2024	165	169
4.30%, 03/15/2042	228	260
Gulf Power Co		
3.30%, 05/30/2027	400	427
Hydro-Quebec		
8.05%, 07/07/2024	102	119
Iberdrola International BV		
6.75%, 07/15/2036	128	188
Interstate Power and Light Co		
2.30%, 06/01/2030	40	40
4.10%, 09/26/2028	300	333
Kentucky Utilities Co		
3.30%, 06/01/2050	155	162
5.13%, 11/01/2040	250	318
MidAmerican Energy Co		
3.15%, 04/15/2050	165	173
3.65%, 04/15/2029	300	331
4.25%, 07/15/2049	300	370
Mississippi Power Co		
4.25%, 03/15/2042	100	115
National Rural Utilities Cooperative Finance Corp		
0.35%, 02/08/2024	155	153
1.00%, 06/15/2026	190	185
2.40%, 03/15/2030	105	106
3.05%, 04/25/2027	300	319
3.25%, 11/01/2025	500	532
Nevada Power Co		
2.40%, 05/01/2030	200	201
NextEra Energy Capital Holdings Inc		
0.65%, 03/01/2023	190	190
1.90%, 06/15/2028	195	193
2.25%, 06/01/2030	650	646

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Electric (continued)		
NextEra Energy Capital Holdings Inc (continued)		
2.75%, 11/01/2029	$ 115	$ 118
5.65%, 05/01/2079[f]	500	566
3 Month USD LIBOR + 3.16%		
Northern States Power Co/MN		
2.25%, 04/01/2031	190	192
2.60%, 06/01/2051	160	153
2.90%, 03/01/2050	80	81
3.40%, 08/15/2042	100	108
5.35%, 11/01/2039	82	112
NorthWestern Corp		
4.18%, 11/15/2044	300	352
Ohio Power Co		
1.63%, 01/15/2031	150	141
Oncor Electric Delivery Co LLC		
0.55%, 10/01/2025	165	159
2.75%, 06/01/2024	300	311
3.10%, 09/15/2049	430	449
5.25%, 09/30/2040	51	68
Pacific Gas and Electric Co		
1.37%, 03/10/2023	190	189
2.10%, 08/01/2027	1,160	1,120
2.50%, 02/01/2031	320	305
3.30%, 08/01/2040	160	148
3.50%, 08/01/2050	1,160	1,075
4.20%, 06/01/2041	190	191
PacifiCorp		
2.70%, 09/15/2030	1,000	1,029
2.90%, 06/15/2052	190	186
6.25%, 10/15/2037	92	128
PECO Energy Co		
2.80%, 06/15/2050	425	416
2.85%, 09/15/2051	175	173
3.90%, 03/01/2048	200	233
PPL Electric Utilities Corp		
3.00%, 10/01/2049	80	82
3.95%, 06/01/2047	300	350
Progress Energy Inc		
7.75%, 03/01/2031	136	189
Public Service Co of Colorado		
1.88%, 06/15/2031	155	151
2.70%, 01/15/2051	495	475
3.70%, 06/15/2028	300	329
Public Service Electric and Gas Co		
2.05%, 08/01/2050	165	139
2.45%, 01/15/2030	160	163
3.00%, 05/15/2027	400	423
3.15%, 01/01/2050	160	167
3.25%, 09/01/2023	400	414
3.65%, 09/01/2042	200	221
Public Service Enterprise Group Inc		
0.80%, 08/15/2025	330	321
Puget Sound Energy Inc		
2.89%, 09/15/2051	170	167
3.25%, 09/15/2049	60	63
5.80%, 03/15/2040	351	481
San Diego Gas & Electric Co		
1.70%, 10/01/2030	170	163
3.32%, 04/15/2050	155	163
Sempra Energy		
3.40%, 02/01/2028	300	319
3.80%, 02/01/2038	300	329
4.00%, 02/01/2048	400	445
6.00%, 10/15/2039	112	155
Southern California Edison Co		
0.70%, 04/03/2023	$ 385	$ 383
2.25%, 06/01/2030	160	158
2.85%, 08/01/2029	125	129
3.65%, 02/01/2050	315	333
4.00%, 04/01/2047	585	645
5.50%, 03/15/2040	102	128
5.95%, 02/01/2038	617	797
Southern Co/The		
1.75%, 03/15/2028	190	185
3.25%, 07/01/2026	570	603
3.75%, 09/15/2051[f]	435	435
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 2.92%		
4.00%, 01/15/2051[f]	170	174
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 3.73%		
Southern Power Co		
0.90%, 01/15/2026	40	39
5.25%, 07/15/2043	200	250
Southwestern Electric Power Co		
3.85%, 02/01/2048	300	323
4.10%, 09/15/2028	400	443
6.20%, 03/15/2040	51	71
Tampa Electric Co		
3.45%, 03/15/2051	185	202
4.35%, 05/15/2044	200	239
Tucson Electric Power Co		
1.50%, 08/01/2030	455	425
3.25%, 05/01/2051	195	200
Union Electric Co		
2.15%, 03/15/2032	190	186
2.63%, 03/15/2051	165	158
3.50%, 04/15/2024	500	522
Virginia Electric and Power Co		
2.30%, 11/15/2031	195	196
2.45%, 12/15/2050	90	83
2.75%, 03/15/2023	500	509
2.88%, 07/15/2029	90	94
3.15%, 01/15/2026	30	32
4.20%, 05/15/2045	600	710
4.65%, 08/15/2043	250	313
6.00%, 05/15/2037	77	105
8.88%, 11/15/2038	10	18
WEC Energy Group Inc		
0.55%, 09/15/2023	170	169
1.38%, 10/15/2027	165	159
2.20%, 12/15/2028	200	200
Wisconsin Electric Power Co		
2.05%, 12/15/2024	65	66
Wisconsin Public Service Corp		
2.85%, 12/01/2051	195	191
Xcel Energy Inc		
0.50%, 10/15/2023	85	84
1.75%, 03/15/2027	280	277
2.60%, 12/01/2029	115	118
		$ 56,550
Electrical Components & Equipment - 0.04%		
Emerson Electric Co		
0.88%, 10/15/2026	750	730
2.20%, 12/21/2031	400	398
		$ 1,128
Electronics - 0.13%		
Agilent Technologies Inc		
2.10%, 06/04/2030	160	157
2.30%, 03/12/2031	195	193
Allegion US Holding Co Inc		
3.55%, 10/01/2027	500	530

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Electronics (continued)		
Arrow Electronics Inc		
4.50%, 03/01/2023	$ 200	$ 206
Fortive Corp		
3.15%, 06/15/2026	535	567
Honeywell International Inc		
1.10%, 03/01/2027	190	185
1.35%, 06/01/2025	75	75
1.75%, 09/01/2031	190	185
1.95%, 06/01/2030	310	308
2.30%, 08/15/2024	365	377
2.50%, 11/01/2026	50	52
2.70%, 08/15/2029	85	89
2.80%, 06/01/2050[a]	160	166
3.81%, 11/21/2047	477	570
Jabil Inc		
1.70%, 04/15/2026	190	190
Tyco Electronics Group SA		
7.13%, 10/01/2037	14	21
		$ 3,871
Environmental Control - 0.07%		
Republic Services Inc		
1.75%, 02/15/2032	90	85
2.30%, 03/01/2030	340	341
2.50%, 08/15/2024	215	221
2.90%, 07/01/2026	500	523
Waste Connections Inc		
2.20%, 01/15/2032	385	377
Waste Management Inc		
0.75%, 11/15/2025	90	87
2.00%, 06/01/2029	195	195
2.50%, 11/15/2050	180	171
		$ 2,000
Federal & Federally Sponsored Credit - 0.01%		
Federal Farm Credit Banks Funding Corp		
0.25%, 02/26/2024	385	381
Finance - Mortgage Loan/Banker - 1.16%		
Fannie Mae		
0.25%, 11/27/2023[a]	1,480	1,467
0.50%, 06/17/2025	370	363
0.50%, 11/07/2025	360	351
0.75%, 10/08/2027	500	482
0.88%, 08/05/2030	2,250	2,120
2.13%, 04/24/2026	3,000	3,111
2.38%, 01/19/2023	500	510
2.50%, 02/05/2024	500	518
2.63%, 09/06/2024	750	784
5.63%, 07/15/2037	200	301
6.63%, 11/15/2030	602	850
7.13%, 01/15/2030	199	282
7.25%, 05/15/2030	280	403
Federal Home Loan Banks		
0.13%, 03/17/2023	270	269
0.13%, 06/02/2023	385	382
0.13%, 08/28/2023	230	228
0.38%, 09/04/2025	170	165
2.13%, 06/09/2023	3,125	3,193
2.50%, 02/13/2024	1,000	1,036
3.25%, 11/16/2028	2,000	2,234
5.50%, 07/15/2036	700	1,015
Freddie Mac		
0.13%, 10/16/2023	345	342
0.25%, 06/26/2023	3,125	3,110
0.25%, 08/24/2023	335	333
0.25%, 09/08/2023	505	502
0.25%, 11/06/2023	550	545
0.25%, 12/04/2023	1,970	1,951
0.38%, 09/23/2025[a]	4,060	3,950
2.75%, 06/19/2023[a]	1,625	1,676

BONDS (continued)	Principal Amount (000's)	Value (000's)
Finance - Mortgage Loan/Banker (continued)		
Freddie Mac (continued)		
6.25%, 07/15/2032	$ 231	$ 332
6.75%, 03/15/2031	577	829
		$ 33,634
Food - 0.30%		
Campbell Soup Co		
3.95%, 03/15/2025	350	374
4.15%, 03/15/2028	160	178
Conagra Brands Inc		
1.38%, 11/01/2027	125	119
3.20%, 01/25/2023	295	301
4.85%, 11/01/2028	205	237
5.30%, 11/01/2038	120	152
5.40%, 11/01/2048	120	162
General Mills Inc		
2.25%, 10/14/2031	170	168
3.70%, 10/17/2023	300	314
4.00%, 04/17/2025	300	322
Hershey Co/The		
1.70%, 06/01/2030	160	157
3.38%, 08/15/2046	350	389
J M Smucker Co/The		
2.13%, 03/15/2032	195	189
Kellogg Co		
2.10%, 06/01/2030	160	157
2.65%, 12/01/2023	417	430
3.25%, 04/01/2026	500	529
Koninklijke Ahold Delhaize NV		
5.70%, 10/01/2040	30	41
Kroger Co/The		
1.70%, 01/15/2031	190	180
3.70%, 08/01/2027	300	327
3.95%, 01/15/2050	175	201
4.45%, 02/01/2047	55	67
5.15%, 08/01/2043	300	392
5.40%, 07/15/2040	25	33
McCormick & Co Inc/MD		
0.90%, 02/15/2026	190	184
1.85%, 02/15/2031	190	181
Mondelez International Inc		
1.50%, 02/04/2031	105	98
2.63%, 09/04/2050	625	584
Sysco Corp		
2.40%, 02/15/2030	135	135
2.45%, 12/14/2031[a]	115	115
4.50%, 04/01/2046	300	349
4.85%, 10/01/2045	250	306
5.38%, 09/21/2035	500	629
Tyson Foods Inc		
4.55%, 06/02/2047	520	644
		$ 8,644
Forest Products & Paper - 0.05%		
Celulosa Arauco y Constitucion SA		
4.50%, 08/01/2024	500	531
Georgia-Pacific LLC		
7.75%, 11/15/2029	51	71
8.00%, 01/15/2024	228	259
International Paper Co		
4.80%, 06/15/2044	223	282
7.30%, 11/15/2039	25	38
Suzano Austria GmbH		
2.50%, 09/15/2028	90	87
5.00%, 01/15/2030	300	329
		$ 1,597

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Gas - 0.10%		
Atmos Energy Corp		
1.50%, 01/15/2031	$ 165	$ 155
3.38%, 09/15/2049	165	175
4.13%, 10/15/2044	400	466
CenterPoint Energy Resources Corp		
1.75%, 10/01/2030	165	156
Eastern Energy Gas Holdings LLC		
2.50%, 11/15/2024	155	160
NiSource Inc		
0.95%, 08/15/2025	330	321
3.49%, 05/15/2027	20	21
3.60%, 05/01/2030	150	162
5.95%, 06/15/2041	402	550
ONE Gas Inc		
0.85%, 03/11/2023	190	190
Southern California Gas Co		
2.55%, 02/01/2030	160	164
Southern Co Gas Capital Corp		
1.75%, 01/15/2031	165	154
3.15%, 09/30/2051	195	193
Washington Gas Light Co		
3.65%, 09/15/2049	95	106
		$ 2,973
Hand & Machine Tools - 0.03%		
Stanley Black & Decker Inc		
2.30%, 03/15/2030	735	745
2.75%, 11/15/2050	175	168
		$ 913
Healthcare - Products - 0.28%		
Abbott Laboratories		
1.15%, 01/30/2028	250	243
1.40%, 06/30/2030	330	318
3.75%, 11/30/2026	266	294
4.75%, 11/30/2036	40	51
4.90%, 11/30/2046	500	684
5.30%, 05/27/2040	200	276
Baxter International Inc		
0.87%, 12/01/2023[h]	395	393
1.73%, 04/01/2031	175	166
1.92%, 02/01/2027[h]	395	397
2.27%, 12/01/2028[h]	195	196
Boston Scientific Corp		
1.90%, 06/01/2025	160	162
2.65%, 06/01/2030	160	163
3.45%, 03/01/2024	600	627
3.85%, 05/15/2025	270	290
4.70%, 03/01/2049	50	63
7.38%, 01/15/2040	51	79
Danaher Corp		
2.60%, 10/01/2050	165	157
DH Europe Finance II Sarl		
2.60%, 11/15/2029	155	160
3.25%, 11/15/2039	155	166
Koninklijke Philips NV		
5.00%, 03/15/2042	128	163
Medtronic Inc		
4.38%, 03/15/2035	665	818
PerkinElmer Inc		
0.85%, 09/15/2024	120	118
1.90%, 09/15/2028	155	151
Stryker Corp		
3.50%, 03/15/2026	500	536
4.10%, 04/01/2043	200	235
4.63%, 03/15/2046	20	26
Thermo Fisher Scientific Inc		
1.22%, 10/18/2024	385	385
2.00%, 10/15/2031	190	187
2.60%, 10/01/2029	160	166
Healthcare - Products (continued)		
Thermo Fisher Scientific Inc (continued)		
2.80%, 10/15/2041	$ 250	$ 253
Zimmer Biomet Holdings Inc		
2.60%, 11/24/2031	165	166
		$ 8,089
Healthcare - Services - 0.58%		
Aetna Inc		
2.80%, 06/15/2023	35	36
3.50%, 11/15/2024	300	316
4.13%, 11/15/2042	100	113
6.63%, 06/15/2036	105	149
6.75%, 12/15/2037	112	162
Anthem Inc		
0.45%, 03/15/2023	190	189
1.50%, 03/15/2026	190	190
2.88%, 09/15/2029	120	126
3.13%, 05/15/2050	600	615
3.30%, 01/15/2023	325	333
3.60%, 03/15/2051	190	211
3.65%, 12/01/2027	300	329
4.38%, 12/01/2047	300	365
4.63%, 05/15/2042	30	37
4.65%, 01/15/2043	115	144
Ascension Health		
3.95%, 11/15/2046	500	611
Baylor Scott & White Holdings		
3.97%, 11/15/2046	232	275
Children's Hospital Medical Center/Cincinnati OH		
4.27%, 05/15/2044	215	272
CommonSpirit Health		
4.35%, 11/01/2042	200	230
HCA Inc		
2.38%, 07/15/2031	190	187
3.50%, 07/15/2051	190	194
4.50%, 02/15/2027	800	881
5.25%, 06/15/2026	750	843
Humana Inc		
1.35%, 02/03/2027	190	185
2.15%, 02/03/2032	190	184
3.13%, 08/15/2029	85	89
4.50%, 04/01/2025	160	174
4.95%, 10/01/2044	325	418
Kaiser Foundation Hospitals		
3.27%, 11/01/2049	230	246
4.15%, 05/01/2047	470	579
Laboratory Corp of America Holdings		
2.30%, 12/01/2024	310	318
2.95%, 12/01/2029	310	323
4.70%, 02/01/2045	115	140
Mass General Brigham Inc		
3.19%, 07/01/2049	315	334
4.12%, 07/01/2055	300	373
Memorial Sloan-Kettering Cancer Center		
4.13%, 07/01/2052	200	252
4.20%, 07/01/2055	250	316
Mount Sinai Hospitals Group Inc		
3.98%, 07/01/2048	400	462
Quest Diagnostics Inc		
2.95%, 06/30/2030	155	161
UnitedHealth Group Inc		
0.55%, 05/15/2024	195	193
1.25%, 01/15/2026	160	159
2.00%, 05/15/2030	160	159
2.30%, 05/15/2031	195	198
2.38%, 08/15/2024	250	259
2.75%, 05/15/2040	160	162
2.88%, 08/15/2029	175	185

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Healthcare - Services (continued)		
UnitedHealth Group Inc (continued)		
2.90%, 05/15/2050	$ 160	$ 163
3.05%, 05/15/2041	195	204
3.25%, 05/15/2051	120	130
3.45%, 01/15/2027	540	588
3.50%, 08/15/2039	200	222
3.70%, 08/15/2049	350	403
4.25%, 06/15/2048	165	204
4.38%, 03/15/2042	750	914
4.45%, 12/15/2048	120	153
4.63%, 07/15/2035	30	37
4.75%, 07/15/2045	700	916
6.50%, 06/15/2037	77	114
		$ 16,725
Home Builders - 0.01%		
DR Horton Inc		
1.30%, 10/15/2026	190	185
1.40%, 10/15/2027	165	160
		$ 345
Insurance - 0.77%		
Aflac Inc		
1.13%, 03/15/2026	195	191
3.63%, 11/15/2024	230	246
Allied World Assurance Co Holdings Ltd		
4.35%, 10/29/2025	500	536
Allstate Corp/The		
0.75%, 12/15/2025	160	156
1.45%, 12/15/2030	160	151
3.28%, 12/15/2026	500	537
5.55%, 05/09/2035	200	262
American International Group Inc		
3.75%, 07/10/2025	20	21
3.88%, 01/15/2035	750	829
4.20%, 04/01/2028	190	212
4.38%, 01/15/2055	30	37
4.70%, 07/10/2035	750	894
4.80%, 07/10/2045	50	64
Aon Corp		
2.80%, 05/15/2030	160	165
Aon Corp / Aon Global Holdings PLC		
2.60%, 12/02/2031	245	249
2.90%, 08/23/2051	195	188
Arch Capital Finance LLC		
5.03%, 12/15/2046	250	323
Arch Capital Group US Inc		
5.14%, 11/01/2043	375	489
Athene Holding Ltd		
4.13%, 01/12/2028	500	547
AXA SA		
8.60%, 12/15/2030	38	55
Berkshire Hathaway Finance Corp		
1.45%, 10/15/2030	165	158
1.85%, 03/12/2030	80	79
2.50%, 01/15/2051	190	176
2.85%, 10/15/2050	125	123
4.20%, 08/15/2048	285	346
4.25%, 01/15/2049	400	491
4.30%, 05/15/2043	300	359
5.75%, 01/15/2040	115	162
Berkshire Hathaway Inc		
2.75%, 03/15/2023	30	31
3.13%, 03/15/2026	350	374
4.50%, 02/11/2043	25	31
Chubb Corp/The		
6.50%, 05/15/2038	10	15

BONDS (continued)	Principal Amount (000's)	Value (000's)
Insurance (continued)		
Chubb INA Holdings Inc		
1.38%, 09/15/2030	$ 335	$ 316
2.85%, 12/15/2051	100	100
3.35%, 05/03/2026	30	32
4.35%, 11/03/2045	25	31
6.70%, 05/15/2036	250	366
CNA Financial Corp		
2.05%, 08/15/2030	165	160
Equitable Holdings Inc		
4.35%, 04/20/2028	605	678
Hartford Financial Services Group Inc/The		
2.90%, 09/15/2051	165	163
3.60%, 08/19/2049	170	186
4.30%, 04/15/2043	250	294
Lincoln National Corp		
4.00%, 09/01/2023	1,000	1,048
4.35%, 03/01/2048	55	66
7.00%, 06/15/2040	47	72
Loews Corp		
2.63%, 05/15/2023	200	204
4.13%, 05/15/2043	200	231
Manulife Financial Corp		
5.38%, 03/04/2046	250	350
Markel Corp		
3.45%, 05/07/2052	250	258
Marsh & McLennan Cos Inc		
2.38%, 12/15/2031	150	151
3.88%, 03/15/2024	500	529
4.38%, 03/15/2029	50	57
4.90%, 03/15/2049	400	538
MetLife Inc		
3.00%, 03/01/2025	300	315
3.60%, 04/10/2024	250	264
4.05%, 03/01/2045	750	891
4.37%, 09/15/2023	235	249
4.60%, 05/13/2046	225	288
4.88%, 11/13/2043	20	26
5.70%, 06/15/2035	164	220
6.40%, 12/15/2066	288	354
3 Month USD LIBOR + 2.21%		
Progressive Corp/The		
3.20%, 03/26/2030	160	173
4.35%, 04/25/2044	200	245
Prudential Financial Inc		
2.10%, 03/10/2030	160	160
3.70%, 10/01/2050[f]	165	167
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 3.04%		
3.70%, 03/13/2051	630	717
3.91%, 12/07/2047	177	206
5.20%, 03/15/2044[f]	350	364
3 Month USD LIBOR + 3.04%		
5.70%, 12/14/2036	25	34
5.70%, 09/15/2048[f]	400	448
3 Month USD LIBOR + 2.67%		
Reinsurance Group of America Inc		
4.70%, 09/15/2023	200	212
Travelers Cos Inc/The		
3.05%, 06/08/2051	270	282
4.00%, 05/30/2047	400	478
6.25%, 06/15/2037	12	17
6.75%, 06/20/2036	51	75
Trinity Acquisition PLC		
4.40%, 03/15/2026	500	547
W R Berkley Corp		
4.00%, 05/12/2050	85	97

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Insurance (continued)		
Willis North America Inc		
2.95%, 09/15/2029	$ 55	$ 56
3.60%, 05/15/2024	300	314
3.88%, 09/15/2049	165	179
XLIT Ltd		
5.25%, 12/15/2043	400	552
		$ 22,257
Internet - 0.44%		
Alibaba Group Holding Ltd		
2.13%, 02/09/2031	200	193
3.15%, 02/09/2051	300	281
3.40%, 12/06/2027	325	344
3.60%, 11/28/2024	300	316
4.20%, 12/06/2047	575	632
4.40%, 12/06/2057	305	346
Alphabet Inc		
0.80%, 08/15/2027	330	320
1.10%, 08/15/2030	165	156
1.90%, 08/15/2040	165	150
2.00%, 08/15/2026	30	31
2.05%, 08/15/2050	165	147
2.25%, 08/15/2060	165	147
3.38%, 02/25/2024	530	558
Amazon.com Inc		
0.45%, 05/12/2024	365	361
1.20%, 06/03/2027	465	459
1.50%, 06/03/2030	465	451
1.65%, 05/12/2028	560	561
2.10%, 05/12/2031	365	370
2.40%, 02/22/2023	370	377
2.50%, 06/03/2050	765	728
2.88%, 05/12/2041	365	379
3.10%, 05/12/2051	365	390
3.15%, 08/22/2027	490	529
3.25%, 05/12/2061	385	414
3.80%, 12/05/2024	20	22
3.88%, 08/22/2037	340	400
4.05%, 08/22/2047	30	36
4.80%, 12/05/2034	30	38
4.95%, 12/05/2044	515	703
Baidu Inc		
1.72%, 04/09/2026	200	198
2.38%, 10/09/2030	200	194
3.08%, 04/07/2025	200	207
4.13%, 06/30/2025[a]	500	538
eBay Inc		
1.90%, 03/11/2025	160	162
2.60%, 05/10/2031	195	197
3.45%, 08/01/2024	605	635
4.00%, 07/15/2042	100	112
Expedia Group Inc		
2.95%, 03/15/2031	720	719
		$ 12,801
Iron & Steel - 0.08%		
Nucor Corp		
2.00%, 06/01/2025	155	158
4.00%, 08/01/2023	500	521
Steel Dynamics Inc		
1.65%, 10/15/2027	85	83
2.40%, 06/15/2025	40	41
2.80%, 12/15/2024	500	520
Vale Overseas Ltd		
6.25%, 08/10/2026	400	463
6.88%, 11/21/2036	317	421
8.25%, 01/17/2034	38	53
		$ 2,260

BONDS (continued)	Principal Amount (000's)	Value (000's)
Lodging - 0.04%		
Las Vegas Sands Corp		
3.20%, 08/08/2024	$ 170	$ 173
3.50%, 08/18/2026	85	86
3.90%, 08/08/2029	170	171
Marriott International Inc/MD		
2.85%, 04/15/2031	195	194
Sands China Ltd		
2.30%, 03/08/2027[h]	400	377
5.40%, 08/08/2028	200	215
		$ 1,216
Machinery - Construction & Mining - 0.09%		
Caterpillar Financial Services Corp		
0.25%, 03/01/2023	190	190
0.45%, 09/14/2023	735	732
0.45%, 05/17/2024	195	193
0.65%, 07/07/2023	165	165
0.80%, 11/13/2025	180	177
1.10%, 09/14/2027[a]	335	325
1.15%, 09/14/2026	195	192
Caterpillar Inc		
2.60%, 04/09/2030	150	156
3.25%, 09/19/2049	160	175
3.40%, 05/15/2024	30	31
3.80%, 08/15/2042	105	122
6.05%, 08/15/2036	132	186
		$ 2,644
Machinery - Diversified - 0.16%		
CNH Industrial Capital LLC		
1.45%, 07/15/2026	200	196
1.88%, 01/15/2026	165	165
Deere & Co		
2.88%, 09/07/2049	165	170
3.10%, 04/15/2030	160	172
3.90%, 06/09/2042	30	36
5.38%, 10/16/2029	500	619
Dover Corp		
5.38%, 03/01/2041	77	100
John Deere Capital Corp		
0.25%, 01/17/2023	190	190
0.40%, 10/10/2023	165	164
0.70%, 07/05/2023	510	510
0.70%, 01/15/2026	155	150
1.05%, 06/17/2026	190	187
1.20%, 04/06/2023	120	121
1.50%, 03/06/2028	190	187
2.00%, 06/17/2031	195	195
2.05%, 01/09/2025	160	164
2.80%, 03/06/2023	20	21
2.80%, 07/18/2029	385	406
Otis Worldwide Corp		
2.06%, 04/05/2025	160	163
2.57%, 02/15/2030	160	162
3.36%, 02/15/2050	160	169
Rockwell Automation Inc		
1.75%, 08/15/2031	135	131
2.80%, 08/15/2061	190	186
		$ 4,564
Media - 0.94%		
Charter Communications Operating LLC / Charter Communications Operating Capital		
2.25%, 01/15/2029	385	376
2.30%, 02/01/2032	145	138
2.80%, 04/01/2031	405	401
3.50%, 06/01/2041	380	370
3.70%, 04/01/2051	405	392
3.85%, 04/01/2061	145	137
3.90%, 06/01/2052	195	196
4.40%, 12/01/2061	95	98

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Media (continued)		
Charter Communications Operating LLC / Charter Communications Operating Capital (continued)		
4.80%, 03/01/2050	$ 545	$ 610
4.91%, 07/23/2025	900	991
5.75%, 04/01/2048	605	754
6.48%, 10/23/2045	435	594
Comcast Corp		
1.50%, 02/15/2031	165	156
2.35%, 01/15/2027	60	62
2.45%, 08/15/2052	165	148
2.65%, 02/01/2030	125	130
2.65%, 08/15/2062	165	146
2.89%, 11/01/2051[(h)]	1,447	1,401
2.94%, 11/01/2056[(h)]	2,183	2,079
2.99%, 11/01/2063[(h)]	660	626
3.15%, 03/01/2026	30	32
3.25%, 11/01/2039	245	258
3.38%, 08/15/2025	525	561
3.40%, 07/15/2046	20	21
3.45%, 02/01/2050	485	518
3.55%, 05/01/2028	125	137
3.70%, 04/15/2024	1,250	1,328
3.75%, 04/01/2040	860	963
3.90%, 03/01/2038	150	170
4.00%, 08/15/2047	30	35
4.00%, 03/01/2048	400	461
4.00%, 11/01/2049	20	23
4.15%, 10/15/2028	500	568
4.25%, 01/15/2033	120	140
5.65%, 06/15/2035	20	26
7.05%, 03/15/2033	15	22
Discovery Communications LLC		
3.63%, 05/15/2030	180	192
3.95%, 06/15/2025	400	426
3.95%, 03/20/2028	500	543
4.00%, 09/15/2055	601	635
Fox Corp		
3.05%, 04/07/2025	40	42
5.48%, 01/25/2039	200	258
5.58%, 01/25/2049	500	682
Grupo Televisa SAB		
4.63%, 01/30/2026	500	540
NBCUniversal Media LLC		
4.45%, 01/15/2043	10	12
Thomson Reuters Corp		
5.85%, 04/15/2040	25	35
Time Warner Cable LLC		
5.50%, 09/01/2041	340	412
5.88%, 11/15/2040	20	25
6.55%, 05/01/2037	176	230
6.75%, 06/15/2039	77	105
7.30%, 07/01/2038	300	425
Time Warner Entertainment Co LP		
8.38%, 07/15/2033	95	138
TWDC Enterprises 18 Corp		
3.70%, 12/01/2042	100	113
7.00%, 03/01/2032	51	72
ViacomCBS Inc		
3.50%, 01/15/2025	400	422
4.00%, 01/15/2026	515	556
4.20%, 05/19/2032	200	226
4.38%, 03/15/2043	435	495
4.85%, 07/01/2042	200	238
6.88%, 04/30/2036	181	259
7.88%, 07/30/2030	178	246
Media (continued)		
Walt Disney Co/The		
1.75%, 08/30/2024	$ 325	$ 330
1.75%, 01/13/2026	635	642
2.00%, 09/01/2029	245	244
2.20%, 01/13/2028	860	876
2.65%, 01/13/2031	395	411
2.75%, 09/01/2049	325	314
3.35%, 03/24/2025	120	128
3.50%, 05/13/2040	160	175
3.60%, 01/13/2051	160	181
3.70%, 03/23/2027	120	132
4.63%, 03/23/2040	240	298
4.75%, 11/15/2046	230	301
4.95%, 10/15/2045	350	461
6.20%, 12/15/2034	154	215
6.40%, 12/15/2035	98	140
		$ 27,243
Metal Fabrication & Hardware - 0.01%		
Precision Castparts Corp		
2.50%, 01/15/2023	100	101
3.25%, 06/15/2025	25	27
4.38%, 06/15/2045	250	309
		$ 437
Mining - 0.16%		
Barrick Gold Corp		
5.25%, 04/01/2042	20	26
Barrick North America Finance LLC		
5.75%, 05/01/2043	355	482
Barrick PD Australia Finance Pty Ltd		
5.95%, 10/15/2039	90	122
BHP Billiton Finance USA Ltd		
4.13%, 02/24/2042	500	592
5.00%, 09/30/2043	270	357
Newmont Corp		
2.25%, 10/01/2030	610	601
2.60%, 07/15/2032	140	140
4.88%, 03/15/2042	20	25
Rio Tinto Alcan Inc		
6.13%, 12/15/2033	77	106
Rio Tinto Finance USA Ltd		
2.75%, 11/02/2051	175	174
Rio Tinto Finance USA PLC		
4.75%, 03/22/2042	328	420
Southern Copper Corp		
5.88%, 04/23/2045	350	481
6.75%, 04/16/2040	258	361
Teck Resources Ltd		
3.90%, 07/15/2030	695	747
		$ 4,634
Miscellaneous Manufacturers - 0.22%		
3M Co		
1.75%, 02/14/2023	65	66
2.00%, 02/14/2025	130	133
2.38%, 08/26/2029	500	513
3.25%, 08/26/2049[(a)]	850	926
Eaton Corp		
3.10%, 09/15/2027	575	612
4.00%, 11/02/2032	100	115
4.15%, 11/02/2042	50	58
GE Capital International Funding Co Unlimited Co		
4.42%, 11/15/2035	1,081	1,290
General Electric Co		
6.75%, 03/15/2032	483	659
Illinois Tool Works Inc		
2.65%, 11/15/2026	500	524
3.50%, 03/01/2024	350	367

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Miscellaneous Manufacturers (continued)		
Trane Technologies Luxembourg Finance SA		
3.80%, 03/21/2029	$ 600	$ 655
4.65%, 11/01/2044	300	370
		$ 6,288
Oil & Gas - 0.96%		
BP Capital Markets America Inc		
1.75%, 08/10/2030	460	442
2.77%, 11/10/2050	625	589
2.94%, 06/04/2051	190	182
3.00%, 02/24/2050	160	157
3.00%, 03/17/2052	195	191
3.06%, 06/17/2041	385	390
3.19%, 04/06/2025	275	290
3.54%, 04/06/2027	275	297
3.59%, 04/14/2027	30	32
BP Capital Markets PLC		
3.28%, 09/19/2027	175	188
3.72%, 11/28/2028	40	44
3.81%, 02/10/2024	400	422
Canadian Natural Resources Ltd		
2.95%, 01/15/2023	30	31
3.85%, 06/01/2027	655	702
4.95%, 06/01/2047	20	25
6.25%, 03/15/2038	250	329
Chevron Corp		
1.14%, 05/11/2023	85	85
1.55%, 05/11/2025	85	86
2.00%, 05/11/2027	160	162
2.24%, 05/11/2030	160	162
2.95%, 05/16/2026	355	376
3.08%, 05/11/2050	160	170
Chevron USA Inc		
0.43%, 08/11/2023	250	249
0.69%, 08/12/2025	330	323
1.02%, 08/12/2027	165	159
2.34%, 08/12/2050	165	152
3.25%, 10/15/2029	325	351
Conoco Funding Co		
7.25%, 10/15/2031	200	282
ConocoPhillips		
4.30%, 08/15/2028[(h)]	300	338
4.88%, 10/01/2047[(h)]	120	158
6.50%, 02/01/2039	169	245
ConocoPhillips Co		
4.30%, 11/15/2044	420	503
6.95%, 04/15/2029	202	266
Devon Energy Corp		
5.00%, 06/15/2045	10	12
5.60%, 07/15/2041	425	533
Diamondback Energy Inc		
2.88%, 12/01/2024	155	161
3.25%, 12/01/2026	155	163
EOG Resources Inc		
2.63%, 03/15/2023	200	203
4.15%, 01/15/2026	350	382
Equinor ASA		
1.75%, 01/22/2026	160	161
2.45%, 01/17/2023	30	31
2.65%, 01/15/2024	400	412
2.88%, 04/06/2025	145	151
3.00%, 04/06/2027	645	680
3.25%, 11/18/2049	450	477
3.63%, 04/06/2040	145	161
5.10%, 08/17/2040	263	345
Exxon Mobil Corp		
1.57%, 04/15/2023	230	233
2.02%, 08/16/2024	400	410
2.28%, 08/16/2026	500	516

BONDS (continued)	Principal Amount (000's)	Value (000's)
Oil & Gas (continued)		
Exxon Mobil Corp (continued)		
2.44%, 08/16/2029	$ 150	$ 154
2.61%, 10/15/2030	305	316
2.99%, 03/19/2025	305	321
3.00%, 08/16/2039	150	152
3.10%, 08/16/2049	450	456
3.45%, 04/15/2051	805	872
4.23%, 03/19/2040	305	360
Hess Corp		
5.60%, 02/15/2041	51	63
7.13%, 03/15/2033	221	296
7.30%, 08/15/2031	25	33
HollyFrontier Corp		
5.88%, 04/01/2026	475	533
Marathon Oil Corp		
6.60%, 10/01/2037	223	291
Marathon Petroleum Corp		
3.63%, 09/15/2024	400	421
5.00%, 09/15/2054	200	237
5.13%, 12/15/2026	300	341
Phillips 66		
1.30%, 02/15/2026	90	88
2.15%, 12/15/2030	410	395
3.85%, 04/09/2025	490	522
5.88%, 05/01/2042	128	176
Pioneer Natural Resources Co		
1.13%, 01/15/2026	190	184
1.90%, 08/15/2030	165	157
2.15%, 01/15/2031	190	183
Shell International Finance BV		
0.38%, 09/15/2023	170	169
2.00%, 11/07/2024	155	159
2.38%, 11/07/2029	155	158
2.50%, 09/12/2026	330	345
2.75%, 04/06/2030	600	627
2.88%, 11/26/2041	380	380
3.13%, 11/07/2049	155	159
3.25%, 04/06/2050	600	638
3.63%, 08/21/2042	100	110
4.00%, 05/10/2046	245	285
4.38%, 05/11/2045	490	595
4.55%, 08/12/2043	35	44
5.50%, 03/25/2040	25	34
6.38%, 12/15/2038	43	63
Suncor Energy Inc		
2.80%, 05/15/2023	160	164
3.75%, 03/04/2051	190	204
4.00%, 11/15/2047	90	100
5.95%, 05/15/2035	400	514
6.50%, 06/15/2038	428	585
6.80%, 05/15/2038	12	17
6.85%, 06/01/2039	5	7
TotalEnergies Capital International SA		
2.43%, 01/10/2025	85	88
2.83%, 01/10/2030	85	89
2.99%, 06/29/2041	370	375
3.13%, 05/29/2050	510	523
3.39%, 06/29/2060	370	392
3.46%, 07/12/2049	85	92
Valero Energy Corp		
2.80%, 12/01/2031	395	394
2.85%, 04/15/2025	170	176
6.63%, 06/15/2037	234	315
7.50%, 04/15/2032	15	21
		$ 27,782

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Oil & Gas Services - 0.06%		
Baker Hughes Holdings LLC / Baker Hughes Co-Obligor Inc		
2.06%, 12/15/2026	$ 200	$ 202
2.77%, 12/15/2022	155	158
3.14%, 11/07/2029	155	163
3.34%, 12/15/2027	165	176
4.08%, 12/15/2047	170	193
Halliburton Co		
3.80%, 11/15/2025	62	67
4.50%, 11/15/2041	51	56
4.85%, 11/15/2035	275	323
7.45%, 09/15/2039	10	15
NOV Inc		
3.60%, 12/01/2029	155	160
3.95%, 12/01/2042	200	196
Schlumberger Investment SA		
2.65%, 06/26/2030	165	169
		$ 1,878
Packaging & Containers - 0.04%		
Packaging Corp of America		
3.00%, 12/15/2029	310	324
3.05%, 10/01/2051	165	164
4.05%, 12/15/2049	155	181
WestRock RKT LLC		
4.00%, 03/01/2023	500	514
WRKCo Inc		
3.00%, 06/15/2033	80	82
		$ 1,265
Pharmaceuticals - 1.56%		
AbbVie Inc		
2.60%, 11/21/2024	465	483
2.95%, 11/21/2026	310	327
3.20%, 05/14/2026	335	355
3.20%, 11/21/2029	775	829
3.75%, 11/14/2023	350	366
3.80%, 03/15/2025	330	351
3.85%, 06/15/2024	445	471
4.05%, 11/21/2039	385	442
4.25%, 11/14/2028	220	249
4.25%, 11/21/2049	620	745
4.30%, 05/14/2036	170	200
4.40%, 11/06/2042	200	239
4.45%, 05/14/2046	280	339
4.50%, 05/14/2035	300	359
4.63%, 10/01/2042	100	122
4.70%, 05/14/2045	330	409
4.75%, 03/15/2045	235	293
4.88%, 11/14/2048	210	271
AmerisourceBergen Corp		
3.40%, 05/15/2024	250	261
Astrazeneca Finance LLC		
0.70%, 05/28/2024	295	293
1.75%, 05/28/2028	195	194
2.25%, 05/28/2031	190	191
AstraZeneca PLC		
0.30%, 05/26/2023	180	179
0.70%, 04/08/2026	125	121
1.38%, 08/06/2030	165	156
2.13%, 08/06/2050	85	75
3.00%, 05/28/2051	155	162
3.38%, 11/16/2025	905	971
4.00%, 09/18/2042	125	149
4.38%, 11/16/2045	185	237
4.38%, 08/17/2048	90	116
6.45%, 09/15/2037	164	241

BONDS (continued)	Principal Amount (000's)	Value (000's)
Pharmaceuticals (continued)		
Becton Dickinson and Co		
1.96%, 02/11/2031	$ 190	$ 183
2.82%, 05/20/2030	160	166
3.36%, 06/06/2024	10	11
3.70%, 06/06/2027	900	981
3.73%, 12/15/2024	54	57
4.67%, 06/06/2047	35	44
4.69%, 12/15/2044	196	247
Bristol-Myers Squibb Co		
0.75%, 11/13/2025	180	175
1.13%, 11/13/2027	315	308
1.45%, 11/13/2030	180	172
2.55%, 11/13/2050	180	170
2.90%, 07/26/2024	389	407
3.25%, 02/20/2023	384	394
3.25%, 08/01/2042	300	319
3.40%, 07/26/2029	540	591
3.90%, 02/20/2028	185	206
4.13%, 06/15/2039	230	272
4.25%, 10/26/2049	430	531
4.35%, 11/15/2047	150	185
4.55%, 02/20/2048	185	236
5.00%, 08/15/2045	23	31
Cardinal Health Inc		
3.08%, 06/15/2024	50	52
3.20%, 03/15/2023	200	205
3.41%, 06/15/2027	200	215
4.60%, 03/15/2043	100	115
Cigna Corp		
0.61%, 03/15/2024	90	89
1.25%, 03/15/2026	370	365
2.40%, 03/15/2030	860	868
3.20%, 03/15/2040	160	166
3.40%, 03/15/2051	185	193
3.75%, 07/15/2023	272	283
4.13%, 11/15/2025	270	295
4.38%, 10/15/2028	750	852
4.80%, 08/15/2038	400	492
4.80%, 07/15/2046	25	32
4.90%, 12/15/2048	360	465
6.13%, 11/15/2041	16	23
CVS Health Corp		
1.30%, 08/21/2027	165	160
1.75%, 08/21/2030	165	157
1.88%, 02/28/2031	185	178
2.63%, 08/15/2024	420	435
2.70%, 08/21/2040	750	722
3.00%, 08/15/2026	375	396
3.25%, 08/15/2029	170	181
4.30%, 03/25/2028	219	246
4.78%, 03/25/2038	485	590
5.05%, 03/25/2048	980	1,281
5.13%, 07/20/2045	370	481
5.30%, 12/05/2043	25	33
Eli Lilly & Co		
2.25%, 05/15/2050	390	357
2.50%, 09/15/2060	160	150
3.95%, 03/15/2049	400	484
GlaxoSmithKline Capital Inc		
3.63%, 05/15/2025	600	646
3.88%, 05/15/2028	545	610
5.38%, 04/15/2034	500	661
GlaxoSmithKline Capital PLC		
0.53%, 10/01/2023	165	164
Johnson & Johnson		
0.55%, 09/01/2025	370	362
0.95%, 09/01/2027	370	362
1.30%, 09/01/2030	740	713

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Pharmaceuticals (continued)		
Johnson & Johnson (continued)		
2.10%, 09/01/2040	$ 370	$ 350
2.25%, 09/01/2050	370	341
2.45%, 03/01/2026	30	31
2.45%, 09/01/2060	370	349
3.50%, 01/15/2048	90	103
3.63%, 03/03/2037	20	23
3.70%, 03/01/2046	225	264
3.75%, 03/03/2047	30	35
4.95%, 05/15/2033	201	257
McKesson Corp		
0.90%, 12/03/2025	185	179
Mead Johnson Nutrition Co		
4.60%, 06/01/2044	250	322
Merck & Co Inc		
0.75%, 02/24/2026	80	78
1.45%, 06/24/2030	365	350
1.70%, 06/10/2027	340	342
1.90%, 12/10/2028	190	191
2.15%, 12/10/2031	380	381
2.35%, 06/24/2040	285	272
2.75%, 02/10/2025	385	403
2.75%, 12/10/2051	235	233
2.80%, 05/18/2023	230	237
3.60%, 09/15/2042	100	112
3.70%, 02/10/2045	10	12
3.90%, 03/07/2039	115	135
4.00%, 03/07/2049	170	206
4.15%, 05/18/2043	200	243
Novartis Capital Corp		
1.75%, 02/14/2025	325	330
2.00%, 02/14/2027	325	330
2.20%, 08/14/2030	160	162
2.75%, 08/14/2050	160	162
3.00%, 11/20/2025	500	530
4.40%, 05/06/2044	350	447
Pfizer Inc		
0.80%, 05/28/2025	445	440
1.70%, 05/28/2030	195	191
1.75%, 08/18/2031	155	151
2.55%, 05/28/2040	450	449
2.63%, 04/01/2030	160	169
2.70%, 05/28/2050	190	191
3.00%, 06/15/2023	530	549
3.45%, 03/15/2029	210	231
4.00%, 03/15/2049	140	171
4.40%, 05/15/2044	30	37
5.60%, 09/15/2040	380	534
7.20%, 03/15/2039	176	284
Sanofi		
3.38%, 06/19/2023	400	415
3.63%, 06/19/2028	400	449
Shire Acquisitions Investments Ireland DAC		
3.20%, 09/23/2026	525	557
Takeda Pharmaceutical Co Ltd		
2.05%, 03/31/2030	405	397
3.18%, 07/09/2050	405	408
Utah Acquisition Sub Inc		
3.95%, 06/15/2026	595	642
5.25%, 06/15/2046	170	208
Viatris Inc		
2.30%, 06/22/2027	120	121
2.70%, 06/22/2030	160	161
3.85%, 06/22/2040	120	127
4.00%, 06/22/2050	160	170
Wyeth LLC		
5.95%, 04/01/2037	91	128
6.50%, 02/01/2034	144	206

BONDS (continued)	Principal Amount (000's)	Value (000's)
Pharmaceuticals (continued)		
Zoetis Inc		
2.00%, 05/15/2030	$ 350	$ 345
3.00%, 05/15/2050	175	182
3.25%, 02/01/2023	100	102
3.95%, 09/12/2047	5	6
		$ 45,392
Pipelines - 0.89%		
Boardwalk Pipelines LP		
3.38%, 02/01/2023	200	204
Cheniere Corpus Christi Holdings LLC		
3.70%, 11/15/2029	310	332
Columbia Pipeline Group Inc		
5.80%, 06/01/2045	250	331
Eastern Gas Transmission & Storage Inc		
4.80%, 11/01/2043[h]	300	364
Enbridge Energy Partners LP		
7.38%, 10/15/2045	100	156
Enbridge Inc		
1.60%, 10/04/2026	60	59
2.50%, 01/15/2025	155	159
2.50%, 08/01/2033	390	383
3.13%, 11/15/2029	155	162
3.40%, 08/01/2051	390	395
5.50%, 12/01/2046	30	41
Energy Transfer LP		
2.90%, 05/15/2025	315	325
3.45%, 01/15/2023	200	204
3.60%, 02/01/2023	15	15
3.75%, 05/15/2030	160	170
4.75%, 01/15/2026	50	55
4.95%, 01/15/2043	200	214
5.00%, 05/15/2044	500	537
5.15%, 03/15/2045	400	452
5.25%, 04/15/2029	400	458
5.30%, 04/15/2047	15	17
5.35%, 05/15/2045	15	17
5.95%, 10/01/2043	350	421
6.13%, 12/15/2045	525	653
6.25%, 04/15/2049	500	653
6.50%, 02/01/2042	402	518
Enterprise Products Operating LLC		
2.80%, 01/31/2030	120	125
3.30%, 02/15/2053	65	65
3.35%, 03/15/2023	300	307
3.70%, 02/15/2026	525	563
3.70%, 01/31/2051	250	262
3.75%, 02/15/2025	500	531
3.90%, 02/15/2024	250	263
4.25%, 02/15/2048	155	175
4.85%, 08/15/2042	300	358
4.85%, 03/15/2044	430	518
4.90%, 05/15/2046	400	484
6.13%, 10/15/2039	123	166
6.45%, 09/01/2040	177	245
6.88%, 03/01/2033	15	20
Kinder Morgan Energy Partners LP		
3.50%, 09/01/2023	200	207
4.70%, 11/01/2042	200	226
5.00%, 03/01/2043	100	117
5.40%, 09/01/2044	400	486
6.38%, 03/01/2041	128	170
6.50%, 09/01/2039	112	149
6.95%, 01/15/2038	112	155
7.40%, 03/15/2031	177	236
Kinder Morgan Inc		
1.75%, 11/15/2026	190	189
2.00%, 02/15/2031	310	295
3.15%, 01/15/2023	500	511

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Pipelines (continued)		
Kinder Morgan Inc (continued)		
3.25%, 08/01/2050	$ 310	$ 297
3.60%, 02/15/2051	155	156
4.30%, 06/01/2025	55	59
5.05%, 02/15/2046	15	18
5.55%, 06/01/2045	50	63
MPLX LP		
1.75%, 03/01/2026	165	163
4.13%, 03/01/2027	425	465
4.25%, 12/01/2027	400	443
4.50%, 07/15/2023	30	31
4.50%, 04/15/2038	220	246
4.70%, 04/15/2048	185	213
4.88%, 12/01/2024	30	33
4.90%, 04/15/2058	60	69
5.20%, 03/01/2047	330	404
5.20%, 12/01/2047	200	243
5.50%, 02/15/2049	170	217
ONEOK Inc		
2.20%, 09/15/2025	160	162
2.75%, 09/01/2024	175	180
3.40%, 09/01/2029	100	104
4.45%, 09/01/2049	500	552
ONEOK Partners LP		
5.00%, 09/15/2023	250	263
Plains All American Pipeline LP / PAA Finance Corp		
2.85%, 01/31/2023	200	203
4.30%, 01/31/2043	200	201
4.50%, 12/15/2026	300	329
4.65%, 10/15/2025	15	16
Sabine Pass Liquefaction LLC		
5.00%, 03/15/2027	360	404
5.63%, 03/01/2025	390	433
5.75%, 05/15/2024	300	326
5.88%, 06/30/2026	345	396
Spectra Energy Partners LP		
5.95%, 09/25/2043	200	277
Texas Eastern Transmission LP		
7.00%, 07/15/2032	100	135
TransCanada PipeLines Ltd		
2.50%, 10/12/2031	195	194
4.25%, 05/15/2028	300	335
4.75%, 05/15/2038	300	357
4.88%, 05/15/2048	420	534
5.60%, 03/31/2034	300	375
6.10%, 06/01/2040	25	35
7.25%, 08/15/2038	51	76
Williams Cos Inc/The		
2.60%, 03/15/2031	1,090	1,083
3.50%, 10/15/2051	195	197
3.75%, 06/15/2027	400	432
3.90%, 01/15/2025	350	372
5.10%, 09/15/2045	180	221
6.30%, 04/15/2040	343	464
		$ 25,894
Private Equity - 0.01%		
Brookfield Asset Management Inc		
4.00%, 01/15/2025	300	321
Regional Authority - 0.34%		
Province of Alberta Canada		
1.00%, 05/20/2025	555	550
3.30%, 03/15/2028	850	931
Province of British Columbia Canada		
0.90%, 07/20/2026	385	377
1.30%, 01/29/2031	185	178
6.50%, 01/15/2026	18	22

BONDS (continued)	Principal Amount (000's)	Value (000's)
Regional Authority (continued)		
Province of Manitoba Canada		
1.50%, 10/25/2028	$ 190	$ 188
3.05%, 05/14/2024	500	524
Province of Ontario Canada		
0.63%, 01/21/2026	95	92
1.05%, 04/14/2026	380	375
1.13%, 10/07/2030	325	307
1.75%, 01/24/2023	2,015	2,039
2.00%, 10/02/2029	400	406
3.20%, 05/16/2024	250	263
3.40%, 10/17/2023	305	319
Province of Quebec Canada		
0.60%, 07/23/2025	1,145	1,119
1.35%, 05/28/2030	760	735
1.50%, 02/11/2025	295	299
2.63%, 02/13/2023	1,000	1,023
7.50%, 09/15/2029	64	89
		$ 9,836
REITs - 0.92%		
Alexandria Real Estate Equities Inc		
1.88%, 02/01/2033	250	235
2.75%, 12/15/2029	80	82
3.00%, 05/18/2051	190	188
3.38%, 08/15/2031	115	124
4.00%, 02/01/2050	85	99
4.90%, 12/15/2030	80	96
American Campus Communities Operating Partnership LP		
2.25%, 01/15/2029	115	114
2.85%, 02/01/2030	155	158
3.63%, 11/15/2027	300	320
American Tower Corp		
0.60%, 01/15/2024	360	356
1.30%, 09/15/2025	80	79
1.60%, 04/15/2026	190	188
1.88%, 10/15/2030	165	156
2.90%, 01/15/2030	160	164
2.95%, 01/15/2051	180	171
3.38%, 10/15/2026	500	531
3.50%, 01/31/2023	530	544
3.70%, 10/15/2049	165	176
AvalonBay Communities Inc		
1.90%, 12/01/2028	200	197
2.05%, 01/15/2032	195	193
2.30%, 03/01/2030	160	162
4.20%, 12/15/2023	400	422
Boston Properties LP		
2.55%, 04/01/2032	155	154
2.75%, 10/01/2026	550	572
2.90%, 03/15/2030	415	423
Brixmor Operating Partnership LP		
3.85%, 02/01/2025	300	317
CC Holdings GS V LLC / Crown Castle GS III Corp		
3.85%, 04/15/2023	20	21
Corporate Office Properties LP		
2.75%, 04/15/2031	195	194
Crown Castle International Corp		
1.05%, 07/15/2026	380	367
1.35%, 07/15/2025	370	365
2.50%, 07/15/2031	190	189
2.90%, 04/01/2041	190	185
3.10%, 11/15/2029	150	157
3.20%, 09/01/2024	400	417
3.25%, 01/15/2051	370	364
3.30%, 07/01/2030	155	164
4.00%, 11/15/2049	110	121

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BONDS (continued)	Principal Amount (000's)	Value (000's)
REITs (continued)		
CubeSmart LP		
2.00%, 02/15/2031	$ 125	$ 120
2.25%, 12/15/2028	200	200
Digital Realty Trust LP		
4.45%, 07/15/2028	250	282
Duke Realty LP		
1.75%, 07/01/2030	160	152
2.25%, 01/15/2032	195	191
2.88%, 11/15/2029	75	78
4.00%, 09/15/2028	400	447
Equinix Inc		
1.00%, 09/15/2025	165	160
1.25%, 07/15/2025	160	157
1.80%, 07/15/2027	160	157
2.50%, 05/15/2031	195	195
2.63%, 11/18/2024	155	160
3.20%, 11/18/2029	260	273
3.40%, 02/15/2052	195	199
ERP Operating LP		
1.85%, 08/01/2031	385	374
2.50%, 02/15/2030	125	128
Essex Portfolio LP		
1.70%, 03/01/2028	190	185
3.00%, 01/15/2030	170	178
4.00%, 03/01/2029	300	332
4.50%, 03/15/2048	300	365
Federal Realty Investment Trust		
1.25%, 02/15/2026	170	167
4.50%, 12/01/2044	250	296
GLP Capital LP / GLP Financing II Inc		
4.00%, 01/15/2030	170	180
5.38%, 04/15/2026	300	334
Healthcare Trust of America Holdings LP		
2.00%, 03/15/2031	170	161
Healthpeak Properties Inc		
2.13%, 12/01/2028	165	165
3.00%, 01/15/2030	150	157
3.40%, 02/01/2025	19	20
6.75%, 02/01/2041	300	448
Kilroy Realty LP		
2.50%, 11/15/2032	165	160
Kimco Realty Corp		
2.25%, 12/01/2031	195	190
2.70%, 10/01/2030	165	167
3.70%, 10/01/2049	330	351
Life Storage LP		
2.20%, 10/15/2030	85	83
2.40%, 10/15/2031	195	192
Mid-America Apartments LP		
1.70%, 02/15/2031	125	119
4.00%, 11/15/2025	500	540
National Retail Properties Inc		
4.80%, 10/15/2048	200	250
Omega Healthcare Investors Inc		
4.50%, 01/15/2025	300	321
4.95%, 04/01/2024	750	801
Prologis LP		
1.25%, 10/15/2030	165	153
2.13%, 04/15/2027	145	147
2.25%, 04/15/2030	140	141
3.00%, 04/15/2050	110	113
3.88%, 09/15/2028	250	280
Public Storage		
0.88%, 02/15/2026	145	141
1.85%, 05/01/2028	380	379
2.25%, 11/09/2031	200	201

BONDS (continued)	Principal Amount (000's)	Value (000's)
REITs (continued)		
Realty Income Corp		
0.75%, 03/15/2026	$ 430	$ 413
2.20%, 06/15/2028	180	182
3.10%, 12/15/2029	375	398
3.25%, 01/15/2031	165	177
Simon Property Group LP		
1.75%, 02/01/2028	190	186
2.00%, 09/13/2024	915	931
2.45%, 09/13/2029	140	141
3.25%, 11/30/2026	500	535
3.25%, 09/13/2049	140	143
3.50%, 09/01/2025	165	176
4.25%, 11/30/2046	130	154
6.75%, 02/01/2040	25	37
Spirit Realty LP		
2.10%, 03/15/2028	190	185
UDR Inc		
2.10%, 08/01/2032	565	537
3.20%, 01/15/2030	165	173
Ventas Realty LP		
3.00%, 01/15/2030	200	206
3.50%, 04/15/2024	300	314
5.70%, 09/30/2043	300	404
Welltower Inc		
2.75%, 01/15/2032	195	197
3.63%, 03/15/2024	600	631
4.13%, 03/15/2029	300	335
Weyerhaeuser Co		
7.38%, 03/15/2032	300	422
WP Carey Inc		
2.40%, 02/01/2031	85	84
		$ 26,716
Retail - 0.65%		
AutoZone Inc		
1.65%, 01/15/2031	165	155
3.75%, 06/01/2027	250	273
Costco Wholesale Corp		
1.38%, 06/20/2027	155	154
1.60%, 04/20/2030	155	150
1.75%, 04/20/2032	155	151
2.75%, 05/18/2024	50	52
3.00%, 05/18/2027	150	161
Dollar General Corp		
4.15%, 11/01/2025	500	543
Dollar Tree Inc		
4.20%, 05/15/2028	185	206
Home Depot Inc/The		
0.90%, 03/15/2028	190	181
1.88%, 09/15/2031	195	192
2.13%, 09/15/2026	250	258
2.38%, 03/15/2051	190	175
2.70%, 04/01/2023	30	31
2.75%, 09/15/2051	195	194
2.95%, 06/15/2029	435	463
3.50%, 09/15/2056	305	344
3.75%, 02/15/2024	380	401
3.90%, 06/15/2047	30	35
4.20%, 04/01/2043	520	628
4.25%, 04/01/2046	590	734
4.40%, 03/15/2045	1,020	1,273
5.95%, 04/01/2041	351	504
Kohl's Corp		
5.55%, 07/17/2045	250	292
Lowe's Cos Inc		
1.30%, 04/15/2028	165	158
1.70%, 10/15/2030	165	157
3.00%, 10/15/2050	50	49
3.10%, 05/03/2027	530	566

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Retail (continued)		
Lowe's Cos Inc (continued)		
3.65%, 04/05/2029	$ 465	$ 510
3.70%, 04/15/2046	40	44
4.00%, 04/15/2025	160	173
4.05%, 05/03/2047	30	35
4.38%, 09/15/2045	500	598
5.00%, 04/15/2040	160	201
McDonald's Corp		
1.45%, 09/01/2025	160	161
2.13%, 03/01/2030	160	159
2.63%, 09/01/2029	415	428
3.38%, 05/26/2025	500	531
3.50%, 07/01/2027	325	352
3.63%, 09/01/2049	115	127
3.70%, 02/15/2042	128	141
4.70%, 12/09/2035	25	30
4.88%, 07/15/2040	9	11
4.88%, 12/09/2045	250	321
6.30%, 10/15/2037	262	368
O'Reilly Automotive Inc		
1.75%, 03/15/2031	85	80
3.85%, 06/15/2023	300	310
4.35%, 06/01/2028	300	338
Starbucks Corp		
2.00%, 03/12/2027	160	162
3.55%, 08/15/2029	500	546
3.85%, 10/01/2023	530	553
4.45%, 08/15/2049	300	369
Target Corp		
2.35%, 02/15/2030	320	329
2.50%, 04/15/2026	500	523
TJX Cos Inc/The		
1.15%, 05/15/2028	130	125
1.60%, 05/15/2031	130	125
2.50%, 05/15/2023	500	509
Walgreens Boots Alliance Inc		
3.45%, 06/01/2026	148	158
Walmart Inc		
1.05%, 09/17/2026	185	183
1.50%, 09/22/2028	185	184
1.80%, 09/22/2031	195	193
2.50%, 09/22/2041	195	197
2.65%, 09/22/2051	185	189
2.85%, 07/08/2024	575	601
2.95%, 09/24/2049	245	262
3.95%, 06/28/2038	185	221
		$ 18,827
Semiconductors - 0.59%		
Analog Devices Inc		
2.10%, 10/01/2031	135	135
2.80%, 10/01/2041	195	197
Applied Materials Inc		
1.75%, 06/01/2030	160	157
3.30%, 04/01/2027	35	38
3.90%, 10/01/2025	500	545
4.35%, 04/01/2047	40	51
5.10%, 10/01/2035	250	324
Broadcom Corp / Broadcom Cayman Finance Ltd		
3.88%, 01/15/2027	910	987
Broadcom Inc		
1.95%, 02/15/2028[h]	150	148
2.60%, 02/15/2033[h]	405	395
3.14%, 11/15/2035[h]	640	644
3.19%, 11/15/2036[h]	14	14
3.42%, 04/15/2033[h]	460	482
3.47%, 04/15/2034[h]	350	366
3.50%, 02/15/2041[h]	200	205
3.75%, 02/15/2051[h]	50	52

BONDS (continued)	Principal Amount (000's)	Value (000's)
Semiconductors (continued)		
Broadcom Inc (continued)		
4.15%, 11/15/2030	$ 271	$ 301
4.30%, 11/15/2032	185	208
4.75%, 04/15/2029	730	831
Intel Corp		
2.00%, 08/12/2031	190	189
2.45%, 11/15/2029	310	321
2.60%, 05/19/2026	530	557
3.05%, 08/12/2051	190	194
3.15%, 05/11/2027	540	579
3.20%, 08/12/2061	190	195
3.25%, 11/15/2049	315	333
3.40%, 03/25/2025	160	170
3.73%, 12/08/2047	240	273
3.75%, 03/25/2027	160	176
4.00%, 12/15/2032	200	235
4.25%, 12/15/2042	200	244
4.60%, 03/25/2040	160	199
4.80%, 10/01/2041	77	99
4.90%, 07/29/2045	25	33
KLA Corp		
4.65%, 11/01/2024	500	542
Lam Research Corp		
1.90%, 06/15/2030	155	152
2.88%, 06/15/2050	235	234
Marvell Technology Inc		
2.45%, 04/15/2028	380	385
4.88%, 06/22/2028	300	344
Micron Technology Inc		
2.70%, 04/15/2032	290	290
4.19%, 02/15/2027	115	126
4.66%, 02/15/2030	115	133
NVIDIA Corp		
0.31%, 06/15/2023	385	382
0.58%, 06/14/2024	385	381
1.55%, 06/15/2028	190	189
2.00%, 06/15/2031	385	383
NXP BV / NXP Funding LLC / NXP USA Inc		
2.50%, 05/11/2031[h]	385	386
3.13%, 02/15/2042[h]	195	196
3.15%, 05/01/2027[h]	80	84
3.25%, 05/11/2041[h]	195	202
QUALCOMM Inc		
1.30%, 05/20/2028	411	395
1.65%, 05/20/2032	340	322
3.25%, 05/20/2027	320	345
4.65%, 05/20/2035	115	143
4.80%, 05/20/2045	425	563
Texas Instruments Inc		
1.13%, 09/15/2026	195	193
1.38%, 03/12/2025	160	161
1.75%, 05/04/2030	245	240
1.90%, 09/15/2031	195	192
4.15%, 05/15/2048	205	256
		$ 17,096
Software - 0.67%		
Activision Blizzard Inc		
1.35%, 09/15/2030	85	78
2.50%, 09/15/2050	790	692
Adobe Inc		
1.90%, 02/01/2025	315	323
2.30%, 02/01/2030	160	164
Electronic Arts Inc		
1.85%, 02/15/2031	190	182
Fidelity National Information Services Inc		
0.38%, 03/01/2023	275	274
0.60%, 03/01/2024	90	89
1.65%, 03/01/2028	180	174

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Software (continued)		
Fidelity National Information Services Inc (continued)		
3.10%, 03/01/2041	$ 90	$ 91
Fiserv Inc		
3.50%, 07/01/2029	310	333
3.80%, 10/01/2023	400	418
3.85%, 06/01/2025	300	320
Intuit Inc		
1.35%, 07/15/2027	165	161
Microsoft Corp		
2.40%, 08/08/2026	55	58
2.53%, 06/01/2050	792	772
2.68%, 06/01/2060	1,209	1,205
2.92%, 03/17/2052	1,885	2,001
3.13%, 11/03/2025	700	747
3.30%, 02/06/2027	200	218
3.45%, 08/08/2036	358	412
3.63%, 12/15/2023	30	32
Oracle Corp		
2.30%, 03/25/2028	385	384
2.40%, 09/15/2023	30	31
2.50%, 04/01/2025	150	154
2.63%, 02/15/2023	390	397
2.65%, 07/15/2026	700	719
2.80%, 04/01/2027	850	876
2.88%, 03/25/2031	385	387
2.95%, 04/01/2030	150	152
3.60%, 04/01/2040	150	150
3.60%, 04/01/2050	150	147
3.65%, 03/25/2041	385	389
3.80%, 11/15/2037	250	261
3.90%, 05/15/2035	600	643
3.95%, 03/25/2051	385	400
4.00%, 07/15/2046	780	810
4.10%, 03/25/2061	190	198
4.30%, 07/08/2034	1,015	1,124
4.38%, 05/15/2055	610	668
Roper Technologies Inc		
1.00%, 09/15/2025	85	83
1.40%, 09/15/2027	165	160
2.35%, 09/15/2024	110	113
2.95%, 09/15/2029	95	98
salesforce.com Inc		
1.95%, 07/15/2031	190	188
2.70%, 07/15/2041	385	384
2.90%, 07/15/2051	385	392
ServiceNow Inc		
1.40%, 09/01/2030	165	154
VMware Inc		
1.40%, 08/15/2026	570	560
1.80%, 08/15/2028	285	277
2.20%, 08/15/2031	385	378
		$ 19,421
Sovereign - 1.52%		
Canada Government International Bond		
0.75%, 05/19/2026	390	381
1.63%, 01/22/2025	865	879
Chile Government International Bond		
2.45%, 01/31/2031	535	532
2.55%, 01/27/2032	475	474
3.10%, 05/07/2041	500	489
3.13%, 03/27/2025	250	262
3.50%, 04/15/2053	200	206
3.86%, 06/21/2047	300	333
Export Development Canada		
1.38%, 02/24/2023	250	252

BONDS (continued)	Principal Amount (000's)	Value (000's)
Sovereign (continued)		
Export-Import Bank of Korea		
0.38%, 02/09/2024	$ 200	$ 198
1.38%, 02/09/2031	200	191
3.25%, 11/10/2025	500	534
3.25%, 08/12/2026	500	538
Hungary Government International Bond		
5.38%, 03/25/2024	500	543
7.63%, 03/29/2041	250	408
Indonesia Government International Bond		
2.15%, 07/28/2031	400	397
2.85%, 02/14/2030	800	833
3.05%, 03/12/2051[a]	400	394
3.50%, 01/11/2028	200	216
3.70%, 10/30/2049	200	211
4.20%, 10/15/2050	500	569
4.75%, 02/11/2029	200	233
Israel Government AID Bond		
5.50%, 09/18/2023	25	27
5.50%, 04/26/2024	125	138
5.50%, 09/18/2033	12	17
Israel Government International Bond		
3.88%, 07/03/2050	200	233
4.50%, 01/30/2043	400	511
Japan Bank for International Cooperation		
0.38%, 09/15/2023	510	506
0.50%, 04/15/2024	200	198
0.63%, 05/22/2023	200	200
1.25%, 01/21/2031	400	383
1.88%, 04/15/2031	200	202
2.00%, 10/17/2029	200	204
2.38%, 04/20/2026	300	312
3.00%, 05/29/2024[a]	1,000	1,047
3.38%, 07/31/2023	1,000	1,041
Korea International Bond		
1.00%, 09/16/2030	200	189
3.88%, 09/11/2023	250	263
3.88%, 09/20/2048	500	645
Mexico Government International Bond		
2.66%, 05/24/2031	400	390
3.25%, 04/16/2030	200	205
3.60%, 01/30/2025	210	223
3.75%, 01/11/2028	750	805
3.75%, 04/19/2071	400	360
3.77%, 05/24/2061	200	184
3.90%, 04/27/2025	600	643
4.50%, 04/22/2029	1,000	1,113
4.50%, 01/31/2050	800	848
4.60%, 02/10/2048	700	745
4.75%, 03/08/2044	506	551
5.55%, 01/21/2045	300	359
6.05%, 01/11/2040	464	577
Panama Government International Bond		
2.25%, 09/29/2032	200	190
3.75%, 03/16/2025	800	847
3.87%, 07/23/2060	340	340
3.88%, 03/17/2028	500	539
4.30%, 04/29/2053	400	429
4.50%, 05/15/2047	200	220
4.50%, 04/16/2050	400	441
6.70%, 01/26/2036	224	300
Peruvian Government International Bond		
1.86%, 12/01/2032	1,180	1,077
2.78%, 01/23/2031	145	144
2.78%, 12/01/2060	180	158
3.30%, 03/11/2041	340	340
3.55%, 03/10/2051	200	208
5.63%, 11/18/2050	528	742
6.55%, 03/14/2037	126	172

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Sovereign (continued)		
Peruvian Government International Bond (continued)		
7.35%, 07/21/2025	$ 180	$ 214
8.75%, 11/21/2033	192	299
Philippine Government International Bond		
2.46%, 05/05/2030	500	516
2.65%, 12/10/2045	400	378
2.95%, 05/05/2045	200	197
3.00%, 02/01/2028	300	322
3.20%, 07/06/2046	200	203
3.70%, 03/01/2041	200	218
3.70%, 02/02/2042	230	251
5.00%, 01/13/2037[a]	300	372
6.38%, 10/23/2034	210	292
9.50%, 02/02/2030	400	621
10.63%, 03/16/2025	400	521
Republic of Italy Government International Bond		
0.88%, 05/06/2024	200	198
1.25%, 02/17/2026	400	389
2.38%, 10/17/2024	200	205
2.88%, 10/17/2029	500	511
3.88%, 05/06/2051	600	641
5.38%, 06/15/2033	420	517
6.88%, 09/27/2023	512	562
Republic of Poland Government International Bond		
4.00%, 01/22/2024	575	608
State of Israel		
2.50%, 01/15/2030	200	208
3.38%, 01/15/2050	800	864
Svensk Exportkredit AB		
0.38%, 03/11/2024	200	198
0.50%, 08/26/2025	1,235	1,204
2.88%, 03/14/2023	200	205
Tennessee Valley Authority		
2.88%, 02/01/2027	250	267
3.50%, 12/15/2042	400	474
4.25%, 09/15/2065	200	292
4.63%, 09/15/2060	300	459
5.25%, 09/15/2039	251	362
5.38%, 04/01/2056	154	257
5.88%, 04/01/2036	600	875
6.75%, 11/01/2025	102	123
Uruguay Government International Bond		
4.13%, 11/20/2045	100	118
4.38%, 10/27/2027	390	438
4.98%, 04/20/2055	210	275
5.10%, 06/18/2050	725	957
		$ 43,950
Supranational Bank - 1.41%		
African Development Bank		
0.88%, 03/23/2026	345	339
0.88%, 07/22/2026	385	378
Asian Development Bank		
0.25%, 07/14/2023	330	328
0.25%, 10/06/2023	490	486
0.38%, 06/11/2024	385	380
0.38%, 09/03/2025	325	316
0.50%, 02/04/2026	400	389
1.00%, 04/14/2026	380	376
1.25%, 06/09/2028	100	99
1.50%, 03/04/2031	385	383
1.75%, 09/19/2029	650	659
2.13%, 03/19/2025	300	310
2.63%, 01/30/2024	1,800	1,868
2.75%, 03/17/2023	400	410
2.75%, 01/19/2028	500	537
5.82%, 06/16/2028	15	19

BONDS (continued)	Principal Amount (000's)	Value (000's)
Supranational Bank (continued)		
Asian Development Bank (continued)		
6.38%, 10/01/2028	$ 51	$ 66
Asian Infrastructure Investment Bank/The		
0.25%, 09/29/2023	340	337
2.25%, 05/16/2024	900	928
Council Of Europe Development Bank		
0.38%, 06/10/2024	385	380
1.38%, 02/27/2025	320	323
European Bank for Reconstruction & Development		
0.25%, 07/10/2023	330	328
0.50%, 11/25/2025	385	374
0.50%, 01/28/2026	380	369
1.63%, 09/27/2024[a]	650	661
European Investment Bank		
0.38%, 07/24/2024	475	469
0.38%, 12/15/2025	340	329
0.38%, 03/26/2026	480	463
0.63%, 10/21/2027	585	557
0.75%, 10/26/2026	190	185
1.25%, 02/14/2031	355	345
1.63%, 03/14/2025	315	320
1.63%, 05/13/2031	395	397
1.88%, 02/10/2025	600	615
2.25%, 06/24/2024	500	517
2.38%, 05/24/2027	300	315
2.50%, 03/15/2023	600	614
2.63%, 03/15/2024	1,000	1,039
3.25%, 01/29/2024	1,650	1,732
FMS Wertmanagement		
2.75%, 01/30/2024	500	519
Inter-American Development Bank		
0.25%, 11/15/2023	325	322
0.50%, 09/23/2024	610	602
0.63%, 09/16/2027	340	324
0.88%, 04/20/2026	850	836
1.13%, 07/20/2028	385	376
1.13%, 01/13/2031	985	946
1.75%, 03/14/2025	585	597
2.38%, 07/07/2027	500	525
2.50%, 01/18/2023	1,900	1,939
3.00%, 10/04/2023	700	728
3.00%, 02/21/2024	250	262
3.13%, 09/18/2028	500	552
4.38%, 01/24/2044	50	69
International Bank for Reconstruction & Development		
0.13%, 04/20/2023	190	189
0.25%, 11/24/2023	180	178
0.50%, 10/28/2025	1,630	1,588
0.75%, 11/24/2027	365	350
0.75%, 08/26/2030	735	687
0.88%, 07/15/2026[a]	580	570
1.25%, 02/10/2031	385	374
1.38%, 04/20/2028	380	379
1.63%, 01/15/2025	475	483
1.63%, 11/03/2031	385	385
1.75%, 10/23/2029	680	690
2.50%, 03/19/2024	800	829
2.50%, 11/25/2024	500	521
2.50%, 07/29/2025	1,700	1,780
2.50%, 11/22/2027	500	528
7.63%, 01/19/2023	1,512	1,624
International Finance Corp		
0.38%, 07/16/2025	1,080	1,051

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Supranational Bank (continued)		
Nordic Investment Bank		
0.38%, 09/11/2025	$ 255	$ 247
0.50%, 01/21/2026	400	388
2.25%, 05/21/2024	500	516
		$ 40,894
Telecommunications - 1.34%		
America Movil SAB de CV		
4.38%, 04/22/2049	250	302
6.13%, 03/30/2040	102	143
6.38%, 03/01/2035	200	277
AT&T Inc		
0.90%, 03/25/2024	385	383
1.65%, 02/01/2028	330	323
1.70%, 03/25/2026	135	134
2.25%, 02/01/2032	240	232
2.30%, 06/01/2027	465	473
2.75%, 06/01/2031	310	316
2.95%, 07/15/2026	20	21
3.10%, 02/01/2043	240	233
3.30%, 02/01/2052	480	470
3.50%, 06/01/2041	310	319
3.50%, 09/15/2053	904	912
3.50%, 02/01/2061	480	472
3.55%, 09/15/2055	1,898	1,905
3.65%, 06/01/2051	755	782
3.65%, 09/15/2059	1,057	1,067
3.80%, 02/15/2027	40	43
4.05%, 12/15/2023	500	529
4.10%, 02/15/2028	81	90
4.13%, 02/17/2026	30	33
4.25%, 03/01/2027	530	588
4.30%, 12/15/2042	221	249
4.35%, 03/01/2029	500	562
4.35%, 06/15/2045	260	293
4.50%, 03/09/2048	490	571
4.65%, 06/01/2044	500	586
Bell Telephone Co of Canada or Bell Canada/The		
3.65%, 03/17/2051	190	209
British Telecommunications PLC		
9.62%, 12/15/2030	577	845
Cisco Systems Inc/Delaware		
2.20%, 09/20/2023	30	31
2.50%, 09/20/2026	580	608
5.50%, 01/15/2040	600	835
Corning Inc		
4.38%, 11/15/2057	300	357
4.75%, 03/15/2042	102	128
Deutsche Telekom International Finance BV		
8.75%, 06/15/2030	641	932
Juniper Networks Inc		
2.00%, 12/10/2030	185	175
Motorola Solutions Inc		
4.00%, 09/01/2024	454	484
Orange SA		
5.38%, 01/13/2042	102	134
Rogers Communications Inc		
3.00%, 03/15/2023	400	408
3.70%, 11/15/2049	225	236
5.00%, 03/15/2044	500	617
Telefonica Emisiones SA		
5.21%, 03/08/2047	530	658
7.05%, 06/20/2036	795	1,134
TELUS Corp		
4.60%, 11/16/2048	300	382
T-Mobile USA Inc		
1.50%, 02/15/2026	320	316
2.05%, 02/15/2028	320	318
2.25%, 11/15/2031	350	340

BONDS (continued)	Principal Amount (000's)	Value (000's)
Telecommunications (continued)		
T-Mobile USA Inc (continued)		
2.40%, 03/15/2029[h]	$ 310	$ 313
2.55%, 02/15/2031	490	488
3.00%, 02/15/2041	170	166
3.30%, 02/15/2051	310	303
3.40%, 10/15/2052[h]	520	518
3.50%, 04/15/2025	150	159
3.75%, 04/15/2027	295	319
3.88%, 04/15/2030	295	323
4.38%, 04/15/2040	150	171
4.50%, 04/15/2050	295	345
Verizon Communications Inc		
0.75%, 03/22/2024	485	483
1.45%, 03/20/2026	385	383
1.50%, 09/18/2030	1,000	938
1.68%, 10/30/2030	1,473	1,400
1.75%, 01/20/2031	360	341
2.10%, 03/22/2028	580	581
2.36%, 03/15/2032[h]	180	177
2.55%, 03/21/2031	385	388
2.63%, 08/15/2026	25	26
2.65%, 11/20/2040	135	128
2.88%, 11/20/2050	360	342
2.99%, 10/30/2056	562	532
3.00%, 11/20/2060	180	170
3.38%, 02/15/2025	40	43
3.40%, 03/22/2041	385	403
3.55%, 03/22/2051	385	415
3.70%, 03/22/2061	190	206
3.85%, 11/01/2042	275	307
3.88%, 02/08/2029	400	443
4.13%, 03/16/2027	500	556
4.33%, 09/21/2028	500	568
4.40%, 11/01/2034	750	874
4.50%, 08/10/2033	360	423
4.81%, 03/15/2039	1,225	1,536
Vodafone Group PLC		
4.25%, 09/17/2050	165	190
4.38%, 05/30/2028	560	630
5.00%, 05/30/2038	250	311
5.25%, 05/30/2048	400	521
6.15%, 02/27/2037	201	272
6.25%, 11/30/2032	500	662
		$ 38,809
Toys, Games & Hobbies - 0.00%		
Hasbro Inc		
6.35%, 03/15/2040	25	34
Transportation - 0.60%		
Burlington Northern Santa Fe LLC		
3.05%, 02/15/2051	1,000	1,035
3.30%, 09/15/2051	200	217
3.40%, 09/01/2024	230	242
3.55%, 02/15/2050	115	129
4.38%, 09/01/2042	545	662
4.45%, 03/15/2043	20	25
4.55%, 09/01/2044	15	19
5.15%, 09/01/2043	350	469
Canadian National Railway Co		
2.45%, 05/01/2050	65	60
3.20%, 08/02/2046	400	418
3.65%, 02/03/2048	75	85
Canadian Pacific Railway Co		
1.75%, 12/02/2026	390	391
2.45%, 12/02/2031	190	194
3.00%, 12/02/2041	190	194
3.10%, 12/02/2051	190	195
4.00%, 06/01/2028	300	334
4.80%, 09/15/2035	500	618

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Transportation (continued)		
CSX Corp		
2.40%, 02/15/2030	$ 65	$ 66
2.60%, 11/01/2026	300	313
3.25%, 06/01/2027	40	43
3.35%, 11/01/2025	500	533
3.35%, 09/15/2049	70	74
3.80%, 03/01/2028	100	110
3.80%, 11/01/2046	30	34
4.25%, 11/01/2066	400	489
4.30%, 03/01/2048	105	128
4.75%, 05/30/2042	277	347
FedEx Corp		
3.10%, 08/05/2029	550	581
3.88%, 08/01/2042	100	110
4.40%, 01/15/2047	405	477
4.55%, 04/01/2046	400	479
4.75%, 11/15/2045	525	640
Kansas City Southern/Old		
4.70%, 05/01/2048	300	373
Norfolk Southern Corp		
2.30%, 05/15/2031	195	196
2.55%, 11/01/2029	155	159
2.90%, 08/25/2051	190	187
3.85%, 01/15/2024	200	209
3.94%, 11/01/2047	398	461
4.15%, 02/28/2048	450	536
4.84%, 10/01/2041	100	126
Ryder System Inc		
2.50%, 09/01/2024	80	82
2.90%, 12/01/2026	150	156
Union Pacific Corp		
2.15%, 02/05/2027	230	236
2.38%, 05/20/2031	195	199
2.89%, 04/06/2036	210	220
3.15%, 03/01/2024	400	417
3.20%, 05/20/2041	195	208
3.55%, 08/15/2039	80	89
3.80%, 10/01/2051	577	671
3.80%, 04/06/2071	350	405
3.84%, 03/20/2060	575	677
United Parcel Service Inc		
2.50%, 09/01/2029	125	129
3.40%, 09/01/2049	770	868
3.90%, 04/01/2025	665	718
4.88%, 11/15/2040	25	33
5.20%, 04/01/2040	125	168
6.20%, 01/15/2038	23	33
		$ 17,267
Trucking & Leasing - 0.01%		
GATX Corp		
1.90%, 06/01/2031	380	361
Water - 0.05%		
American Water Capital Corp		
2.30%, 06/01/2031	195	195
3.25%, 06/01/2051[a]	195	203
3.75%, 09/01/2047	180	201
4.15%, 06/01/2049	650	767
6.59%, 10/15/2037	5	7
Essential Utilities Inc		
2.40%, 05/01/2031	190	189
		$ 1,562
TOTAL BONDS		$ 917,285

MUNICIPAL BONDS - 0.59%	Principal Amount (000's)	Value (000's)
California - 0.19%		
Bay Area Toll Authority		
6.26%, 04/01/2049	$ 300	$ 480
6.92%, 04/01/2040	120	179

MUNICIPAL BONDS (continued)	Principal Amount (000's)	Value (000's)
California (continued)		
California State University		
2.98%, 11/01/2051	$ 160	$ 163
East Bay Municipal Utility District Water System Revenue		
5.87%, 06/01/2040	60	86
Los Angeles Department of Water & Power Power System Revenue		
6.57%, 07/01/2045	150	243
Los Angeles Unified School District/CA		
5.75%, 07/01/2034	80	104
5.76%, 07/01/2029	50	60
6.76%, 07/01/2034	530	738
Regents of the University of California Medical Center Pooled Revenue		
6.55%, 05/15/2048	250	387
San Diego County Water Authority		
6.14%, 05/01/2049	260	391
Santa Clara Valley Transportation Authority		
5.88%, 04/01/2032	25	30
State of California		
3.50%, 04/01/2028	165	183
7.30%, 10/01/2039	375	588
7.35%, 11/01/2039	500	789
7.60%, 11/01/2040	180	310
7.63%, 03/01/2040	280	464
University of California		
5.77%, 05/15/2043	200	279
		$ 5,474
District of Columbia - 0.02%		
District of Columbia Water & Sewer Authority		
4.81%, 10/01/2114	450	676
Georgia - 0.02%		
Municipal Electric Authority of Georgia		
6.64%, 04/01/2057	147	224
7.06%, 04/01/2057	195	289
		$ 513
Illinois - 0.06%		
Chicago Transit Authority Sales & Transfer Tax Receipts Revenue		
6.90%, 12/01/2040	200	282
Chicago Transit Authority Sales Tax Receipts Fund		
6.20%, 12/01/2040	70	96
County of Cook IL		
6.23%, 11/15/2034	102	138
State of Illinois		
4.95%, 06/01/2023	15	16
5.10%, 06/01/2033	1,000	1,156
7.35%, 07/01/2035	70	88
		$ 1,776
Kansas - 0.01%		
State of Kansas Department of Transportation		
4.60%, 09/01/2035	115	140
Nevada - 0.00%		
County of Clark Department of Aviation		
6.82%, 07/01/2045	25	39
New Jersey - 0.07%		
New Jersey Economic Development Authority (credit support from Assured Guaranty Municipal Corp)		
0.00%, 02/15/2023[e],[i]	51	50
New Jersey Economic Development Authority (credit support from National Public Finance Guarantee Corp)		
7.43%, 02/15/2029[i]	700	880

See accompanying notes.

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MUNICIPAL BONDS (continued)	Principal Amount (000's)	Value (000's)
New Jersey (continued)		
New Jersey Transportation Trust Fund Authority		
5.75%, 12/15/2028	$ 190	$ 222
6.56%, 12/15/2040	210	309
New Jersey Turnpike Authority		
7.10%, 01/01/2041	147	231
Rutgers The State University of New Jersey		
5.67%, 05/01/2040	130	175
		$ 1,867
New York - 0.09%		
City of New York NY		
5.52%, 10/01/2037	25	33
Metropolitan Transportation Authority		
6.81%, 11/15/2040	135	192
New York City Transitional Finance Authority Future Tax Secured Revenue		
5.51%, 08/01/2037	250	328
New York City Water & Sewer System		
5.72%, 06/15/2042	270	398
5.95%, 06/15/2042	125	188
New York State Dormitory Authority		
5.60%, 03/15/2040	435	585
Port Authority of New York & New Jersey		
4.46%, 10/01/2062	400	530
4.96%, 08/01/2046	300	408
6.04%, 12/01/2029	50	65
		$ 2,727
Ohio - 0.01%		
American Municipal Power Inc		
6.27%, 02/15/2050	69	99
Ohio State University/The		
4.91%, 06/01/2040	125	170
		$ 269
Pennsylvania - 0.02%		
State Public School Building Authority		
5.00%, 09/15/2027	500	575
Texas - 0.08%		
City of San Antonio TX Electric & Gas Systems Revenue		
5.81%, 02/01/2041	135	193
Dallas Area Rapid Transit		
5.02%, 12/01/2048	50	70
Dallas Convention Center Hotel Development Corp		
7.09%, 01/01/2042	70	99
Dallas County Hospital District		
5.62%, 08/15/2044	83	117
Dallas Independent School District (credit support from Permanent School Fund Guarantee Program)		
6.45%, 02/15/2035[(i)]	50	54
Grand Parkway Transportation Corp		
5.18%, 10/01/2042	300	401
State of Texas		
4.68%, 04/01/2040	100	129
5.52%, 04/01/2039	405	570
Texas Transportation Commission State Highway Fund		
5.18%, 04/01/2030	625	750
		$ 2,383
Utah - 0.01%		
State of Utah		
3.54%, 07/01/2025	300	314
Wisconsin - 0.01%		
State of Wisconsin (credit support from Assured Guaranty Municipal Corp)		
5.70%, 05/01/2026[(i)]	310	349
TOTAL MUNICIPAL BONDS		$ 17,102

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS - 65.81%	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) - 1.67%		
2.00%, 08/01/2029	$ 210	$ 216
2.00%, 10/01/2031	54	55
2.00%, 03/01/2032	109	112
2.50%, 10/01/2027	58	60
2.50%, 03/01/2028	159	166
2.50%, 06/01/2028	104	108
2.50%, 06/01/2028	225	234
2.50%, 07/01/2028	159	165
2.50%, 10/01/2028	115	119
2.50%, 10/01/2028	76	79
2.50%, 10/01/2029	196	204
2.50%, 12/01/2029	231	240
2.50%, 09/01/2030	401	416
2.50%, 01/01/2031	431	446
2.50%, 01/01/2031	58	60
2.50%, 02/01/2031	47	49
2.50%, 03/01/2031	132	137
2.50%, 12/01/2031	141	146
2.50%, 12/01/2031	155	161
2.50%, 02/01/2032	183	190
2.50%, 03/01/2032	242	251
2.50%, 11/01/2032	471	489
2.50%, 02/01/2033	128	133
2.50%, 03/01/2033	95	98
2.50%, 03/01/2033	332	345
2.50%, 04/01/2033	145	150
2.50%, 05/01/2033	61	63
2.50%, 06/01/2033	100	104
2.50%, 11/01/2036	82	85
2.50%, 02/01/2043	101	105
2.50%, 03/01/2043	80	82
3.00%, 01/01/2027	61	64
3.00%, 03/01/2027	48	50
3.00%, 05/01/2027	50	52
3.00%, 10/01/2028	164	172
3.00%, 07/01/2029	207	218
3.00%, 08/01/2029	90	94
3.00%, 10/01/2029	53	55
3.00%, 11/01/2029	91	95
3.00%, 07/01/2030	204	215
3.00%, 09/01/2030	269	283
3.00%, 11/01/2030	49	51
3.00%, 11/01/2030	94	99
3.00%, 01/01/2031	95	100
3.00%, 04/01/2031	197	207
3.00%, 02/01/2032	41	42
3.00%, 05/01/2032	69	73
3.00%, 12/01/2032	307	322
3.00%, 12/01/2032	286	301
3.00%, 01/01/2033	423	445
3.00%, 02/01/2033	247	259
3.00%, 03/01/2033	208	220
3.00%, 04/01/2033	127	134
3.00%, 04/01/2033	107	113
3.00%, 06/01/2033	79	84
3.00%, 09/01/2033	110	117
3.00%, 09/01/2033	117	123
3.00%, 12/01/2034	29	31
3.00%, 01/01/2035	20	21
3.00%, 02/01/2035	29	31
3.00%, 05/01/2035	237	250
3.00%, 02/01/2036	55	58
3.00%, 09/01/2036	58	61
3.00%, 02/01/2037	64	67
3.00%, 05/01/2037	80	84
3.00%, 06/01/2037	84	89
3.00%, 07/01/2037	124	130
3.00%, 09/01/2037	27	28

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) (continued)		
3.00%, 01/01/2043	$ 164	$ 173
3.00%, 01/01/2043	167	176
3.00%, 02/01/2043	728	769
3.00%, 03/01/2043	425	449
3.00%, 04/01/2043	148	156
3.00%, 05/01/2043	147	155
3.00%, 06/01/2043	272	287
3.00%, 07/01/2043	469	495
3.00%, 07/01/2043	264	278
3.00%, 07/01/2043	263	278
3.00%, 07/01/2043	449	474
3.00%, 08/01/2043	58	61
3.00%, 08/01/2043	81	85
3.00%, 08/01/2043	795	839
3.00%, 08/01/2043	188	197
3.00%, 09/01/2043	290	306
3.00%, 09/01/2043	146	154
3.00%, 09/01/2043	302	319
3.00%, 10/01/2043	123	130
3.00%, 10/01/2043	288	304
3.00%, 03/01/2045	250	263
3.00%, 04/01/2045	91	96
3.00%, 06/01/2045	332	348
3.00%, 07/01/2045	257	270
3.00%, 07/01/2045	195	205
3.00%, 08/01/2045	377	396
3.00%, 08/01/2045	118	124
3.00%, 08/01/2045	122	129
3.00%, 12/01/2045	524	551
3.00%, 03/01/2046	228	240
3.00%, 03/01/2046	57	59
3.00%, 04/01/2046	314	330
3.00%, 04/01/2046	39	41
3.00%, 05/01/2046	84	88
3.00%, 09/01/2046	377	396
3.00%, 10/01/2046	408	429
3.00%, 11/01/2046	640	671
3.00%, 11/01/2046	63	66
3.00%, 11/01/2046	362	380
3.00%, 11/01/2046	424	446
3.00%, 12/01/2046	470	494
3.00%, 12/01/2046	525	550
3.00%, 01/01/2047	721	755
3.00%, 03/01/2047	715	749
3.00%, 03/01/2048	267	278
3.50%, 10/01/2025	50	53
3.50%, 11/01/2025	66	70
3.50%, 12/01/2026	65	68
3.50%, 01/01/2029	83	87
3.50%, 01/01/2032	57	61
3.50%, 02/01/2032	35	37
3.50%, 03/01/2032	42	45
3.50%, 04/01/2032	43	46
3.50%, 08/01/2032	34	36
3.50%, 09/01/2033	125	132
3.50%, 01/01/2034	37	39
3.50%, 01/01/2035	74	79
3.50%, 02/01/2035	65	70
3.50%, 07/01/2035	100	107
3.50%, 09/01/2035	157	168
3.50%, 04/01/2037	42	45
3.50%, 06/01/2037	86	91
3.50%, 05/01/2041	116	122
3.50%, 02/01/2042	154	165
3.50%, 04/01/2042	53	56
3.50%, 06/01/2042	111	120
3.50%, 07/01/2042	180	194
3.50%, 07/01/2042	138	148

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) (continued)		
3.50%, 08/01/2042	$ 79	$ 84
3.50%, 08/01/2042	180	194
3.50%, 02/01/2044	347	373
3.50%, 06/01/2044	242	259
3.50%, 09/01/2044	131	140
3.50%, 02/01/2045	150	160
3.50%, 03/01/2045	213	228
3.50%, 06/01/2045	247	264
3.50%, 07/01/2045	405	433
3.50%, 09/01/2045	212	226
3.50%, 10/01/2045	240	257
3.50%, 11/01/2045	396	423
3.50%, 12/01/2045	322	344
3.50%, 12/01/2045	36	39
3.50%, 12/01/2045	288	308
3.50%, 01/01/2046	27	29
3.50%, 01/01/2046	112	120
3.50%, 03/01/2046	1,029	1,098
3.50%, 03/01/2046	200	215
3.50%, 04/01/2046	251	268
3.50%, 05/01/2046	268	288
3.50%, 06/01/2046	315	334
3.50%, 08/01/2046	223	239
3.50%, 04/01/2047	323	344
3.50%, 11/01/2047	356	377
3.50%, 11/01/2047	229	242
3.50%, 05/01/2048	42	45
3.50%, 06/01/2048	394	420
3.50%, 06/01/2048	153	162
3.50%, 09/01/2048	114	120
4.00%, 06/01/2025	33	35
4.00%, 07/01/2025	56	59
4.00%, 12/01/2030	19	20
4.00%, 08/01/2031	17	19
4.00%, 10/01/2031	28	30
4.00%, 11/01/2031	8	9
4.00%, 12/01/2031	14	15
4.00%, 11/01/2033	38	41
4.00%, 01/01/2034	66	72
4.00%, 07/01/2035	25	27
4.00%, 03/01/2037	106	116
4.00%, 05/01/2038	39	42
4.00%, 02/01/2041	92	101
4.00%, 06/01/2042	65	71
4.00%, 06/01/2042	54	60
4.00%, 08/01/2043	466	512
4.00%, 01/01/2044	63	69
4.00%, 02/01/2044	182	200
4.00%, 03/01/2044	66	73
4.00%, 04/01/2044	180	197
4.00%, 05/01/2044	47	51
4.00%, 07/01/2044	102	111
4.00%, 07/01/2044	98	106
4.00%, 10/01/2044	126	138
4.00%, 11/01/2044	262	287
4.00%, 12/01/2044	275	301
4.00%, 01/01/2045	77	85
4.00%, 02/01/2045	86	94
4.00%, 04/01/2045	95	104
4.00%, 05/01/2045	55	60
4.00%, 06/01/2045	110	121
4.00%, 07/01/2045	121	130
4.00%, 08/01/2045	41	44
4.00%, 08/01/2045	391	426
4.00%, 08/01/2045	35	38
4.00%, 09/01/2045	87	93
4.00%, 09/01/2045	427	463
4.00%, 10/01/2045	431	468

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) (continued)		
4.00%, 11/01/2045	$ 271	$ 294
4.00%, 12/01/2045	122	133
4.00%, 03/01/2047	330	356
4.00%, 08/01/2047	381	408
4.00%, 10/01/2047	252	268
4.00%, 12/01/2047	406	434
4.00%, 07/01/2048	236	252
4.00%, 08/01/2048	141	150
4.00%, 09/01/2048	306	327
4.50%, 08/01/2023	16	17
4.50%, 05/01/2024	19	20
4.50%, 02/01/2030	6	6
4.50%, 08/01/2030	4	5
4.50%, 05/01/2031	6	7
4.50%, 06/01/2031	42	46
4.50%, 06/01/2039	66	73
4.50%, 10/01/2039	47	52
4.50%, 10/01/2040	65	71
4.50%, 03/01/2041	171	185
4.50%, 03/01/2041	147	161
4.50%, 09/01/2041	102	109
4.50%, 11/01/2041	144	160
4.50%, 09/01/2043	75	82
4.50%, 11/01/2043	38	41
4.50%, 11/01/2043	78	85
4.50%, 01/01/2044	73	80
4.50%, 01/01/2044	61	67
4.50%, 03/01/2044	83	91
4.50%, 05/01/2044	102	112
4.50%, 07/01/2044	48	53
4.50%, 09/01/2044	47	52
4.50%, 10/01/2045	92	100
4.50%, 02/01/2046	337	366
4.50%, 03/01/2047	55	59
4.50%, 03/01/2047	215	232
4.50%, 04/01/2047	46	50
4.50%, 06/01/2047	103	112
4.50%, 09/01/2047	114	123
4.50%, 11/01/2047	29	32
4.50%, 05/01/2048	94	101
4.50%, 07/01/2048	179	192
4.50%, 11/01/2048	102	109
4.50%, 01/01/2049	365	392
4.50%, 05/01/2049	858	920
5.00%, 09/01/2023	13	14
5.00%, 04/01/2024	8	8
5.00%, 01/01/2025	31	33
5.00%, 12/01/2027	17	19
5.00%, 02/01/2030	3	3
5.00%, 03/01/2030	2	2
5.00%, 04/01/2034	65	72
5.00%, 06/01/2035	70	79
5.00%, 01/01/2038	124	141
5.00%, 11/01/2038	94	107
5.00%, 12/01/2038	106	120
5.00%, 09/01/2039	165	187
5.00%, 01/01/2040	95	106
5.00%, 05/01/2040	45	50
5.00%, 04/01/2041	59	67
5.00%, 06/01/2041	62	67
5.00%, 11/01/2041	67	73
5.00%, 11/01/2041	58	66
5.50%, 01/01/2028	36	39
5.50%, 04/01/2036	49	54
5.50%, 12/01/2036	65	74
5.50%, 12/01/2036	61	70
5.50%, 03/01/2039	98	112
5.50%, 04/01/2039	61	70
5.50%, 02/01/2040	92	105
5.50%, 06/01/2041	136	156
6.00%, 02/01/2027	4	5
		$ 48,389
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security - 19.55%		
1.50%, 03/01/2036	5,248	5,267
1.50%, 11/01/2036	4,074	4,090
1.50%, 01/01/2037[(j)]	12,500	12,533
2.00%, 09/01/2028	74	76
2.00%, 05/01/2030	130	133
2.00%, 04/01/2032	79	82
2.00%, 05/01/2036	4,214	4,329
2.00%, 06/01/2036	3,728	3,824
2.00%, 01/01/2037[(j)]	27,300	27,953
2.00%, 04/01/2051	9,273	9,267
2.00%, 04/01/2051	15,402	15,413
2.00%, 04/01/2051	9,416	9,454
2.00%, 04/01/2051	33,159	33,175
2.00%, 04/01/2051	5,716	5,713
2.00%, 05/01/2051	19,175	19,164
2.00%, 06/01/2051	7,643	7,626
2.00%, 07/01/2051	8,493	8,475
2.00%, 09/01/2051	10,755	10,732
2.00%, 10/01/2051	7,442	7,426
2.00%, 11/01/2051	7,970	7,982
2.00%, 12/01/2051	9,929	9,929
2.00%, 01/01/2052[(j)]	44,500	44,363
2.50%, 01/01/2028	77	80
2.50%, 07/01/2028	92	96
2.50%, 08/01/2028	51	53
2.50%, 08/01/2028	98	101
2.50%, 09/01/2028	110	114
2.50%, 07/01/2029	34	36
2.50%, 07/01/2029	58	60
2.50%, 07/01/2029	190	197
2.50%, 09/01/2029	116	121
2.50%, 12/01/2029	70	73
2.50%, 01/01/2030	97	100
2.50%, 04/01/2030	115	120
2.50%, 05/01/2030	258	268
2.50%, 06/01/2030	138	144
2.50%, 08/01/2030	325	338
2.50%, 08/01/2030	64	67
2.50%, 01/01/2031	139	144
2.50%, 01/01/2031	116	121
2.50%, 02/01/2031	122	127
2.50%, 02/01/2031	184	191
2.50%, 05/01/2031	71	73
2.50%, 06/01/2031	125	130
2.50%, 11/01/2031	1,288	1,338
2.50%, 12/01/2031	209	218
2.50%, 01/01/2032	248	257
2.50%, 01/01/2032	456	474
2.50%, 02/01/2032	387	402
2.50%, 03/01/2032	131	136
2.50%, 03/01/2032	69	72
2.50%, 11/01/2032	23	23
2.50%, 12/01/2032	68	71
2.50%, 01/01/2033	81	84
2.50%, 02/01/2033	313	325
2.50%, 04/01/2033	626	648
2.50%, 07/01/2033	53	54
2.50%, 10/01/2034	673	697
2.50%, 02/01/2035	1,792	1,857
2.50%, 06/01/2035	2,371	2,452
2.50%, 10/01/2036	22	23
2.50%, 10/01/2036	48	49

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
2.50%, 12/01/2036	$ 101	$ 104
2.50%, 01/01/2037[(j)]	4,500	4,651
2.50%, 07/01/2040	1,963	2,010
2.50%, 01/01/2043	306	316
2.50%, 08/01/2043	93	96
2.50%, 10/01/2043	185	191
2.50%, 12/01/2046	73	75
2.50%, 07/01/2050	4,859	4,986
2.50%, 08/01/2050	2,610	2,678
2.50%, 09/01/2050	5,719	5,851
2.50%, 10/01/2050	3,970	4,066
2.50%, 02/01/2051	8,482	8,716
2.50%, 07/01/2051	2,346	2,397
2.50%, 07/01/2051	3,699	3,779
2.50%, 08/01/2051	4,123	4,214
2.50%, 09/01/2051	3,440	3,517
2.50%, 09/01/2051	3,952	4,063
2.50%, 09/01/2051	9,725	9,962
2.50%, 10/01/2051	7,462	7,629
2.50%, 01/01/2052[(j)]	57,900	59,072
3.00%, 11/01/2026	56	58
3.00%, 02/01/2027	99	104
3.00%, 04/01/2027	501	525
3.00%, 08/01/2027	74	77
3.00%, 10/01/2028	226	237
3.00%, 11/01/2028	84	88
3.00%, 02/01/2029	67	70
3.00%, 03/01/2029	86	90
3.00%, 03/01/2029	121	127
3.00%, 04/01/2029	95	100
3.00%, 05/01/2029	99	103
3.00%, 06/01/2029	61	64
3.00%, 08/01/2029	48	50
3.00%, 10/01/2029	50	53
3.00%, 10/01/2029	60	63
3.00%, 10/01/2029	52	54
3.00%, 11/01/2029	61	63
3.00%, 01/01/2030	265	278
3.00%, 01/01/2030	250	262
3.00%, 01/01/2030	102	107
3.00%, 03/01/2030	158	166
3.00%, 06/01/2030	135	142
3.00%, 06/01/2030	126	133
3.00%, 09/01/2030	230	242
3.00%, 09/01/2030	54	57
3.00%, 10/01/2030	152	160
3.00%, 02/01/2031	64	67
3.00%, 04/01/2032	689	726
3.00%, 05/01/2032	88	93
3.00%, 08/01/2032	135	143
3.00%, 01/01/2033	23	24
3.00%, 02/01/2033	1,324	1,393
3.00%, 02/01/2033	388	408
3.00%, 08/01/2033	401	422
3.00%, 05/01/2034	64	67
3.00%, 05/01/2034	103	108
3.00%, 08/01/2034	292	309
3.00%, 10/01/2034	28	30
3.00%, 11/01/2034	83	88
3.00%, 12/01/2034	1,077	1,128
3.00%, 02/01/2035	80	84
3.00%, 02/01/2035	88	92
3.00%, 03/01/2035	38	40
3.00%, 04/01/2035	38	40
3.00%, 06/01/2035	100	106
3.00%, 07/01/2035	37	39
3.00%, 11/01/2035	54	58
3.00%, 07/01/2036	78	82
3.00%, 12/01/2036	260	273
3.00%, 12/01/2036	171	179
3.00%, 12/01/2036	123	130
3.00%, 02/01/2037	16	17
3.00%, 02/01/2037	108	113
3.00%, 04/01/2037	53	55
3.00%, 04/01/2037	84	88
3.00%, 07/01/2037	32	34
3.00%, 08/01/2037	50	52
3.00%, 09/01/2037	136	142
3.00%, 06/01/2040	1,638	1,703
3.00%, 04/01/2042	90	95
3.00%, 09/01/2042	42	45
3.00%, 12/01/2042	102	109
3.00%, 02/01/2043	314	333
3.00%, 02/01/2043	475	502
3.00%, 02/01/2043	238	251
3.00%, 04/01/2043	184	195
3.00%, 04/01/2043	128	136
3.00%, 04/01/2043	254	268
3.00%, 04/01/2043	284	300
3.00%, 04/01/2043	250	263
3.00%, 04/01/2043	184	194
3.00%, 04/01/2043	180	190
3.00%, 04/01/2043	501	531
3.00%, 04/01/2043	124	131
3.00%, 05/01/2043	23	24
3.00%, 05/01/2043	117	123
3.00%, 05/01/2043	187	198
3.00%, 05/01/2043	231	244
3.00%, 06/01/2043	180	188
3.00%, 06/01/2043	241	254
3.00%, 06/01/2043	163	172
3.00%, 06/01/2043	394	416
3.00%, 06/01/2043	426	451
3.00%, 07/01/2043	301	318
3.00%, 07/01/2043	131	139
3.00%, 07/01/2043	65	68
3.00%, 08/01/2043	291	304
3.00%, 08/01/2043	164	173
3.00%, 08/01/2043	422	445
3.00%, 08/01/2043	78	82
3.00%, 08/01/2043	85	89
3.00%, 08/01/2043	55	58
3.00%, 09/01/2043	179	189
3.00%, 09/01/2043	354	374
3.00%, 10/01/2043	433	457
3.00%, 10/01/2043	36	38
3.00%, 11/01/2043	81	86
3.00%, 11/01/2043	148	156
3.00%, 11/01/2043	56	59
3.00%, 01/01/2044	76	81
3.00%, 01/01/2045	204	214
3.00%, 05/01/2045	307	322
3.00%, 09/01/2045	45	48
3.00%, 10/01/2045	185	194
3.00%, 11/01/2045	97	102
3.00%, 11/01/2045	46	48
3.00%, 12/01/2045	262	276
3.00%, 01/01/2046	168	177
3.00%, 02/01/2046	59	61
3.00%, 02/01/2046	298	313
3.00%, 02/01/2046	294	309
3.00%, 04/01/2046	54	57
3.00%, 05/01/2046	107	112
3.00%, 05/01/2046	159	167

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
3.00%, 05/01/2046	$ 47	$ 49
3.00%, 06/01/2046	90	95
3.00%, 08/01/2046	153	161
3.00%, 08/01/2046	200	210
3.00%, 09/01/2046	138	145
3.00%, 09/01/2046	74	78
3.00%, 10/01/2046	645	677
3.00%, 10/01/2046	77	80
3.00%, 11/01/2046	281	295
3.00%, 11/01/2046	59	61
3.00%, 11/01/2046	462	488
3.00%, 11/01/2046	320	336
3.00%, 11/01/2046	407	429
3.00%, 11/01/2046	47	49
3.00%, 12/01/2046	490	514
3.00%, 12/01/2046	880	929
3.00%, 01/01/2047	278	291
3.00%, 01/01/2047	492	516
3.00%, 02/01/2047	93	98
3.00%, 02/01/2047	364	382
3.00%, 05/01/2047	199	209
3.00%, 10/01/2048	29	30
3.00%, 09/01/2049	2,688	2,792
3.00%, 10/01/2049	732	761
3.00%, 10/01/2049	6,262	6,527
3.00%, 11/01/2049	405	420
3.00%, 11/01/2049	1,953	2,052
3.00%, 11/01/2049	1,347	1,398
3.00%, 11/01/2049	902	939
3.00%, 12/01/2049	4,819	5,055
3.00%, 03/01/2050	3,898	4,089
3.00%, 03/01/2050	4,520	4,724
3.00%, 06/01/2050	3,293	3,435
3.00%, 07/01/2050	7,892	8,254
3.00%, 07/01/2050	1,704	1,772
3.00%, 10/01/2050	2,624	2,734
3.00%, 01/01/2052[(j)]	7,000	7,252
3.50%, 10/01/2025	82	86
3.50%, 11/01/2025	121	128
3.50%, 11/01/2025	46	49
3.50%, 01/01/2026	70	74
3.50%, 03/01/2026	98	103
3.50%, 12/01/2026	89	94
3.50%, 02/01/2027	53	56
3.50%, 11/01/2028	92	97
3.50%, 12/01/2028	53	56
3.50%, 03/01/2029	83	88
3.50%, 01/01/2031	4	4
3.50%, 04/01/2031	9	9
3.50%, 02/01/2032	37	39
3.50%, 04/01/2032	35	38
3.50%, 05/01/2032	78	83
3.50%, 06/01/2032	161	172
3.50%, 07/01/2032	51	55
3.50%, 09/01/2032	75	80
3.50%, 12/01/2032	1,759	1,869
3.50%, 09/01/2033	59	62
3.50%, 09/01/2033	40	43
3.50%, 10/01/2033	230	243
3.50%, 10/01/2033	86	92
3.50%, 11/01/2033	89	95
3.50%, 01/01/2034	55	59
3.50%, 06/01/2034	97	104
3.50%, 08/01/2034	24	26
3.50%, 11/01/2034	57	61
3.50%, 02/01/2035	986	1,039
3.50%, 12/01/2035	117	125
3.50%, 07/01/2036	$ 123	$ 131
3.50%, 02/01/2037	90	97
3.50%, 03/01/2037	106	112
3.50%, 05/01/2037	20	21
3.50%, 07/01/2037	41	44
3.50%, 10/01/2037	47	50
3.50%, 01/01/2038	124	133
3.50%, 01/01/2041	438	471
3.50%, 03/01/2041	604	650
3.50%, 10/01/2041	53	57
3.50%, 12/01/2041	190	205
3.50%, 12/01/2041	185	200
3.50%, 01/01/2042	65	70
3.50%, 03/01/2042	59	64
3.50%, 03/01/2042	42	45
3.50%, 03/01/2042	161	174
3.50%, 05/01/2042	50	54
3.50%, 05/01/2042	309	333
3.50%, 07/01/2042	77	83
3.50%, 07/01/2042	43	47
3.50%, 10/01/2042	351	377
3.50%, 04/01/2043	118	128
3.50%, 05/01/2043	112	121
3.50%, 05/01/2043	341	368
3.50%, 05/01/2043	285	307
3.50%, 06/01/2043	297	320
3.50%, 07/01/2043	153	165
3.50%, 07/01/2043	333	359
3.50%, 08/01/2043	76	82
3.50%, 08/01/2043	243	262
3.50%, 09/01/2043	86	93
3.50%, 12/01/2043	67	72
3.50%, 01/01/2044	980	1,055
3.50%, 02/01/2044	71	77
3.50%, 07/01/2044	475	510
3.50%, 10/01/2044	200	214
3.50%, 10/01/2044	77	83
3.50%, 11/01/2044	201	215
3.50%, 12/01/2044	41	43
3.50%, 12/01/2044	212	228
3.50%, 12/01/2044	153	164
3.50%, 01/01/2045	237	255
3.50%, 04/01/2045	209	224
3.50%, 05/01/2045	79	85
3.50%, 07/01/2045	220	236
3.50%, 07/01/2045	39	42
3.50%, 08/01/2045	220	235
3.50%, 08/01/2045	198	211
3.50%, 09/01/2045	300	321
3.50%, 09/01/2045	106	114
3.50%, 09/01/2045	248	266
3.50%, 11/01/2045	97	104
3.50%, 11/01/2045	177	189
3.50%, 12/01/2045	337	358
3.50%, 12/01/2045	183	196
3.50%, 12/01/2045	226	241
3.50%, 01/01/2046	377	403
3.50%, 01/01/2046	278	295
3.50%, 02/01/2046	152	163
3.50%, 02/01/2046	67	72
3.50%, 03/01/2046	239	254
3.50%, 03/01/2046	212	226
3.50%, 05/01/2046	249	266
3.50%, 06/01/2046	53	57
3.50%, 07/01/2046	225	239
3.50%, 09/01/2046	202	215
3.50%, 11/01/2046	416	446

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
3.50%, 12/01/2046	$ 243	$ 259
3.50%, 01/01/2047	531	567
3.50%, 02/01/2047	381	406
3.50%, 03/01/2047	47	50
3.50%, 09/01/2047	113	120
3.50%, 11/01/2047	454	481
3.50%, 01/01/2048	442	467
3.50%, 02/01/2048	389	411
3.50%, 02/01/2048	32	34
3.50%, 03/01/2048	290	307
3.50%, 04/01/2048	178	188
3.50%, 10/01/2048	47	50
3.50%, 10/01/2048	38	40
3.50%, 04/01/2049	376	398
3.50%, 06/01/2049	573	604
3.50%, 06/01/2049	758	799
3.50%, 06/01/2049	593	627
3.50%, 07/01/2049	1,416	1,493
3.50%, 07/01/2049	1,584	1,675
3.50%, 07/01/2049	868	918
3.50%, 08/01/2049	925	975
3.50%, 09/01/2049	925	976
3.50%, 11/01/2049	1,740	1,838
3.50%, 11/01/2049	1,482	1,563
3.50%, 11/01/2049	4,400	4,680
3.50%, 05/01/2050	1,908	2,011
3.50%, 09/01/2050	1,995	2,138
4.00%, 07/01/2025	65	68
4.00%, 04/01/2029	2	2
4.00%, 10/01/2030	6	7
4.00%, 12/01/2030	56	60
4.00%, 02/01/2031	19	20
4.00%, 03/01/2031	387	407
4.00%, 07/01/2031	12	13
4.00%, 10/01/2031	51	55
4.00%, 11/01/2031	12	13
4.00%, 12/01/2031	10	11
4.00%, 01/01/2032	15	16
4.00%, 09/01/2033	106	115
4.00%, 01/01/2036	98	105
4.00%, 02/01/2036	68	74
4.00%, 06/01/2036	57	62
4.00%, 01/01/2037	81	88
4.00%, 02/01/2037	187	202
4.00%, 07/01/2038	126	135
4.00%, 02/01/2039	35	37
4.00%, 10/01/2039	58	63
4.00%, 01/01/2041	190	208
4.00%, 02/01/2041	129	141
4.00%, 02/01/2041	47	52
4.00%, 09/01/2041	73	80
4.00%, 02/01/2043	69	75
4.00%, 12/01/2043	64	71
4.00%, 01/01/2044	200	220
4.00%, 06/01/2044	76	82
4.00%, 06/01/2044	157	172
4.00%, 07/01/2044	115	125
4.00%, 07/01/2044	133	145
4.00%, 09/01/2044	70	77
4.00%, 10/01/2044	112	122
4.00%, 10/01/2044	196	214
4.00%, 11/01/2044	129	142
4.00%, 12/01/2044	34	37
4.00%, 12/01/2044	195	214
4.00%, 01/01/2045	35	38
4.00%, 02/01/2045	128	140
4.00%, 02/01/2045	72	78
4.00%, 02/01/2045	164	179
4.00%, 07/01/2045	90	98
4.00%, 07/01/2045	121	131
4.00%, 09/01/2045	150	163
4.00%, 10/01/2045	42	45
4.00%, 10/01/2045	141	154
4.00%, 11/01/2045	54	58
4.00%, 11/01/2045	234	256
4.00%, 12/01/2045	58	64
4.00%, 12/01/2045	105	115
4.00%, 01/01/2046	204	222
4.00%, 02/01/2046	49	54
4.00%, 02/01/2046	197	212
4.00%, 03/01/2046	61	66
4.00%, 03/01/2046	77	84
4.00%, 04/01/2046	101	109
4.00%, 07/01/2046	191	207
4.00%, 04/01/2047	313	336
4.00%, 06/01/2047	228	245
4.00%, 08/01/2047	283	303
4.00%, 08/01/2047	49	53
4.00%, 08/01/2047	363	388
4.00%, 08/01/2047	165	176
4.00%, 09/01/2047	331	354
4.00%, 11/01/2047	631	676
4.00%, 01/01/2048	519	558
4.00%, 02/01/2048	236	252
4.00%, 03/01/2048	4,415	4,743
4.00%, 03/01/2048	116	124
4.00%, 05/01/2048	906	971
4.00%, 06/01/2048	183	195
4.00%, 06/01/2048	479	511
4.00%, 07/01/2048	144	153
4.00%, 08/01/2048	75	80
4.00%, 08/01/2048	58	62
4.00%, 09/01/2048	276	294
4.00%, 09/01/2048	195	208
4.00%, 01/01/2049	2,577	2,789
4.00%, 01/01/2049	1,382	1,482
4.00%, 03/01/2049	201	215
4.00%, 04/01/2049	402	428
4.00%, 04/01/2049	281	299
4.00%, 07/01/2049	1,375	1,463
4.00%, 08/01/2049	945	1,004
4.00%, 10/01/2049	713	761
4.00%, 10/01/2049	434	467
4.00%, 11/01/2049	668	712
4.00%, 04/01/2050	2,538	2,721
4.50%, 07/01/2029	1	1
4.50%, 02/01/2030	5	6
4.50%, 04/01/2030	2	2
4.50%, 08/01/2030	38	41
4.50%, 09/01/2030	31	33
4.50%, 01/01/2031	7	7
4.50%, 04/01/2031	3	4
4.50%, 05/01/2031	6	7
4.50%, 07/01/2031	26	28
4.50%, 08/01/2031	14	15
4.50%, 02/01/2035	62	68
4.50%, 08/01/2040	43	47
4.50%, 08/01/2040	127	141
4.50%, 06/01/2041	62	68
4.50%, 09/01/2041	111	123
4.50%, 09/01/2043	54	60
4.50%, 10/01/2043	99	109
4.50%, 01/01/2044	378	417
4.50%, 01/01/2044	209	231

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
4.50%, 02/01/2044	$ 131	$ 144
4.50%, 03/01/2044	54	58
4.50%, 03/01/2044	77	85
4.50%, 05/01/2044	252	277
4.50%, 05/01/2044	46	51
4.50%, 05/01/2044	69	77
4.50%, 06/01/2044	120	132
4.50%, 08/01/2044	103	113
4.50%, 08/01/2044	98	107
4.50%, 12/01/2044	232	256
4.50%, 04/01/2046	91	98
4.50%, 08/01/2046	85	92
4.50%, 01/01/2047	77	83
4.50%, 02/01/2047	48	52
4.50%, 02/01/2047	125	136
4.50%, 03/01/2047	113	123
4.50%, 10/01/2047	92	100
4.50%, 11/01/2047	171	185
4.50%, 02/01/2048	137	147
4.50%, 04/01/2048	382	409
4.50%, 05/01/2048	231	247
4.50%, 07/01/2048	2,622	2,812
4.50%, 08/01/2048	67	72
4.50%, 08/01/2048	54	58
4.50%, 10/01/2048	610	654
4.50%, 10/01/2048	336	361
4.50%, 12/01/2048	1,450	1,567
4.50%, 03/01/2049	2,854	3,061
4.50%, 04/01/2049	293	313
4.50%, 05/01/2049	2,228	2,406
4.50%, 07/01/2049	827	887
4.50%, 07/01/2049	410	440
4.50%, 09/01/2049	516	554
4.50%, 09/01/2049	3,333	3,574
5.00%, 07/01/2024	1	1
5.00%, 04/01/2029	4	5
5.00%, 09/01/2029	60	65
5.00%, 03/01/2030	7	8
5.00%, 08/01/2030	10	11
5.00%, 07/01/2035	81	91
5.00%, 04/01/2037	134	149
5.00%, 01/01/2039	165	184
5.00%, 07/01/2039	74	83
5.00%, 07/01/2039	68	77
5.00%, 02/01/2041	133	150
5.00%, 02/01/2041	74	84
5.00%, 05/01/2042	177	200
5.00%, 03/01/2044	88	96
5.00%, 03/01/2044	91	100
5.00%, 05/01/2044	60	67
5.00%, 11/01/2044	125	139
5.00%, 04/01/2048	68	74
5.00%, 09/01/2048	864	945
5.00%, 05/01/2049	76	83
5.00%, 06/01/2049	561	614
5.00%, 07/01/2049	307	339
5.00%, 08/01/2049	328	361
5.50%, 01/01/2023	1	1
5.50%, 07/01/2023	1	1
5.50%, 08/01/2023	7	8
5.50%, 10/01/2023	12	13
5.50%, 11/01/2023	15	16
5.50%, 02/01/2026	23	25
5.50%, 03/01/2027	25	27
5.50%, 06/01/2028	2	3
5.50%, 09/01/2028	1	1
5.50%, 01/01/2029	10	11
5.50%, 01/01/2029	1	2
5.50%, 12/01/2029	6	6
5.50%, 11/01/2035	134	153
5.50%, 12/01/2036	63	72
5.50%, 03/01/2037	92	105
5.50%, 08/01/2037	66	75
5.50%, 08/01/2037	80	91
5.50%, 08/01/2037	63	71
5.50%, 05/01/2038	115	132
5.50%, 06/01/2038	56	64
6.00%, 05/01/2041	109	126
6.50%, 01/01/2038	59	67
		$ 567,136
Government National Mortgage Association (GNMA) - 5.62%		
2.00%, 01/01/2052	35,500	35,821
2.50%, 03/20/2028	48	49
2.50%, 07/20/2028	50	52
2.50%, 03/20/2031	58	60
2.50%, 05/20/2032	73	75
2.50%, 07/20/2043	109	113
2.50%, 06/20/2045	61	63
2.50%, 12/20/2046	130	134
2.50%, 01/20/2047	192	198
2.50%, 01/01/2052	39,500	40,450
3.00%, 07/20/2030	98	103
3.00%, 01/20/2031	62	65
3.00%, 07/20/2032	73	76
3.00%, 01/20/2033	33	35
3.00%, 09/20/2042	655	687
3.00%, 10/15/2042	107	110
3.00%, 12/20/2042	186	195
3.00%, 01/20/2043	259	272
3.00%, 03/20/2043	133	141
3.00%, 03/20/2043	347	364
3.00%, 04/20/2043	447	468
3.00%, 06/15/2043	158	167
3.00%, 06/20/2043	98	102
3.00%, 07/15/2043	50	52
3.00%, 08/15/2043	78	81
3.00%, 08/15/2043	110	114
3.00%, 08/20/2043	46	49
3.00%, 09/20/2043	178	187
3.00%, 10/20/2043	94	99
3.00%, 11/20/2043	68	72
3.00%, 03/20/2044	144	151
3.00%, 08/20/2044	539	565
3.00%, 11/15/2044	234	248
3.00%, 11/20/2044	176	184
3.00%, 12/20/2044	178	186
3.00%, 02/15/2045	188	200
3.00%, 05/20/2045	157	165
3.00%, 07/15/2045	73	76
3.00%, 07/20/2045	1,227	1,281
3.00%, 08/15/2045	170	180
3.00%, 08/20/2045	380	396
3.00%, 10/20/2045	338	353
3.00%, 11/20/2045	197	206
3.00%, 12/20/2045	276	288
3.00%, 01/20/2046	70	73
3.00%, 02/20/2046	93	97
3.00%, 03/20/2046	444	463
3.00%, 04/20/2046	288	301
3.00%, 05/20/2046	263	275
3.00%, 06/20/2046	399	417
3.00%, 07/20/2046	1,201	1,253
3.00%, 08/20/2046	818	854
3.00%, 09/20/2046	481	502

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Government National Mortgage Association (GNMA) (continued)		
3.00%, 10/20/2046	$ 317	$ 331
3.00%, 11/20/2046	214	226
3.00%, 11/20/2046	485	507
3.00%, 12/20/2046	591	617
3.00%, 01/20/2047	391	409
3.00%, 07/20/2047	18	19
3.00%, 10/20/2047	406	424
3.00%, 11/20/2047	193	201
3.00%, 12/20/2047	636	660
3.00%, 01/20/2048	275	286
3.00%, 02/20/2048	291	303
3.00%, 03/20/2048	273	284
3.00%, 11/20/2049	10,326	10,691
3.00%, 01/01/2052	12,000	12,416
3.50%, 09/20/2028	65	68
3.50%, 04/20/2042	435	466
3.50%, 05/20/2042	460	493
3.50%, 06/20/2042	128	137
3.50%, 07/20/2042	511	547
3.50%, 10/20/2042	310	332
3.50%, 01/15/2043	111	118
3.50%, 01/20/2043	168	180
3.50%, 02/20/2043	510	547
3.50%, 03/20/2043	229	244
3.50%, 03/20/2043	474	508
3.50%, 04/15/2043	63	67
3.50%, 04/20/2043	462	495
3.50%, 04/20/2043	326	349
3.50%, 07/20/2043	555	595
3.50%, 08/15/2043	44	48
3.50%, 08/20/2043	427	457
3.50%, 09/20/2043	282	302
3.50%, 07/20/2044	313	332
3.50%, 08/20/2044	330	351
3.50%, 09/20/2044	124	132
3.50%, 10/20/2044	131	139
3.50%, 11/20/2044	141	150
3.50%, 12/20/2044	157	167
3.50%, 02/20/2045	155	164
3.50%, 05/20/2045	203	215
3.50%, 06/20/2045	43	45
3.50%, 07/20/2045	306	325
3.50%, 08/20/2045	141	149
3.50%, 09/20/2045	75	79
3.50%, 10/20/2045	555	587
3.50%, 11/20/2045	459	486
3.50%, 12/20/2045	291	308
3.50%, 01/20/2046	727	770
3.50%, 02/20/2046	40	42
3.50%, 03/20/2046	3,737	3,954
3.50%, 04/20/2046	291	308
3.50%, 05/20/2046	394	415
3.50%, 06/20/2046	1,730	1,822
3.50%, 07/15/2046	39	41
3.50%, 07/20/2046	206	217
3.50%, 08/20/2046	916	965
3.50%, 09/20/2046	383	403
3.50%, 10/20/2046	456	481
3.50%, 11/20/2046	348	366
3.50%, 12/20/2046	380	400
3.50%, 01/20/2047	382	402
3.50%, 02/20/2047	226	237
3.50%, 03/20/2047	304	319
3.50%, 04/20/2047	725	761
3.50%, 05/20/2047	217	228
3.50%, 06/20/2047	337	354
3.50%, 07/20/2047	612	643
3.50%, 08/20/2047	969	1,018
3.50%, 09/20/2047	$ 71	$ 75
3.50%, 10/20/2047	240	253
3.50%, 11/20/2047	312	328
3.50%, 12/20/2047	357	374
3.50%, 01/20/2048	507	533
3.50%, 02/20/2048	79	83
3.50%, 07/20/2048	155	162
4.00%, 08/15/2040	41	45
4.00%, 12/20/2040	20	22
4.00%, 08/15/2041	37	40
4.00%, 11/15/2041	56	62
4.00%, 03/15/2042	42	45
4.00%, 03/20/2042	90	98
4.00%, 04/20/2042	80	87
4.00%, 05/15/2042	93	99
4.00%, 10/20/2043	44	47
4.00%, 11/20/2043	102	110
4.00%, 02/20/2044	247	267
4.00%, 03/15/2044	83	92
4.00%, 05/20/2044	159	172
4.00%, 06/20/2044	119	128
4.00%, 07/20/2044	481	520
4.00%, 08/20/2044	343	372
4.00%, 09/20/2044	311	337
4.00%, 10/20/2044	412	446
4.00%, 11/20/2044	183	198
4.00%, 12/20/2044	333	361
4.00%, 01/20/2045	279	302
4.00%, 04/20/2045	177	191
4.00%, 05/15/2045	91	100
4.00%, 07/20/2045	67	73
4.00%, 08/20/2045	172	186
4.00%, 09/20/2045	241	261
4.00%, 10/20/2045	130	138
4.00%, 11/20/2045	47	51
4.00%, 12/15/2045	46	50
4.00%, 12/20/2045	121	131
4.00%, 01/20/2046	75	81
4.00%, 02/20/2046	110	119
4.00%, 04/20/2046	183	195
4.00%, 05/20/2046	89	96
4.00%, 07/20/2046	192	204
4.00%, 01/20/2047	371	395
4.00%, 02/20/2047	290	308
4.00%, 03/20/2047	269	286
4.00%, 05/20/2047	362	386
4.00%, 06/20/2047	359	382
4.00%, 07/20/2047	890	948
4.00%, 08/20/2047	43	45
4.00%, 09/20/2047	2,789	2,965
4.00%, 10/20/2047	206	219
4.50%, 02/15/2039	86	97
4.50%, 05/15/2039	57	63
4.50%, 11/15/2039	201	235
4.50%, 04/15/2040	166	186
4.50%, 01/20/2041	25	28
4.50%, 02/20/2041	24	26
4.50%, 03/20/2041	19	20
4.50%, 07/15/2041	72	80
4.50%, 05/20/2043	76	83
4.50%, 06/20/2043	85	93
4.50%, 10/20/2043	70	77
4.50%, 11/20/2043	228	253
4.50%, 03/20/2044	326	360
4.50%, 04/20/2044	14	16
4.50%, 05/20/2044	235	260
4.50%, 07/20/2044	123	135
4.50%, 12/20/2044	52	57

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Government National Mortgage Association (GNMA) (continued)		
4.50%, 02/20/2045	$ 135	$ 148
4.50%, 03/20/2045	58	64
4.50%, 04/20/2045	71	79
4.50%, 06/20/2046	70	77
4.50%, 12/20/2046	211	233
4.50%, 02/20/2047	125	135
4.50%, 04/20/2047	88	95
4.50%, 06/15/2047	80	89
4.50%, 08/20/2047	182	195
4.50%, 10/20/2047	89	95
4.50%, 02/20/2048	1,465	1,567
4.50%, 05/20/2048	1,036	1,101
4.50%, 08/20/2048	259	274
4.50%, 10/20/2048	157	166
4.50%, 11/20/2048	241	255
4.50%, 12/20/2048	69	73
5.00%, 07/15/2035	54	61
5.00%, 04/15/2041	169	193
5.00%, 08/20/2041	52	59
5.00%, 04/20/2042	41	46
5.00%, 12/20/2042	127	144
5.00%, 07/20/2043	69	78
5.00%, 02/20/2044	75	84
5.00%, 03/20/2044	47	53
5.00%, 12/20/2045	67	76
5.00%, 03/20/2048	62	68
5.00%, 06/20/2048	1,194	1,277
5.00%, 10/20/2048	82	88
5.50%, 01/15/2040	58	67
5.50%, 06/20/2040	27	30
5.50%, 01/20/2041	121	140
5.50%, 10/20/2042	56	65
5.50%, 09/20/2043	57	66
6.00%, 04/15/2035	8	9
		$ 163,057
U.S. Treasury - 38.97%		
0.13%, 01/31/2023	4,370	4,355
0.13%, 04/30/2023	5,465	5,436
0.13%, 05/15/2023	11,175	11,111
0.13%, 07/31/2023	19,515	19,362
0.13%, 08/15/2023	4,985	4,944
0.13%, 09/15/2023	4,650	4,607
0.13%, 10/15/2023	16,710	16,543
0.25%, 04/15/2023	8,470	8,442
0.25%, 06/15/2023	4,000	3,981
0.25%, 11/15/2023	5,595	5,549
0.25%, 05/31/2025	2,360	2,296
0.25%, 06/30/2025	7,025	6,825
0.25%, 07/31/2025	16,325	15,835
0.25%, 08/31/2025	9,680	9,377
0.25%, 09/30/2025	12,000	11,620
0.25%, 10/31/2025	2,345	2,266
0.38%, 10/31/2023	4,000	3,976
0.38%, 04/30/2025	8,100	7,920
0.38%, 11/30/2025	4,675	4,534
0.38%, 01/31/2026	10,575	10,230
0.38%, 07/31/2027	8,175	7,765
0.38%, 09/30/2027	3,705	3,507
0.50%, 03/15/2023	1,725	1,726
0.50%, 03/31/2025	4,250	4,179
0.50%, 02/28/2026	3,990	3,877
0.50%, 04/30/2027	4,440	4,259
0.50%, 05/31/2027	3,290	3,150
0.50%, 06/30/2027	2,265	2,167
0.50%, 08/31/2027	5,260	5,019
0.50%, 10/31/2027	3,810	3,626
0.63%, 07/31/2026	4,210	4,094
0.63%, 03/31/2027	5,975	5,775

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
U.S. Treasury (continued)		
0.63%, 11/30/2027	$ 4,645	$ 4,449
0.63%, 12/31/2027	9,865	9,439
0.63%, 05/15/2030	6,235	5,830
0.63%, 08/15/2030	15,650	14,595
0.75%, 12/31/2023	4,295	4,296
0.75%, 03/31/2026	8,220	8,064
0.75%, 01/31/2028	11,495	11,069
0.88%, 09/30/2026	6,750	6,629
0.88%, 11/15/2030	8,185	7,782
1.00%, 07/31/2028	1,705	1,660
1.13%, 02/28/2025	8,950	8,981
1.13%, 10/31/2026	3,635	3,611
1.13%, 02/28/2027	2,670	2,649
1.13%, 02/29/2028	6,795	6,696
1.13%, 08/31/2028	2,640	2,589
1.13%, 02/15/2031	15,070	14,626
1.13%, 05/15/2040	3,760	3,296
1.13%, 08/15/2040	1,470	1,283
1.25%, 07/31/2023	5,650	5,706
1.25%, 08/31/2024	7,600	7,670
1.25%, 03/31/2028	7,125	7,062
1.25%, 04/30/2028	2,000	1,982
1.25%, 05/31/2028	7,415	7,342
1.25%, 09/30/2028	9,295	9,186
1.25%, 08/15/2031	8,160	7,978
1.25%, 05/15/2050	7,960	6,759
1.38%, 06/30/2023	4,050	4,098
1.38%, 08/31/2023	8,860	8,965
1.38%, 09/30/2023	4,430	4,484
1.38%, 08/31/2026	3,400	3,420
1.38%, 10/31/2028	4,050	4,034
1.38%, 11/15/2031	2,705	2,671
1.38%, 11/15/2040	6,455	5,883
1.38%, 08/15/2050	7,480	6,552
1.50%, 02/28/2023	2,995	3,030
1.50%, 03/31/2023	3,340	3,381
1.50%, 09/30/2024	5,950	6,044
1.50%, 10/31/2024	1,000	1,016
1.50%, 11/30/2024	7,880	8,004
1.50%, 08/15/2026	15,150	15,322
1.50%, 02/15/2030	5,660	5,689
1.63%, 04/30/2023	3,000	3,043
1.63%, 10/31/2023	3,160	3,213
1.63%, 02/15/2026	3,315	3,372
1.63%, 05/15/2026	3,345	3,401
1.63%, 09/30/2026	1,265	1,286
1.63%, 11/30/2026	1,500	1,526
1.63%, 08/15/2029	3,750	3,804
1.63%, 05/15/2031	9,520	9,640
1.63%, 11/15/2050	7,525	7,011
1.75%, 01/31/2023	2,560	2,596
1.75%, 05/15/2023	15,112	15,361
1.75%, 06/30/2024	3,970	4,057
1.75%, 12/31/2024	5,620	5,748
1.75%, 11/15/2029	9,045	9,271
1.75%, 08/15/2041	1,975	1,915
1.88%, 08/31/2024	4,000	4,102
1.88%, 07/31/2026	7,400	7,610
1.88%, 02/15/2041	7,880	7,800
1.88%, 02/15/2051	7,680	7,598
1.88%, 11/15/2051	3,595	3,566
2.00%, 02/15/2023	4,597	4,676
2.00%, 04/30/2024	4,035	4,144
2.00%, 05/31/2024	6,765	6,951
2.00%, 06/30/2024	5,195	5,340
2.00%, 02/15/2025	8,570	8,827
2.00%, 08/15/2025	4,850	5,002
2.00%, 11/15/2026	13,300	13,758

See accompanying notes.

Schedule of Investments
Bond Market Index Account
December 31, 2021

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
U.S. Treasury (continued)		
2.00%, 02/15/2050	$ 4,900	$ 4,977
2.00%, 08/15/2051	6,110	6,228
2.13%, 11/30/2023	13,390	13,749
2.13%, 03/31/2024	3,525	3,628
2.13%, 07/31/2024	5,580	5,757
2.13%, 09/30/2024	4,770	4,926
2.13%, 11/30/2024	4,460	4,609
2.13%, 05/15/2025	8,950	9,264
2.13%, 05/31/2026	2,000	2,077
2.25%, 12/31/2023	3,655	3,764
2.25%, 01/31/2024	1,475	1,520
2.25%, 04/30/2024	4,850	5,009
2.25%, 10/31/2024	3,336	3,458
2.25%, 11/15/2024	8,963	9,292
2.25%, 12/31/2024	3,000	3,113
2.25%, 11/15/2025	2,500	2,604
2.25%, 03/31/2026	5,000	5,214
2.25%, 02/15/2027	8,160	8,548
2.25%, 08/15/2027	5,535	5,806
2.25%, 11/15/2027	9,840	10,331
2.25%, 05/15/2041	2,475	2,600
2.25%, 08/15/2046	4,700	4,970
2.25%, 08/15/2049	3,790	4,056
2.38%, 01/31/2023	4,235	4,322
2.38%, 02/29/2024	4,635	4,792
2.38%, 08/15/2024	4,595	4,771
2.38%, 04/30/2026	5,000	5,244
2.38%, 05/15/2027	8,780	9,266
2.38%, 05/15/2029	8,350	8,900
2.38%, 11/15/2049	5,505	6,047
2.38%, 05/15/2051	5,095	5,628
2.50%, 03/31/2023	4,560	4,672
2.50%, 08/15/2023	13,632	14,040
2.50%, 01/31/2024	4,530	4,692
2.50%, 05/15/2024	3,066	3,185
2.50%, 01/31/2025	3,300	3,450
2.50%, 02/15/2045	5,035	5,537
2.50%, 02/15/2046	2,925	3,231
2.50%, 05/15/2046	4,425	4,890
2.63%, 06/30/2023	4,360	4,492
2.63%, 03/31/2025	1,805	1,897
2.63%, 12/31/2025	5,000	5,287
2.63%, 02/15/2029	11,995	12,967
2.75%, 04/30/2023	4,205	4,328
2.75%, 07/31/2023	1,705	1,762
2.75%, 08/31/2023	3,000	3,103
2.75%, 11/15/2023	5,656	5,870
2.75%, 02/15/2024	5,336	5,558
2.75%, 02/28/2025	9,505	10,017
2.75%, 06/30/2025	1,280	1,353
2.75%, 08/31/2025	5,225	5,528
2.75%, 02/15/2028	9,145	9,884
2.75%, 08/15/2042	1,591	1,813
2.75%, 11/15/2042	2,610	2,975
2.75%, 08/15/2047	4,550	5,295
2.75%, 11/15/2047	3,405	3,964
2.88%, 09/30/2023	1,095	1,137
2.88%, 10/31/2023	3,000	3,118
2.88%, 11/30/2023	6,845	7,125
2.88%, 04/30/2025	2,475	2,622
2.88%, 05/31/2025	4,120	4,368
2.88%, 07/31/2025	2,000	2,125
2.88%, 11/30/2025	3,435	3,661
2.88%, 05/15/2028	4,400	4,794
2.88%, 08/15/2028	9,660	10,550
2.88%, 05/15/2043	5,703	6,627
2.88%, 08/15/2045	4,255	4,996
2.88%, 11/15/2046	850	1,005
2.88%, 05/15/2049	5,720	6,890
3.00%, 09/30/2025	2,775	2,964
3.00%, 10/31/2025	4,500	4,813
3.00%, 05/15/2042	1,200	1,421
3.00%, 11/15/2044	4,995	5,957
3.00%, 05/15/2045	4,260	5,095
3.00%, 11/15/2045	3,500	4,205
3.00%, 02/15/2047	5,075	6,142
3.00%, 05/15/2047	3,400	4,127
3.00%, 02/15/2048	6,075	7,415
3.00%, 08/15/2048	2,745	3,359
3.00%, 02/15/2049	4,115	5,059
3.13%, 11/15/2028	6,620	7,358
3.13%, 11/15/2041	1,700	2,043
3.13%, 02/15/2042	805	970
3.13%, 02/15/2043	4,020	4,845
3.13%, 08/15/2044	4,060	4,930
3.13%, 05/15/2048	4,020	5,024
3.38%, 05/15/2044	3,425	4,312
3.38%, 11/15/2048	4,815	6,300
3.50%, 02/15/2039	1,170	1,468
3.63%, 08/15/2043	3,570	4,631
3.63%, 02/15/2044	1,755	2,284
3.75%, 08/15/2041	755	986
3.75%, 11/15/2043	1,165	1,541
3.88%, 08/15/2040	1,669	2,200
4.25%, 05/15/2039	1,190	1,631
4.25%, 11/15/2040	1,135	1,570
4.38%, 11/15/2039	2,970	4,139
4.38%, 05/15/2040	1,489	2,084
4.38%, 05/15/2041	1,660	2,338
4.50%, 02/15/2036	3,565	4,900
4.50%, 05/15/2038	710	993
4.50%, 08/15/2039	1,235	1,744
4.63%, 02/15/2040	1,100	1,580
4.75%, 02/15/2037	2,290	3,248
4.75%, 02/15/2041	2,628	3,866
5.25%, 11/15/2028	2,415	3,022
5.25%, 02/15/2029	2,000	2,519
5.38%, 02/15/2031	3,616	4,839
6.00%, 02/15/2026	2,000	2,389
6.13%, 11/15/2027	2,225	2,827
6.13%, 08/15/2029	1,000	1,342
6.25%, 05/15/2030	1,500	2,071
6.38%, 08/15/2027	1,830	2,332
6.88%, 08/15/2025	1,000	1,205
		$ 1,130,159
TOTAL U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS		$ 1,908,741
Total Investments		**$ 3,147,995**
Other Assets and Liabilities - (8.53)%		**(247,387)**
TOTAL NET ASSETS - 100.00%		**$ 2,900,608**

(a) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $11,973 or 0.41% of net assets.
(b) Current yield shown is as of period end.
(c) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $12,269 or 0.42% of net assets.
(d) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(e) Non-income producing security
(f) Rate shown is as of period end. The rate may be a variable or floating rate or a fixed rate which may convert to a variable or floating rate in the future.

See accompanying notes.

(g) Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description. Rate shown is the rate in effect as of period end.

(h) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities totaled $11,311 or 0.39% of net assets.

(i) Credit support indicates investments that benefit from credit enhancement or liquidity support provided by a third party bank, institution, or government agency.

(j) Security was purchased in a "to-be-announced" ("TBA") transaction.

Portfolio Summary (unaudited)

Sector	Percent
Government	43.41%
Mortgage Securities	28.20%
Money Market Funds	10.02%
Financial	8.60%
Consumer, Non-cyclical	4.40%
Communications	2.76%
Industrial	2.19%
Utilities	2.10%
Technology	1.92%
Energy	1.91%
Consumer, Cyclical	1.23%
Basic Materials	0.66%
Investment Companies	0.49%
Revenue Bonds	0.35%
General Obligation Unlimited	0.20%
Asset Backed Securities	0.05%
Insured	0.04%
General Obligation Limited	0.00%
Other Assets and Liabilities	(8.53)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 233,150	$ 1,603,321	$ 1,551,392	$ 285,079
	$ 233,150	$ 1,603,321	$ 1,551,392	$ 285,079

	Income[(a)]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Schedule of Investments
Core Plus Bond Account
December 31, 2021

INVESTMENT COMPANIES - 4.79%	Shares Held	Value (000's)
Money Market Funds - 4.79%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	142,048	$ 142
Principal Government Money Market Fund - Institutional Class 0.00%[a],[c],[d]	11,178,081	11,178
		$ 11,320
TOTAL INVESTMENT COMPANIES		$ 11,320

COMMON STOCKS - 0.10%	Shares Held	Value (000's)
Oil & Gas - 0.10%		
EP Energy Corp [d]	2,695	$ 234
TOTAL COMMON STOCKS		$ 234

BONDS - 57.74%	Principal Amount (000's)	Value (000's)
Aerospace & Defense - 1.70%		
Boeing Co/The		
1.95%, 02/01/2024	$ 1,370	$ 1,385
2.20%, 02/04/2026	635	635
2.80%, 03/01/2024	300	308
3.10%, 05/01/2026	190	198
3.75%, 02/01/2050	400	416
4.88%, 05/01/2025	380	416
Bombardier Inc		
7.50%, 03/15/2025[e]	45	46
TransDigm Inc		
4.88%, 05/01/2029	60	60
6.25%, 03/15/2026[e]	45	47
7.50%, 03/15/2027	156	163
8.00%, 12/15/2025[e]	80	84
Triumph Group Inc		
7.75%, 08/15/2025	60	60
8.88%, 06/01/2024[e]	178	194
		$ 4,012
Agriculture - 0.16%		
BAT Capital Corp		
4.54%, 08/15/2047	120	125
Reynolds American Inc		
5.70%, 08/15/2035	165	196
5.85%, 08/15/2045	45	55
		$ 376
Airlines - 0.72%		
American Airlines 2021-1 Class B Pass Through Trust		
3.95%, 01/11/2032	10	10
American Airlines Inc/AAdvantage Loyalty IP Ltd		
5.75%, 04/20/2029[e]	25	27
Delta Air Lines Inc / SkyMiles IP Ltd		
4.50%, 10/20/2025[e]	992	1,043
Hawaiian Brand Intellectual Property Ltd / HawaiianMiles Loyalty Ltd		
5.75%, 01/20/2026[e]	240	251
Southwest Airlines Co		
4.75%, 05/04/2023	85	89
5.25%, 05/04/2025	255	283
		$ 1,703
Automobile Asset Backed Securities - 2.12%		
AmeriCredit Automobile Receivables Trust 2020-3		
0.42%, 03/18/2024	78	78
AmeriCredit Automobile Receivables Trust 2021-1		
0.28%, 06/18/2024	157	157
Capital One Prime Auto Receivables Trust 2021-1		
0.50%, 02/18/2025	600	598
CarMax Auto Owner Trust 2020-3		
0.36%, 06/15/2023	25	25
1.00 x 1 Month USD LIBOR + 0.25%		
CarMax Auto Owner Trust 2021-4		
0.24%, 11/15/2024	330	329

BONDS (continued)	Principal Amount (000's)	Value (000's)
Automobile Asset Backed Securities (continued)		
Carvana Auto Receivables Trust		
0.82%, 04/10/2025	$ 425	$ 425
Carvana Auto Receivables Trust 2021-P3		
0.38%, 01/10/2025	305	304
GM Financial Consumer Automobile Receivables Trust 2020-3		
0.35%, 07/17/2023	87	87
GM Financial Consumer Automobile Receivables Trust 2021-4		
0.28%, 11/18/2024	475	474
Hyundai Auto Receivables Trust 2020-B		
0.38%, 03/15/2023	40	40
Mercedes-Benz Auto Lease Trust 2020-B		
0.31%, 02/15/2023	175	175
Nissan Auto Lease Trust 2021-A		
0.30%, 12/15/2023	490	489
Santander Drive Auto Receivables Trust 2021-1		
0.29%, 11/15/2023	54	55
Santander Drive Auto Receivables Trust 2021-2		
0.28%, 04/15/2024	275	275
Santander Drive Auto Receivables Trust 2021-4		
0.62%, 08/15/2024	850	849
World Omni Auto Receivables Trust 2020-C		
0.35%, 12/15/2023	280	280
World Omni Select Auto Trust 2021-A		
0.29%, 02/18/2025	380	379
		$ 5,019
Automobile Manufacturers - 2.03%		
BMW US Capital LLC		
3.80%, 04/06/2023[e]	305	316
3.90%, 04/09/2025[e]	550	592
Ford Motor Co		
3.25%, 02/12/2032	640	655
9.63%, 04/22/2030	25	37
Ford Motor Credit Co LLC		
3.35%, 11/01/2022	290	294
3.38%, 11/13/2025	520	540
4.25%, 09/20/2022	450	458
General Motors Co		
4.88%, 10/02/2023	665	706
6.25%, 10/02/2043	120	164
6.60%, 04/01/2036	275	372
General Motors Financial Co Inc		
1.20%, 10/15/2024	170	169
1.25%, 01/08/2026	375	367
1.70%, 08/18/2023	135	136
		$ 4,806
Automobile Parts & Equipment - 0.17%		
Dana Inc		
5.38%, 11/15/2027	60	63
Tenneco Inc		
5.00%, 07/15/2026	60	58
5.13%, 04/15/2029[e]	25	24
7.88%, 01/15/2029[e]	225	243
		$ 388
Banks - 8.49%		
Banco Mercantil del Norte SA/Grand Cayman		
8.38%, 10/14/2030[e],[f],[g],[h]	200	230
US Treasury Yield Curve Rate T Note Constant Maturity 10 Year + 7.76%		
Banco Santander SA		
3.22%, 11/22/2032[g]	600	601
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.60%		

See accompanying notes.

Schedule of Investments
Core Plus Bond Account
December 31, 2021

BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Bank of America Corp		
2.48%, 09/21/2036[g]	$ 900	$ 872
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 1.20%		
2.68%, 06/19/2041[g]	680	655
Secured Overnight Financing Rate + 1.93%		
2.69%, 04/22/2032[g]	735	746
Secured Overnight Financing Rate + 1.32%		
4.20%, 08/26/2024	220	236
Barclays PLC		
2.28%, 11/24/2027[g]	200	200
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.05%		
2.85%, 05/07/2026[g]	600	619
Secured Overnight Financing Rate + 2.71%		
3.33%, 11/24/2042[g]	550	560
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.30%		
7.75%, 09/15/2023[f],[g],[h]	400	429
USD Swap Semi-Annual 5 Year + 4.84%		
BNP Paribas SA		
2.16%, 09/15/2029[e],[g]	490	480
Secured Overnight Financing Rate + 1.22%		
2.22%, 06/09/2026[e],[g]	400	404
Secured Overnight Financing Rate + 2.07%		
CIT Group Inc		
5.00%, 08/15/2022	120	123
Citigroup Inc		
3.11%, 04/08/2026[g]	495	519
Secured Overnight Financing Rate + 2.84%		
Credit Suisse AG/New York NY		
2.95%, 04/09/2025	665	696
Credit Suisse Group AG		
2.19%, 06/05/2026[e],[g]	500	503
Secured Overnight Financing Rate + 2.04%		
5.25%, 02/11/2027[e],[f],[g],[h]	205	212
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 4.89%		
DBS Group Holdings Ltd		
4.52%, 12/11/2028[e],[g]	315	333
USD Swap Rate NY 5 Year + 1.59%		
Deutsche Bank AG		
6.00%, 10/30/2025[f],[g],[h]	240	249
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 4.52%		
Deutsche Bank AG/New York NY		
2.22%, 09/18/2024[g]	725	734
Secured Overnight Financing Rate + 2.16%		
Goldman Sachs Group Inc/The		
3.63%, 02/20/2024	250	262
3.85%, 01/26/2027	160	172
HSBC Holdings PLC		
2.80%, 05/24/2032[g]	365	366
Secured Overnight Financing Rate + 1.19%		
4.25%, 03/14/2024	435	459
JPMorgan Chase & Co		
2.08%, 04/22/2026[g]	335	340
Secured Overnight Financing Rate + 1.85%		
Lloyds Banking Group PLC		
3.87%, 07/09/2025[g]	850	898
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 3.50%		
Morgan Stanley		
0.99%, 12/10/2026[g]	1,861	1,805
Secured Overnight Financing Rate + 0.72%		
2.48%, 09/16/2036[g]	475	457
Secured Overnight Financing Rate + 1.36%		

BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Morgan Stanley (continued)		
4.35%, 09/08/2026	$ 800	$ 884
5.00%, 11/24/2025	330	369
Popular Inc		
6.13%, 09/14/2023	65	69
Santander UK Group Holdings PLC		
1.09%, 03/15/2025[g]	345	342
Secured Overnight Financing Rate + 0.79%		
2.90%, 03/15/2032[g]	450	454
Secured Overnight Financing Rate + 1.48%		
Standard Chartered PLC		
2.68%, 06/29/2032[e],[g]	700	687
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.20%		
2.82%, 01/30/2026[e],[g]	535	548
3 Month USD LIBOR + 1.21%		
6.00%, 07/26/2025[e],[f],[g],[h]	215	229
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 5.66%		
UniCredit SpA		
1.98%, 06/03/2027[e],[g]	750	731
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.20%		
Wells Fargo & Co		
3.75%, 01/24/2024	330	347
4.40%, 06/14/2046	170	201
Westpac Banking Corp		
4.11%, 07/24/2034[g]	85	92
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 2.00%		
4.42%, 07/24/2039	815	953
		$ 20,066
Beverages - 0.56%		
Anheuser-Busch Cos LLC / Anheuser-Busch InBev Worldwide Inc		
3.65%, 02/01/2026	115	123
4.90%, 02/01/2046	455	575
Anheuser-Busch InBev Worldwide Inc		
4.38%, 04/15/2038	190	223
5.45%, 01/23/2039	225	294
Central American Bottling Corp		
5.75%, 01/31/2027[e]	95	98
		$ 1,313
Building Materials - 0.56%		
Carrier Global Corp		
2.24%, 02/15/2025	45	46
Cemex SAB de CV		
3.88%, 07/11/2031[e]	325	324
5.20%, 09/17/2030[e]	200	215
Patrick Industries Inc		
4.75%, 05/01/2029[e]	105	104
7.50%, 10/15/2027[e]	150	160
SRM Escrow Issuer LLC		
6.00%, 11/01/2028[e]	385	411
Summit Materials LLC / Summit Materials Finance Corp		
5.25%, 01/15/2029[e]	70	73
		$ 1,333
Chemicals - 1.06%		
Braskem Netherlands Finance BV		
4.50%, 01/31/2030[e]	200	213
Consolidated Energy Finance SA		
5.63%, 10/15/2028[e]	260	254
Ecolab Inc		
2.70%, 12/15/2051	375	368
EI du Pont de Nemours and Co		
1.70%, 07/15/2025	120	121

Schedule of Investments
Core Plus Bond Account
December 31, 2021

BONDS (continued)	Principal Amount (000's)	Value (000's)
Chemicals (continued)		
Element Solutions Inc		
3.88%, 09/01/2028[e]	$ 326	$ 327
Olympus Water US Holding Corp		
4.25%, 10/01/2028[e]	275	273
Orbia Advance Corp SAB de CV		
2.88%, 05/11/2031[e]	350	344
SABIC Capital II BV		
4.00%, 10/10/2023[e]	200	210
Tronox Inc		
6.50%, 05/01/2025[e]	50	53
Westlake Chemical Corp		
3.13%, 08/15/2051	360	347
		$ 2,510
Commercial Mortgage Backed Securities - 1.94%		
Benchmark 2019-B15 Mortgage Trust		
3.56%, 12/15/2072	250	265
Benchmark 2021-B25 Mortgage Trust		
2.58%, 04/15/2054	150	154
Citigroup Commercial Mortgage Trust 2015-GC27		
3.57%, 02/10/2048	900	934
Citigroup Commercial Mortgage Trust 2016-GC37		
3.58%, 04/10/2049	350	362
GS Mortgage Securities Trust 2011-GC5		
0.00%, 08/10/2044[d],[e],[i],[j]	1,641	—
GS Mortgage Securities Trust 2013-GC16		
1.01%, 11/10/2046[i],[j]	1,806	27
GS Mortgage Securities Trust 2014-GC26		
0.95%, 11/10/2047[i],[j]	3,787	89
GS Mortgage Securities Trust 2015-GC34		
3.51%, 10/10/2048	375	397
GS Mortgage Securities Trust 2020-GSA2		
2.01%, 12/12/2053	350	343
JP Morgan Chase Commercial Mortgage Securities Trust 2012-LC9		
1.39%, 12/15/2047[i],[j]	1,424	12
JP Morgan Chase Commercial Mortgage Securities Trust 2016-JP3		
3.14%, 08/15/2049	500	520
JPMBB Commercial Mortgage Securities Trust 2014-C24		
4.38%, 11/15/2047[j]	500	483
Morgan Stanley Bank of America Merrill Lynch Trust 2012-C5		
1.34%, 08/15/2045[e],[i],[j]	2,701	7
Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14		
0.96%, 02/15/2047[i],[j]	3,798	58
Morgan Stanley Bank of America Merrill Lynch Trust 2014-C16		
0.98%, 06/15/2047[i],[j]	3,198	55
MSBAM Commercial Mortgage Securities Trust 2012-CKSV		
1.02%, 10/15/2030[e],[i],[j]	3,412	11
SREIT Trust 2021-MFP		
0.83%, 11/15/2038[e]	350	348
1.00 x 1 Month USD LIBOR + 0.73%		
UBS-Barclays Commercial Mortgage Trust 2012-C4		
1.57%, 12/10/2045[e],[i],[j]	1,103	8
3.32%, 12/10/2045[e]	500	507
WFRBS Commercial Mortgage Trust 2013-C12		
1.09%, 03/15/2048[e],[i],[j]	1,422	14
		$ 4,594

BONDS (continued)	Principal Amount (000's)	Value (000's)
Commercial Services - 0.65%		
Ahern Rentals Inc		
7.38%, 05/15/2023[e]	$ 20	$ 19
DP World Ltd/United Arab Emirates		
6.85%, 07/02/2037	100	132
Moody's Corp		
3.10%, 11/29/2061	540	535
Prime Security Services Borrower LLC / Prime Finance Inc		
3.38%, 08/31/2027[e]	134	129
6.25%, 01/15/2028[e]	142	148
United Rentals North America Inc		
3.88%, 02/15/2031	85	86
4.88%, 01/15/2028	169	178
WASH Multifamily Acquisition Inc		
5.75%, 04/15/2026[e]	285	300
		$ 1,527
Computers - 0.29%		
Dell International LLC / EMC Corp		
3.38%, 12/15/2041[e]	350	346
5.45%, 06/15/2023	68	72
NCR Corp		
5.13%, 04/15/2029[e]	250	259
		$ 677
Consumer Products - 0.02%		
Kronos Acquisition Holdings Inc / KIK Custom Products Inc		
5.00%, 12/31/2026[e]	45	44
Diversified Financial Services - 2.58%		
AerCap Holdings NV		
5.88%, 10/10/2079[g]	150	155
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 4.54%		
AerCap Ireland Capital DAC / AerCap Global Aviation Trust		
3.15%, 02/15/2024	1,000	1,031
4.50%, 09/15/2023	705	740
Air Lease Corp		
1.88%, 08/15/2026	465	457
2.88%, 01/15/2026	625	645
3.38%, 07/01/2025	370	386
Ally Financial Inc		
5.80%, 05/01/2025	210	237
Aviation Capital Group LLC		
1.95%, 09/20/2026[e]	1,000	971
Coinbase Global Inc		
3.63%, 10/01/2031[e]	70	65
Credit Acceptance Corp		
5.13%, 12/31/2024[e]	30	31
6.63%, 03/15/2026	336	350
Global Aircraft Leasing Co Ltd		
6.50%, PIK 7.25%; 09/15/2024[e],[j],[k]	242	234
ILFC E-Capital Trust II		
3.67%, 12/21/2065[e],[j]	100	85
LPL Holdings Inc		
4.00%, 03/15/2029[e]	215	220
OneMain Finance Corp		
4.00%, 09/15/2030	55	54
5.63%, 03/15/2023	75	78
6.63%, 01/15/2028	122	137
6.88%, 03/15/2025	199	221
8.88%, 06/01/2025	5	5
		$ 6,102
Electric - 2.65%		
Abu Dhabi National Energy Co PJSC		
4.38%, 06/22/2026[e]	200	221
Avangrid Inc		
3.20%, 04/15/2025	490	515

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Electric (continued)		
Clearway Energy Operating LLC		
4.75%, 03/15/2028[e]	$ 140	$ 147
CMS Energy Corp		
3.00%, 05/15/2026	75	78
4.70%, 03/31/2043	120	144
Colbun SA		
3.15%, 01/19/2032[e]	300	297
Commonwealth Edison Co		
4.00%, 03/01/2049	225	267
DTE Electric Co		
3.95%, 03/01/2049	60	71
DTE Energy Co		
1.05%, 06/01/2025	65	64
3.40%, 06/15/2029	262	277
Enel Chile SA		
4.88%, 06/12/2028	280	309
Entergy Corp		
1.90%, 06/15/2028	424	416
Exelon Corp		
3.50%, 06/01/2022	215	217
NextEra Energy Capital Holdings Inc		
2.75%, 11/01/2029	145	149
3.50%, 04/01/2029	300	322
NextEra Energy Operating Partners LP		
4.25%, 07/15/2024[e]	30	31
NRG Energy Inc		
3.88%, 02/15/2032[e]	560	549
Oryx Funding Ltd		
5.80%, 02/03/2031	200	211
Pacific Gas and Electric Co		
1.75%, 06/16/2022	735	735
4.20%, 06/01/2041	185	186
Perusahaan Perseroan Persero PT Perusahaan Listrik Negara		
3.88%, 07/17/2029[e]	200	212
PPL Electric Utilities Corp		
3.95%, 06/01/2047	85	99
4.75%, 07/15/2043	90	114
Southern California Edison Co		
4.20%, 03/01/2029	125	139
4.88%, 03/01/2049	150	183
Tucson Electric Power Co		
4.85%, 12/01/2048	25	32
Vistra Corp		
7.00%, 12/15/2026[e],[f],[g]	90	91
US Treasury Yield Curve Rate T Note Constant Maturity 5 Year + 5.74%		
Vistra Operations Co LLC		
4.38%, 05/01/2029[e]	195	195
		$ 6,271
Electrical Components & Equipment - 0.14%		
WESCO Distribution Inc		
7.13%, 06/15/2025[e]	90	95
7.25%, 06/15/2028[e]	213	234
		$ 329
Electronics - 0.13%		
Imola Merger Corp		
4.75%, 05/15/2029[e]	90	92
Sensata Technologies BV		
5.00%, 10/01/2025[e]	145	157
Sensata Technologies Inc		
4.38%, 02/15/2030[e]	51	54
		$ 303
Energy - Alternate Sources - 0.08%		
Inversiones Latin America Power Ltda		
5.13%, 06/15/2033[e]	200	192

BONDS (continued)	Principal Amount (000's)	Value (000's)
Engineering & Construction - 0.46%		
Aeropuerto Internacional de Tocumen SA		
5.13%, 08/11/2061[e]	$ 200	$ 209
Global Infrastructure Solutions Inc		
5.63%, 06/01/2029[e]	220	225
IHS Holding Ltd		
6.25%, 11/29/2028[e]	200	203
MasTec Inc		
4.50%, 08/15/2028[e]	238	247
Mexico City Airport Trust		
4.25%, 10/31/2026[e]	200	212
		$ 1,096
Entertainment - 0.29%		
Boyne USA Inc		
4.75%, 05/15/2029[e]	165	170
Caesars Entertainment Inc		
6.25%, 07/01/2025[e]	174	183
Peninsula Pacific Entertainment LLC / Peninsula Pacific Entertainment Finance Inc		
8.50%, 11/15/2027[e]	245	264
Scientific Games International Inc		
8.63%, 07/01/2025[e]	70	75
		$ 692
Environmental Control - 0.09%		
Madison IAQ LLC		
4.13%, 06/30/2028[e]	220	221
Food - 2.26%		
Albertsons Cos Inc / Safeway Inc / New Albertsons LP / Albertsons LLC		
4.63%, 01/15/2027[e]	217	228
Cencosud SA		
4.38%, 07/17/2027[e]	200	214
Fresh Market Inc/The		
9.75%, 05/01/2023[e]	125	129
Gruma SAB de CV		
4.88%, 12/01/2024[e]	350	380
JBS Finance Luxembourg Sarl		
3.63%, 01/15/2032[e]	450	452
Kraft Heinz Foods Co		
3.75%, 04/01/2030	57	61
4.38%, 06/01/2046	376	440
MARB BondCo PLC		
3.95%, 01/29/2031	200	191
Minerva Luxembourg SA		
4.38%, 03/18/2031[e]	200	190
Pilgrim's Pride Corp		
3.50%, 03/01/2032[e]	60	61
4.25%, 04/15/2031[e]	1,030	1,081
Post Holdings Inc		
4.50%, 09/15/2031[e]	225	223
4.63%, 04/15/2030[e]	32	33
Sigma Alimentos SA de CV		
4.13%, 05/02/2026[e]	250	265
Sysco Corp		
3.15%, 12/14/2051	1,020	1,004
3.30%, 07/15/2026	167	178
Want Want China Finance Ltd		
2.88%, 04/27/2022	200	201
		$ 5,331
Forest Products & Paper - 0.10%		
Mercer International Inc		
5.13%, 02/01/2029	155	158
Suzano Austria GmbH		
3.75%, 01/15/2031	75	76
		$ 234

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Healthcare - Products - 0.26%		
Boston Scientific Corp		
3.45%, 03/01/2024	$ 290	$ 303
4.55%, 03/01/2039	260	311
		$ 614
Healthcare - Services - 1.40%		
Acadia Healthcare Co Inc		
5.00%, 04/15/2029[e]	95	98
Centene Corp		
2.50%, 03/01/2031	155	151
2.63%, 08/01/2031	805	789
3.00%, 10/15/2030	121	123
3.38%, 02/15/2030	167	170
4.25%, 12/15/2027	175	182
CHS/Community Health Systems Inc		
6.00%, 01/15/2029[e]	275	293
8.00%, 03/15/2026[e]	50	52
HCA Inc		
3.50%, 09/01/2030	294	311
3.50%, 07/15/2051	550	561
5.88%, 05/01/2023	150	159
Legacy LifePoint Health LLC		
6.75%, 04/15/2025[e]	305	318
Tenet Healthcare Corp		
4.63%, 09/01/2024[e]	80	82
7.50%, 04/01/2025[e]	25	26
		$ 3,315
Home Builders - 0.58%		
Beazer Homes USA Inc		
6.75%, 03/15/2025	105	108
Empire Communities Corp		
7.00%, 12/15/2025[e]	185	191
Forestar Group Inc		
3.85%, 05/15/2026[e]	65	65
5.00%, 03/01/2028[e]	190	195
KB Home		
7.63%, 05/15/2023	55	58
Lennar Corp		
4.75%, 05/30/2025	100	109
4.88%, 12/15/2023	80	85
M/I Homes Inc		
3.95%, 02/15/2030	155	153
Picasso Finance Sub Inc		
6.13%, 06/15/2025[e]	122	127
Toll Brothers Finance Corp		
4.35%, 02/15/2028	260	285
		$ 1,376
Home Equity Asset Backed Securities - 0.08%		
Saxon Asset Securities Trust 2004-1		
1.79%, 03/25/2035	105	71
1.00 x 1 Month USD LIBOR + 1.70%		
Specialty Underwriting & Residential Finance Trust Series 2004-BC1		
0.87%, 02/25/2035	107	107
1.00 x 1 Month USD LIBOR + 0.77%		
		$ 178
Insurance - 1.47%		
Acrisure LLC / Acrisure Finance Inc		
4.25%, 02/15/2029[e]	130	126
7.00%, 11/15/2025[e]	85	85
AIA Group Ltd		
3.20%, 09/16/2040[e]	720	740
American International Group Inc		
3.90%, 04/01/2026	70	76
4.50%, 07/16/2044	280	345
Arch Capital Finance LLC		
4.01%, 12/15/2026	125	137

BONDS (continued)	Principal Amount (000's)	Value (000's)
Insurance (continued)		
Arch Capital Group Ltd		
3.64%, 06/30/2050	$ 375	$ 401
Arthur J Gallagher & Co		
3.50%, 05/20/2051	275	290
Athene Holding Ltd		
3.95%, 05/25/2051	325	351
Markel Corp		
3.35%, 09/17/2029	265	286
4.30%, 11/01/2047	95	110
XLIT Ltd		
4.45%, 03/31/2025	495	537
		$ 3,484
Internet - 1.05%		
Alibaba Group Holding Ltd		
2.13%, 02/09/2031	200	193
Baidu Inc		
4.38%, 05/14/2024	200	213
eBay Inc		
3.65%, 05/10/2051	700	761
Expedia Group Inc		
3.60%, 12/15/2023	210	218
Netflix Inc		
4.38%, 11/15/2026	462	512
4.88%, 06/15/2030[e]	85	99
NortonLifeLock Inc		
3.95%, 06/15/2022	65	65
Tencent Holdings Ltd		
3.98%, 04/11/2029[e]	275	299
Uber Technologies Inc		
7.50%, 09/15/2027[e]	110	120
		$ 2,480
Investment Companies - 0.23%		
Compass Group Diversified Holdings LLC		
5.25%, 04/15/2029[e]	260	272
Icahn Enterprises LP / Icahn Enterprises Finance Corp		
4.75%, 09/15/2024	60	62
MDGH GMTN RSC Ltd		
2.50%, 06/03/2031	200	202
		$ 536
Iron & Steel - 0.83%		
Cleveland-Cliffs Inc		
6.75%, 03/15/2026[e]	265	281
CSN Inova Ventures		
6.75%, 01/28/2028[e]	400	421
Metalloinvest Finance DAC		
3.38%, 10/22/2028[e]	225	223
Steel Dynamics Inc		
2.40%, 06/15/2025	145	148
2.80%, 12/15/2024	700	727
Vale Overseas Ltd		
3.75%, 07/08/2030	155	160
		$ 1,960
Leisure Products & Services - 0.26%		
Life Time Inc		
5.75%, 01/15/2026[e]	305	316
NCL Corp Ltd		
3.63%, 12/15/2024[e]	40	38
10.25%, 02/01/2026[e]	75	87
12.25%, 05/15/2024[e]	49	58
NCL Finance Ltd		
6.13%, 03/15/2028[e]	125	123
		$ 622
Lodging - 0.65%		
Hilton Domestic Operating Co Inc		
5.75%, 05/01/2028[e]	227	243

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Lodging (continued)		
Hyatt Hotels Corp		
1.80%, 10/01/2024	$ 500	$ 500
Marriott International Inc/MD		
2.75%, 10/15/2033	425	412
3.60%, 04/15/2024	300	314
MGM Resorts International		
6.00%, 03/15/2023	60	63
		$ 1,532
Machinery - Diversified - 0.11%		
Maxim Crane Works Holdings Capital LLC		
10.13%, 08/01/2024[e]	109	112
Westinghouse Air Brake Technologies Corp		
3.20%, 06/15/2025	150	156
		$ 268
Media - 2.13%		
AMC Networks Inc		
4.75%, 08/01/2025	223	228
Cable Onda SA		
4.50%, 01/30/2030	200	205
CCO Holdings LLC / CCO Holdings Capital Corp		
4.50%, 08/15/2030[e]	255	261
4.75%, 03/01/2030[e]	234	243
Charter Communications Operating LLC / Charter Communications Operating Capital		
3.50%, 06/01/2041	375	366
3.90%, 06/01/2052	370	371
4.46%, 07/23/2022	320	325
4.80%, 03/01/2050	135	151
4.91%, 07/23/2025	620	683
6.48%, 10/23/2045	120	164
CSC Holdings LLC		
6.50%, 02/01/2029[e]	208	223
Directv Financing LLC / Directv Financing Co-Obligor Inc		
5.88%, 08/15/2027[e]	45	46
DISH DBS Corp		
5.25%, 12/01/2026[e]	50	51
5.88%, 11/15/2024	133	137
7.38%, 07/01/2028	182	184
LCPR Senior Secured Financing DAC		
5.13%, 07/15/2029[e]	225	226
Sirius XM Radio Inc		
4.00%, 07/15/2028[e]	260	261
Time Warner Cable LLC		
5.88%, 11/15/2040	135	168
UPC Holding BV		
5.50%, 01/15/2028[e]	300	311
ViacomCBS Inc		
4.75%, 05/15/2025	100	110
Ziggo BV		
5.50%, 01/15/2027[e]	300	308
		$ 5,022
Mining - 0.39%		
First Quantum Minerals Ltd		
7.25%, 04/01/2023[e]	200	202
Hudbay Minerals Inc		
4.50%, 04/01/2026[e]	160	160
6.13%, 04/01/2029[e]	30	32
IAMGOLD Corp		
5.75%, 10/15/2028[e]	142	139
Novelis Corp		
3.25%, 11/15/2026[e]	100	101
4.75%, 01/30/2030[e]	234	246
Taseko Mines Ltd		
7.00%, 02/15/2026[e]	45	47
		$ 927

BONDS (continued)	Principal Amount (000's)	Value (000's)
Miscellaneous Manufacturers - 0.19%		
GE Capital International Funding Co Unlimited Co		
4.42%, 11/15/2035	$ 381	$ 455
Mortgage Backed Securities - 1.48%		
Fannie Mae REMIC Trust 2005-W2		
0.30%, 05/25/2035	12	12
1.00 x 1 Month USD LIBOR + 0.20%		
Fannie Mae REMICS		
2.25%, 07/25/2040	31	32
3.00%, 04/25/2022[i]	5	—
3.00%, 04/25/2027[i]	97	5
3.00%, 09/25/2050[i]	1,155	167
3.50%, 11/25/2027[i]	70	4
3.50%, 07/25/2028[i]	137	7
3.50%, 03/25/2031[i]	70	1
6.00%, 02/25/2043[i]	176	32
(1.00) x 1 Month USD LIBOR + 6.10%		
6.00%, 09/25/2046[i]	182	31
(1.00) x 1 Month USD LIBOR + 6.10%		
Freddie Mac REMICS		
0.56%, 05/15/2049	1,257	1,263
1.00 x 1 Month USD LIBOR + 0.45%		
3.00%, 03/15/2026[i]	4	—
3.00%, 05/15/2027[i]	69	3
3.00%, 10/15/2027[i]	45	3
Ginnie Mae		
2.00%, 12/20/2050[i]	1,024	114
2.50%, 10/20/2050[i]	614	75
2.50%, 12/20/2050[i]	1,165	156
3.00%, 07/20/2050[i]	357	42
3.00%, 10/20/2050[i]	1,060	140
3.00%, 11/20/2050[i]	668	60
3.00%, 11/20/2050[i]	1,153	141
3.00%, 11/20/2050[i]	1,409	183
3.50%, 10/20/2049[i]	518	69
5.40%, 05/20/2042[i]	642	106
(1.00) x 1 Month USD LIBOR + 5.50%		
6.00%, 11/20/2041[i]	188	41
(1.00) x 1 Month USD LIBOR + 6.10%		
6.00%, 06/20/2046[i]	402	78
(1.00) x 1 Month USD LIBOR + 6.10%		
6.04%, 12/20/2043[i]	207	40
(1.00) x 1 Month USD LIBOR + 6.14%		
6.10%, 08/20/2047[i]	1,113	216
(1.00) x 1 Month USD LIBOR + 6.20%		
6.55%, 02/20/2042[i]	116	28
(1.00) x 1 Month USD LIBOR + 6.65%		
6.98%, 04/20/2041[i]	714	138
(1.10) x 1 Month USD LIBOR + 7.10%		
HomeBanc Mortgage Trust 2005-5		
0.78%, 01/25/2036	113	113
1.00 x 1 Month USD LIBOR + 0.68%		
JP Morgan Mortgage Trust 2016-2		
2.65%, 06/25/2046[e],[j]	124	122
Sequoia Mortgage Trust 2016-3		
3.50%, 11/25/2046[e],[j]	23	23
Washington Mutual Mortgage Pass-Through Certificates WMALT Series 2006-AR1 Trust		
0.60%, 02/25/2036	52	45
1.00 x 1 Month USD LIBOR + 0.50%		
		$ 3,490
Office & Business Equipment - 0.03%		
Xerox Corp		
4.38%, 03/15/2023	60	62

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Oil & Gas - 2.82%		
Aethon United BR LP / Aethon United Finance Corp		
8.25%, 02/15/2026[e]	$ 425	$ 457
Antero Resources Corp		
5.00%, 03/01/2025	60	61
7.63%, 02/01/2029[e]	205	228
Ascent Resources Utica Holdings LLC / ARU Finance Corp		
7.00%, 11/01/2026[e]	315	319
Continental Resources Inc/OK		
3.80%, 06/01/2024	605	631
CrownRock LP / CrownRock Finance Inc		
5.63%, 10/15/2025[e]	90	92
Devon Energy Corp		
5.25%, 09/15/2024	55	59
Ecopetrol SA		
4.63%, 11/02/2031	180	175
6.88%, 04/29/2030	175	195
Leviathan Bond Ltd		
5.75%, 06/30/2023[e]	175	179
MEG Energy Corp		
7.13%, 02/01/2027[e]	255	272
Nabors Industries Inc		
9.00%, 02/01/2025[e]	60	62
Oasis Petroleum Inc		
6.38%, 06/01/2026[e]	315	330
Occidental Petroleum Corp		
3.40%, 04/15/2026	242	248
4.40%, 04/15/2046	118	121
5.55%, 03/15/2026	85	95
5.88%, 09/01/2025	425	469
6.13%, 01/01/2031	60	73
6.63%, 09/01/2030	41	51
Petrobras Global Finance BV		
5.09%, 01/15/2030	200	208
5.50%, 06/10/2051	275	255
Petroleos Mexicanos		
6.70%, 02/16/2032[e]	767	775
Qatar Energy		
2.25%, 07/12/2031[e]	200	198
Saudi Arabian Oil Co		
1.63%, 11/24/2025[e]	250	248
Sinopec Group Overseas Development 2017 Ltd		
2.50%, 09/13/2022[e]	325	328
Valero Energy Corp		
2.85%, 04/15/2025	525	544
		$ 6,673
Other Asset Backed Securities - 0.83%		
Dell Equipment Finance Trust 2020-2		
0.47%, 10/24/2022[e]	393	393
Dell Equipment Finance Trust 2021-1		
0.33%, 05/22/2026[e]	838	838
John Deere Owner Trust 2020-B		
0.41%, 03/15/2023	38	38
Verizon Owner Trust 2018-A		
3.23%, 04/20/2023	3	3
Verizon Owner Trust 2020-B		
0.47%, 02/20/2025	430	429
Volvo Financial Equipment LLC Series 2020-1		
0.37%, 04/17/2023[e]	268	268
		$ 1,969
Packaging & Containers - 0.41%		
Ardagh Packaging Finance PLC / Ardagh Holdings USA Inc		
5.25%, 08/15/2027[e]	240	241
Canpack SA / Canpack US LLC		
3.13%, 11/01/2025[e]	200	200

BONDS (continued)	Principal Amount (000's)	Value (000's)
Packaging & Containers (continued)		
Crown Americas LLC / Crown Americas Capital Corp VI		
4.75%, 02/01/2026	$ 65	$ 67
Crown Cork & Seal Co Inc		
7.38%, 12/15/2026	254	306
Flex Acquisition Co Inc		
6.88%, 01/15/2025[e]	90	90
LABL Inc		
5.88%, 11/01/2028[e]	55	57
		$ 961
Pharmaceuticals - 1.15%		
Bausch Health Americas Inc		
8.50%, 01/31/2027[e]	85	89
Bristol-Myers Squibb Co		
4.13%, 06/15/2039	240	284
Cigna Corp		
4.90%, 12/15/2048	35	45
CVS Health Corp		
4.30%, 03/25/2028	31	35
4.88%, 07/20/2035	190	232
5.05%, 03/25/2048	785	1,026
Jazz Securities DAC		
4.38%, 01/15/2029[e]	95	98
Viatris Inc		
1.65%, 06/22/2025	75	75
Zoetis Inc		
3.25%, 02/01/2023	240	245
4.45%, 08/20/2048	345	441
4.70%, 02/01/2043	120	153
		$ 2,723
Pipelines - 3.04%		
Abu Dhabi Crude Oil Pipeline LLC		
3.65%, 11/02/2029[e]	200	220
Antero Midstream Partners LP / Antero Midstream Finance Corp		
5.38%, 06/15/2029[e]	175	185
5.75%, 03/01/2027[e]	155	161
CNX Midstream Partners LP		
4.75%, 04/15/2030[e]	270	269
Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp		
5.63%, 05/01/2027[e]	374	381
Energy Transfer LP		
3.75%, 05/15/2030	505	535
4.50%, 04/15/2024	390	413
5.15%, 03/15/2045	600	678
Enterprise Products Operating LLC		
3.13%, 07/31/2029	510	542
3.30%, 02/15/2053	545	542
4.20%, 01/31/2050	180	202
EQM Midstream Partners LP		
6.00%, 07/01/2025[e]	85	92
Hess Midstream Operations LP		
4.25%, 02/15/2030[e]	270	268
5.63%, 02/15/2026[e]	60	62
Kinder Morgan Inc		
1.75%, 11/15/2026	440	438
NuStar Logistics LP		
5.75%, 10/01/2025	55	59
Sabine Pass Liquefaction LLC		
5.00%, 03/15/2027	175	196
5.75%, 05/15/2024	375	408
Targa Resources Partners LP / Targa Resources Partners Finance Corp		
4.88%, 02/01/2031	645	700
5.88%, 04/15/2026	101	105
6.50%, 07/15/2027	135	145

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Pipelines (continued)		
Williams Cos Inc/The		
4.55%, 06/24/2024	$ 550	$ 589
		$ 7,190
REITs - 1.83%		
American Tower Corp		
1.30%, 09/15/2025	185	182
Cibanco SA Ibm / PLA Administradora Industrial S de RL de CV		
4.96%, 07/18/2029[e]	200	216
CyrusOne LP / CyrusOne Finance Corp		
2.90%, 11/15/2024	295	304
HAT Holdings I LLC / HAT Holdings II LLC		
3.75%, 09/15/2030[e]	160	160
6.00%, 04/15/2025[e]	171	178
Invitation Homes Operating Partnership LP		
2.00%, 08/15/2031	500	471
2.30%, 11/15/2028	495	490
Ladder Capital Finance Holdings LLLP / Ladder Capital Finance Corp		
4.75%, 06/15/2029[e]	243	249
Mid-America Apartments LP		
2.88%, 09/15/2051	229	225
MPT Operating Partnership LP / MPT Finance Corp		
3.50%, 03/15/2031	560	566
VICI Properties LP / VICI Note Co Inc		
3.50%, 02/15/2025[e]	55	56
4.13%, 08/15/2030[e],[l]	1,007	1,065
XHR LP		
4.88%, 06/01/2029[e]	160	163
		$ 4,325
Retail - 0.28%		
At Home Group Inc		
4.88%, 07/15/2028[e]	95	93
Bath & Body Works Inc		
5.25%, 02/01/2028	65	72
6.63%, 10/01/2030[e]	114	129
9.38%, 07/01/2025[e]	53	65
IRB Holding Corp		
7.00%, 06/15/2025[e]	15	16
LSF9 Atlantis Holdings LLC / Victra Finance Corp		
7.75%, 02/15/2026[e]	255	258
Macy's Retail Holdings LLC		
2.88%, 02/15/2023	32	32
		$ 665
Semiconductors - 0.80%		
Broadcom Inc		
3.14%, 11/15/2035[e]	63	64
3.42%, 04/15/2033[e]	732	767
NVIDIA Corp		
3.50%, 04/01/2050	150	171
NXP BV / NXP Funding LLC		
4.63%, 06/01/2023[e]	400	419
NXP BV / NXP Funding LLC / NXP USA Inc		
2.70%, 05/01/2025[e]	60	62
3.15%, 05/01/2027[e]	60	63
Skyworks Solutions Inc		
1.80%, 06/01/2026	85	84
TSMC Arizona Corp		
2.50%, 10/25/2031	250	253
		$ 1,883
Software - 1.03%		
Activision Blizzard Inc		
3.40%, 09/15/2026	250	267
Fiserv Inc		
4.40%, 07/01/2049	190	226

BONDS (continued)	Principal Amount (000's)	Value (000's)
Software (continued)		
Open Text Corp		
3.88%, 02/15/2028[e]	$ 130	$ 133
3.88%, 12/01/2029[e]	385	390
Open Text Holdings Inc		
4.13%, 02/15/2030[e]	295	304
Oracle Corp		
2.50%, 04/01/2025	255	261
2.80%, 04/01/2027	240	247
2.95%, 05/15/2025	100	104
3.95%, 03/25/2051	230	239
salesforce.com Inc		
3.70%, 04/11/2028	230	255
		$ 2,426
Sovereign - 2.86%		
Brazilian Government International Bond		
3.75%, 09/12/2031	365	343
3.88%, 06/12/2030	225	218
Chile Government International Bond		
2.55%, 07/27/2033	200	194
CoBank ACB		
6.25%, 10/01/2026[f],[g] 3 Month USD LIBOR + 4.66%	115	130
Colombia Government International Bond		
3.13%, 04/15/2031	400	359
Dominican Republic International Bond		
4.88%, 09/23/2032[e]	400	406
5.30%, 01/21/2041[e]	200	198
Egypt Government International Bond		
5.25%, 10/06/2025[e]	200	202
5.80%, 09/30/2027[e]	425	408
Ghana Government International Bond		
7.75%, 04/07/2029[e]	200	167
Guatemala Government Bond		
4.50%, 05/03/2026	200	210
Hungary Government International Bond		
3.13%, 09/21/2051[e]	200	197
Mexico Government International Bond		
4.75%, 03/08/2044	280	305
5.00%, 04/27/2051	200	227
Nigeria Government International Bond		
7.38%, 09/28/2033[e]	325	309
Panama Government International Bond		
3.88%, 03/17/2028	200	216
Qatar Government International Bond		
4.63%, 06/02/2046	200	253
Russian Foreign Bond - Eurobond		
5.10%, 03/28/2035[e]	400	472
Saudi Government International Bond		
4.00%, 04/17/2025[e]	275	296
4.50%, 10/26/2046	450	527
Turkey Government International Bond		
6.13%, 10/24/2028	300	279
6.38%, 10/14/2025	250	244
UAE International Government Bond		
3.25%, 10/19/2061[e]	275	286
Ukraine Government International Bond		
7.25%, 03/15/2033[e]	200	176
Uruguay Government International Bond		
5.10%, 06/18/2050	110	145
		$ 6,767
Telecommunications - 2.25%		
AT&T Inc		
2.55%, 12/01/2033	199	195
3.50%, 09/15/2053	954	962
Axtel SAB de CV		
6.38%, 11/14/2024	200	206

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Telecommunications (continued)		
CommScope Inc		
8.25%, 03/01/2027[e]	$ 50	$ 51
Embarq Corp		
8.00%, 06/01/2036	47	53
Empresa Nacional de Telecomunicaciones SA		
3.05%, 09/14/2032[e],[l]	200	197
Ooredoo International Finance Ltd		
3.88%, 01/31/2028	250	275
Sprint Communications Inc		
6.00%, 11/15/2022	75	78
Sprint Corp		
7.63%, 03/01/2026	121	145
7.88%, 09/15/2023	75	83
T-Mobile USA Inc		
2.40%, 03/15/2029[e]	340	343
3.50%, 04/15/2025	315	334
3.50%, 04/15/2031	560	583
4.00%, 04/15/2022	125	126
VEON Holdings BV		
3.38%, 11/25/2027[e]	400	390
Verizon Communications Inc		
2.88%, 11/20/2050	190	180
3.55%, 03/22/2051	940	1,012
Viavi Solutions Inc		
3.75%, 10/01/2029[e]	105	105
		$ 5,318
Transportation - 0.05%		
Eletson Holdings Inc / Eletson Finance US LLC / Agathonissos Finance LLC		
0.00%, 01/15/2022[d],[m]	121	7
Navios Maritime Holdings Inc / Navios Maritime Finance II US Inc		
7.38%, 01/15/2022[e]	65	65
Navios South American Logistics Inc / Navios Logistics Finance US Inc		
10.75%, 07/01/2025[e]	46	48
		$ 120
TOTAL BONDS		$ 136,480

SENIOR FLOATING RATE INTERESTS - 1.63%	Principal Amount (000's)	Value (000's)
Airlines - 0.19%		
AAdvantage Loyalty IP Ltd		
5.50%, 04/20/2028[n]	$ 225	$ 233
1 Month USD LIBOR + 4.75%		
United Airlines Inc		
4.51%, 04/14/2028[n]	223	223
1 Month USD LIBOR + 3.75%		
		$ 456
Commercial Services - 0.11%		
Garda World Security Corp		
4.36%, 10/30/2026[n]	255	254
1 Month USD LIBOR + 4.25%		
Consumer Products - 0.06%		
Kronos Acquisition Holdings Inc		
4.26%, 12/22/2026[n]	138	134
1 Month USD LIBOR + 3.75%		
Diversified Financial Services - 0.19%		
Russell Investments US Institutional Holdco Inc		
4.00%, 05/30/2025[n]	463	463
1 Month USD LIBOR + 3.50%		
Electronics - 0.04%		
Ingram Micro Inc		
4.00%, 06/30/2028[n]	90	90
1 Month USD LIBOR + 3.50%		

SENIOR FLOATING RATE INTERESTS (continued)	Principal Amount (000's)	Value (000's)
Entertainment - 0.10%		
Enterprise Development Authority/The		
5.00%, 02/18/2028[n]	$ 188	$ 187
1 Month USD LIBOR + 4.25%		
Lions Gate Capital Holdings LLC		
2.35%, 03/24/2025[n]	48	48
3 Month USD LIBOR + 2.00%		
		$ 235
Environmental Control - 0.02%		
Madison IAQ LLC		
3.75%, 06/21/2028[n]	50	50
1 Month USD LIBOR + 3.25%		
Food - 0.02%		
Bellring Brands LLC		
4.75%, 10/21/2024[n]	41	41
1 Month USD LIBOR + 4.00%		
Healthcare - Products - 0.06%		
Mozart Borrower LP		
3.75%, 09/30/2028[n]	135	135
1 Month USD LIBOR + 3.25%		
Insurance - 0.18%		
Acrisure LLC		
3.72%, 02/15/2027[n]	144	142
1 Month USD LIBOR + 3.50%		
AssuredPartners Inc		
4.00%, 02/12/2027[n]	128	128
1 Month USD LIBOR + 3.50%		
Asurion LLC		
3.23%, 11/03/2023[n]	49	48
1 Month USD LIBOR + 7.25%		
5.35%, 01/31/2028[n]	100	100
1 Month USD LIBOR + 5.25%		
		$ 418
Lodging - 0.02%		
Golden Nugget LLC		
3.25%, 10/04/2023[n]	61	61
1 Month USD LIBOR + 2.50%		
Media - 0.13%		
CSC Holdings LLC		
2.61%, 04/15/2027[n]	49	48
1 Month USD LIBOR + 2.50%		
Directv Financing LLC		
5.75%, 07/22/2027[n]	269	269
1 Month USD LIBOR + 5.00%		
		$ 317
Oil & Gas - 0.01%		
Ascent Resources Utica Holdings LLC		
10.00%, 11/01/2025[n]	20	21
1 Month USD LIBOR + 9.00%		
Packaging & Containers - 0.12%		
LABL Inc		
5.00%, 10/22/2028[n]	50	50
1 Month USD LIBOR + 5.00%		
Valcour Packaging LLC		
4.25%, 09/30/2028[n]	235	235
1 Month USD LIBOR + 3.75%		
		$ 285
Pharmaceuticals - 0.18%		
Bausch Health Americas Inc		
3.10%, 06/01/2025[n]	256	255
3 Month USD LIBOR + 7.50%		
Endo Luxembourg Finance Co I Sarl		
5.75%, 03/27/2028[n]	27	26
1 Month USD LIBOR + 5.00%		
Jazz Financing Lux Sarl		
4.00%, 05/05/2028[n]	150	150
1 Month USD LIBOR + 3.50%		
		$ 431

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SENIOR FLOATING RATE INTERESTS (continued)	Principal Amount (000's)	Value (000's)
Retail - 0.20%		
At Home Group Inc		
4.75%, 06/24/2028[n]	$ 115	$ 115
1 Month USD LIBOR + 4.25%		
IRB Holding Corp		
3.75%, 02/05/2025[n]	183	183
1 Month USD LIBOR + 2.75%		
4.25%, 12/15/2027[n]	173	173
1 Month USD LIBOR + 3.25%		
		$ 471
TOTAL SENIOR FLOATING RATE INTERESTS		$ 3,862

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS - 42.38%	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) - 1.79%		
2.00%, 02/01/2037	$ 5	$ 5
1.00 x 12 Month USD LIBOR + 1.63%		
3.00%, 10/01/2042	30	32
3.00%, 11/01/2042	177	187
3.00%, 11/01/2042	31	33
3.00%, 03/01/2043	868	925
3.00%, 12/01/2046	64	67
3.50%, 10/01/2041	18	19
3.50%, 04/01/2042	57	62
3.50%, 04/01/2042	24	26
3.50%, 04/01/2045	27	29
3.50%, 10/01/2045	467	503
3.50%, 03/01/2048	69	74
4.00%, 02/01/2045	9	9
4.00%, 02/01/2046	43	48
4.00%, 02/01/2046	163	178
4.00%, 06/01/2046	30	32
4.00%, 04/01/2047	164	178
4.00%, 11/01/2047	208	224
4.50%, 07/01/2024	4	4
4.50%, 10/01/2041	18	20
4.50%, 12/01/2043	483	533
4.50%, 03/01/2046	185	205
5.00%, 06/01/2031	45	49
5.00%, 10/01/2035	18	20
5.00%, 06/01/2041	543	615
6.00%, 06/01/2032	12	14
6.00%, 10/01/2032	7	8
6.00%, 01/01/2038	33	39
6.50%, 03/01/2029	2	2
6.50%, 05/01/2029	3	3
6.50%, 04/01/2031	1	1
6.50%, 02/01/2032	3	3
6.50%, 05/01/2032	2	3
6.50%, 04/01/2035	5	6
7.00%, 12/01/2029	6	6
7.00%, 06/01/2030	3	3
7.00%, 01/01/2031	1	1
7.00%, 12/01/2031	26	26
7.50%, 04/01/2030	1	1
7.50%, 03/01/2031	5	6
8.00%, 09/01/2030	28	29
		$ 4,228
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security - 16.65%		
2.00%, 12/01/2035	522	535
2.00%, 01/01/2037[o]	2,450	2,509
2.00%, 01/01/2051	1,262	1,275
2.00%, 02/01/2051	4,316	4,332
2.00%, 03/01/2051	1,362	1,365
2.00%, 03/01/2051	1,613	1,625
2.00%, 12/01/2051	600	604
2.50%, 06/01/2035	1,227	1,269
2.50%, 08/01/2035	1,450	1,512
2.50%, 01/01/2037[o]	700	723

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
2.50%, 08/01/2050	$ 1,753	$ 1,799
2.50%, 07/01/2051	1,262	1,300
2.50%, 01/01/2052[o]	6,210	6,336
3.00%, 03/01/2034	152	160
3.00%, 03/01/2042	43	45
3.00%, 03/01/2042	41	43
3.00%, 05/01/2042	23	25
3.00%, 06/01/2042	40	42
3.00%, 06/01/2042	19	21
3.00%, 05/01/2043	105	110
3.00%, 07/01/2050	607	635
3.00%, 07/01/2051	2,381	2,481
3.50%, 04/01/2030	192	203
3.50%, 05/01/2034	790	848
3.50%, 08/01/2034	162	172
3.50%, 12/01/2040	34	37
3.50%, 01/01/2041	18	19
3.50%, 12/01/2041	9	9
3.50%, 03/01/2042	17	19
3.50%, 04/01/2042	38	41
3.50%, 11/01/2042	718	783
3.50%, 02/01/2043	28	30
3.50%, 07/01/2043	491	530
3.50%, 01/01/2044	155	167
3.50%, 11/01/2044	834	898
3.50%, 03/01/2045	29	31
3.50%, 06/01/2045	55	59
3.50%, 11/01/2045	30	33
3.50%, 05/01/2046	17	18
3.50%, 10/01/2047	927	1,004
3.50%, 11/01/2047	384	413
3.50%, 03/01/2048	555	598
4.00%, 03/01/2034	219	240
4.00%, 09/01/2040	42	46
4.00%, 05/01/2041	94	104
4.00%, 10/01/2041	26	28
4.00%, 10/01/2041	13	14
4.00%, 11/01/2041	21	23
4.00%, 04/01/2042	15	16
4.00%, 11/01/2043	57	63
4.00%, 11/01/2043	16	18
4.00%, 02/01/2044	65	71
4.00%, 06/01/2044	139	152
4.00%, 09/01/2044	12	13
4.00%, 09/01/2045	58	62
4.00%, 12/01/2045	276	299
4.00%, 08/01/2046	41	45
4.00%, 01/01/2047	23	25
4.00%, 11/01/2047	858	929
4.00%, 05/01/2048	56	60
4.00%, 10/01/2048	175	190
4.00%, 01/01/2049	83	88
4.50%, 07/01/2025	13	14
4.50%, 08/01/2040	23	25
4.50%, 11/01/2040	472	521
4.50%, 12/01/2040	18	20
4.50%, 08/01/2041	15	17
4.50%, 09/01/2041	151	167
4.50%, 05/01/2044	19	21
4.50%, 12/01/2044	38	41
4.50%, 06/01/2046	17	18
4.50%, 05/01/2047	12	13
4.50%, 05/01/2047	31	34
4.50%, 05/01/2049	123	133
5.00%, 10/01/2041	91	102
5.00%, 06/01/2048	217	243
5.50%, 12/01/2022	2	2

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
5.50%, 07/01/2033	$ 108	$ 120
5.50%, 04/01/2035	21	23
5.50%, 08/01/2036	309	353
5.50%, 02/01/2037	2	3
5.50%, 05/01/2040	12	13
6.00%, 05/01/2031	1	1
6.00%, 07/01/2035	86	99
6.00%, 02/01/2037	23	25
6.00%, 02/01/2038	32	37
6.50%, 03/01/2032	1	1
6.50%, 07/01/2037	22	25
6.50%, 07/01/2037	12	14
6.50%, 02/01/2038	25	28
6.50%, 09/01/2038	88	104
		$ 39,361
Government National Mortgage Association (GNMA) - 4.74%		
2.00%, 01/01/2052	1,775	1,791
2.50%, 01/01/2052	3,450	3,533
3.00%, 02/15/2043	188	198
3.00%, 07/20/2044	222	233
3.00%, 01/20/2046	147	154
3.00%, 07/20/2046	226	236
3.00%, 12/20/2046	643	671
3.00%, 01/01/2052	1,000	1,035
3.50%, 04/20/2046	121	130
3.50%, 10/20/2046	174	184
3.50%, 07/20/2047	613	654
4.00%, 02/15/2042	63	70
4.00%, 06/20/2046	22	24
4.00%, 01/20/2048	859	929
4.50%, 09/15/2039	366	419
4.50%, 11/15/2040	58	66
4.50%, 06/20/2048	5	5
5.00%, 02/15/2034	125	145
5.00%, 10/15/2034	44	51
5.00%, 10/20/2039	21	23
5.00%, 07/20/2040	10	11
5.00%, 02/15/2042	54	62
5.50%, 12/20/2033	62	71
5.50%, 05/20/2035	7	8
5.50%, 12/20/2048	179	194
6.00%, 01/20/2029	11	12
6.00%, 07/20/2029	2	2
6.00%, 12/15/2033	9	10
6.00%, 12/20/2036	35	40
6.50%, 03/20/2028	2	2
6.50%, 05/20/2029	2	2
6.50%, 12/15/2032	203	225
7.00%, 03/15/2031	1	1
8.00%, 12/15/2030	4	4
		$ 11,195
U.S. Treasury - 11.38%		
0.38%, 01/31/2026	700	677
1.63%, 08/15/2029	1,100	1,116
1.75%, 04/30/2022	2,300	2,312
1.75%, 06/15/2022	4,000	4,029
1.75%, 08/15/2041	1,050	1,018
2.00%, 08/15/2051[p]	3,740	3,812
2.25%, 11/15/2027	1,000	1,050
3.00%, 05/15/2045	1,140	1,364
3.00%, 11/15/2045[q]	2,750	3,304
3.13%, 05/15/2048	3,210	4,012
3.75%, 11/15/2043	1,650	2,182
4.75%, 02/15/2037	1,435	2,035
		$ 26,911

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
U.S. Treasury Bill - 7.82%		
0.04%, 03/17/2022[r]	$ 14,000	$ 13,998
0.09%, 05/05/2022[r]	4,500	4,499
		$ 18,497
TOTAL U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS		$ 100,192
Total Investments		**$ 252,088**
Other Assets and Liabilities - (6.64)%		**(15,706)**
TOTAL NET ASSETS - 100.00%		**$ 236,382**

(a) Current yield shown is as of period end.
(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $142 or 0.06% of net assets.
(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(d) Non-income producing security
(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities totaled $46,519 or 19.68% of net assets.
(f) Perpetual security. Perpetual securities pay an indefinite stream of interest, but they may be called by the issuer at an earlier date. Date shown, if any, reflects the next call date or final legal maturity date. Rate shown is as of period end.
(g) Rate shown is as of period end. The rate may be a variable or floating rate or a fixed rate which may convert to a variable or floating rate in the future.
(h) Security is a contingent convertible security, ("CoCo"). CoCo's are hybrid debt securities that may convert to equity or have their principal written down upon occurrence of certain "triggers". At the end of the period, the value of these securities totaled $1,349 or 0.57% of net assets.
(i) Security is an Interest Only Strip.
(j) Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description. Rate shown is the rate in effect as of period end.
(k) Payment in kind; the issuer has the option of paying additional securities in lieu of cash.
(l) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $137 or 0.06% of net assets.
(m) The value of these investments was determined using significant unobservable inputs, in good faith by the Manager, under procedures established and periodically reviewed by the Board of Directors.
(n) Rate information disclosed is based on an average weighted rate of the underlying tranches as of period end.
(o) Security was purchased in a "to-be-announced" ("TBA") transaction.
(p) Security or a portion of the security was pledged to cover margin requirements for swap and/or swaption contracts. At the end of the period, the value of these securities totaled $408 or 0.17% of net assets.
(q) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At the end of the period, the value of these securities totaled $264 or 0.11% of net assets.
(r) Rate shown is the discount rate of the original purchase.

Schedule of Investments
Core Plus Bond Account
December 31, 2021

Portfolio Summary (unaudited)

Sector	Percent
Mortgage Securities	26.60%
Government	22.06%
Financial	14.97%
Consumer, Non-cyclical	6.89%
Energy	6.05%
Communications	5.56%
Consumer, Cyclical	5.49%
Money Market Funds	4.79%
Industrial	4.02%
Asset Backed Securities	3.03%
Utilities	2.65%
Basic Materials	2.38%
Technology	2.15%
Other Assets and Liabilities	(6.64)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 10,172	$ 287,523	$ 286,517	$ 11,178
	$ 10,172	$ 287,523	$ 286,517	$ 11,178

	Income[a]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Futures Contracts

Description and Expiration Date	Type	Contracts	Notional Amount	Value and Unrealized Appreciation/(Depreciation)
US 10 Year Note; March 2022	Short	30	$ 3,914	$ 19
US 2 Year Note; March 2022	Short	10	2,182	5
US 5 Year Note; March 2022	Long	51	6,170	(6)
US Long Bond; March 2022	Long	2	321	2
Total				$ 20

Amounts in thousands except contracts.

Exchange Cleared Credit Default Swaps

Buy Protection

Reference Entity	Implied Credit Spread as of December 31, 2021 (a)	(Pay)/ Receive Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Upfront Payments/ (Receipts)	Unrealized Appreciation/ (Depreciation)	Fair Value
CDX.EM.36.100	N/A	(1.00)%	Quarterly	12/20/2026	$ 8,240	$ 339	$ (6)	$ 333
Total						$ 339	$ (6)	$ 333

Amounts in thousands.

(a) Implied credit spreads, represented in absolute terms, used in determining the market value of credit default swap agreements on corporate issues or sovereign issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

Schedule of Investments
Diversified Balanced Account
December 31, 2021

INVESTMENT COMPANIES - 100.03%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 15.25%		
International Equity Index Fund [(a)]	6,056,534	$ 71,164
MidCap S&P 400 Index Fund [(a)]	1,684,737	41,040
SmallCap S&P 600 Index Fund [(a)]	1,323,239	41,100
		$ 153,304
Principal Variable Contracts Funds, Inc. Class 1 - 84.78%		
Bond Market Index Account [(a)]	46,355,032	498,779
LargeCap S&P 500 Index Account [(a)]	13,843,093	353,415
		$ 852,194
TOTAL INVESTMENT COMPANIES		$ 1,005,498
Total Investments		**$ 1,005,498**
Other Assets and Liabilities - (0.03)%		**(254)**
TOTAL NET ASSETS - 100.00%		**$ 1,005,244**

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Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	49.62%
Domestic Equity Funds	43.33%
International Equity Funds	7.08%
Other Assets and Liabilities	(0.03)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 505,059	$ 82,242	$ 67,856	$ 498,779
International Equity Index Fund	72,147	9,490	14,528	71,164
LargeCap S&P 500 Index Account	358,328	37,938	99,410	353,415
MidCap S&P 400 Index Fund	43,453	7,301	15,814	41,040
SmallCap S&P 600 Index Fund	41,548	8,224	15,277	41,100
	$ 1,020,535	$ 145,195	$ 212,885	$ 1,005,498

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 10,609	$ (100)	$ 788	$ (20,566)
International Equity Index Fund	2,241	875	1,291	3,180
LargeCap S&P 500 Index Account	5,643	38,296	27,681	18,263
MidCap S&P 400 Index Fund	1,145	4,040	2,131	2,060
SmallCap S&P 600 Index Fund	1,034	5,699	2,411	906
	$ 20,672	$ 48,810	$ 34,302	$ 3,843

Amounts in thousands.

Schedule of Investments
Diversified Balanced Managed Volatility Account
December 31, 2021

INVESTMENT COMPANIES - 100.03%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 15.26%		
International Equity Index Fund [(a)]	1,109,584	$ 13,037
MidCap S&P 400 Index Fund [(a)]	308,623	7,518
SmallCap S&P 600 Index Fund [(a)]	242,397	7,529
		$ 28,084
Principal Variable Contracts Funds, Inc. Class 1 - 84.77%		
Bond Market Index Account [(a)]	8,493,688	91,392
LargeCap S&P 500 Managed Volatility Index Account [(a)]	3,427,657	64,646
		$ 156,038
TOTAL INVESTMENT COMPANIES		$ 184,122
Total Investments		**$ 184,122**
Other Assets and Liabilities - (0.03)%		**(51)**
TOTAL NET ASSETS - 100.00%		**$ 184,071**

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Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	49.65%
Domestic Equity Funds	43.30%
International Equity Funds	7.08%
Other Assets and Liabilities	(0.03)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 91,710	$ 18,181	$ 14,744	$ 91,392
International Equity Index Fund	13,099	2,234	3,034	13,037
LargeCap S&P 500 Managed Volatility Index Account	64,965	10,853	18,873	64,646
MidCap S&P 400 Index Fund	7,885	1,630	3,103	7,518
SmallCap S&P 600 Index Fund	7,543	1,804	3,013	7,529
	$ 185,202	$ 34,702	$ 42,767	$ 184,122

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 1,939	$ (28)	$ 144	$ (3,727)
International Equity Index Fund	409	159	236	579
LargeCap S&P 500 Managed Volatility Index Account	1,985	4,265	5,272	3,436
MidCap S&P 400 Index Fund	209	364	389	742
SmallCap S&P 600 Index Fund	189	449	441	746
	$ 4,731	$ 5,209	$ 6,482	$ 1,776

Amounts in thousands.

Schedule of Investments
Diversified Balanced Volatility Control Account
December 31, 2021

INVESTMENT COMPANIES - 100.05%	Shares Held	Value (000's)
Exchange-Traded Funds - 14.16%		
iShares Core S&P 500 ETF	68,235	$ 32,548
Money Market Funds - 5.94%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	13,644,812	13,645
Principal Funds, Inc. Class R-6 - 15.25%		
International Equity Index Fund [a]	1,384,608	16,269
MidCap S&P 400 Index Fund [a]	385,143	9,382
SmallCap S&P 600 Index Fund [a]	302,480	9,395
		$ 35,046
Principal Variable Contracts Funds, Inc. Class 1 - 64.70%		
Bond Market Index Account [a]	10,598,753	114,043
LargeCap S&P 500 Index Account [a]	1,356,413	34,629
		$ 148,672
TOTAL INVESTMENT COMPANIES		$ 229,911
Total Investments		**$ 229,911**
Other Assets and Liabilities - (0.05)%		**(113)**
TOTAL NET ASSETS - 100.00%		**$ 229,798**

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(b) Non-income producing security
(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	49.63%
Domestic Equity Funds	23.24%
Investment Companies	14.16%
International Equity Funds	7.08%
Money Market Funds	5.94%
Other Assets and Liabilities	(0.05)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 91,650	$ 31,236	$ 4,726	$ 114,043
International Equity Index Fund	12,904	4,236	1,540	16,269
LargeCap S&P 500 Index Account	27,748	8,035	5,934	34,629
MidCap S&P 400 Index Fund	7,812	2,695	2,206	9,382
Principal Government Money Market Fund - Institutional Class 0.00%	16	83,320	69,691	13,645
SmallCap S&P 600 Index Fund	7,467	3,095	2,300	9,395
	$ 147,597	$ 132,617	$ 86,397	$ 197,363

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 2,263	$ —	168$	(4,117)
International Equity Index Fund	510	14	292	655
LargeCap S&P 500 Index Account	516	221	2,530	4,559
MidCap S&P 400 Index Fund	259	57	481	1,024
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
SmallCap S&P 600 Index Fund	234	53	545	1,080
	$ 3,782	$ 345	4,016$	3,201

Amounts in thousands.

Schedule of Investments
Diversified Growth Account
December 31, 2021

INVESTMENT COMPANIES - 100.03%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 20.28%		
International Equity Index Fund [(a)]	34,128,568	$ 401,011
MidCap S&P 400 Index Fund [(a)]	8,306,952	202,357
SmallCap S&P 600 Index Fund [(a)]	6,524,508	202,651
		$ 806,019
Principal Variable Contracts Funds, Inc. Class 1 - 79.75%		
Bond Market Index Account [(a)]	127,985,833	1,377,128
LargeCap S&P 500 Index Account [(a)]	70,205,088	1,792,336
		$ 3,169,464
TOTAL INVESTMENT COMPANIES		$ 3,975,483
Total Investments		**$ 3,975,483**
Other Assets and Liabilities - (0.03)%		**(1,027)**
TOTAL NET ASSETS - 100.00%		**$ 3,974,456**

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Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	55.29%
Fixed Income Funds	34.65%
International Equity Funds	10.09%
Other Assets and Liabilities	(0.03)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 1,331,210	$ 265,754	$ 164,304	$ 1,377,128
International Equity Index Fund	388,104	55,340	63,866	401,011
LargeCap S&P 500 Index Account	1,734,766	180,045	401,017	1,792,336
MidCap S&P 400 Index Fund	204,469	35,123	65,790	202,357
SmallCap S&P 600 Index Fund	195,539	39,658	63,281	202,651
	$ 3,854,088	$ 575,920	$ 758,258	$ 3,975,483

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 28,992	$ (294)	$ 2,154	$ (55,238)
International Equity Index Fund	12,646	1,615	7,282	19,818
LargeCap S&P 500 Index Account	28,329	118,631	138,930	159,911
MidCap S&P 400 Index Fund	5,651	11,085	10,516	17,470
SmallCap S&P 600 Index Fund	5,106	14,708	11,902	16,027
	$ 80,724	$ 145,745	$ 170,784	$ 157,988

Amounts in thousands.

Schedule of Investments
Diversified Growth Managed Volatility Account
December 31, 2021

INVESTMENT COMPANIES - 100.03%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 20.30%		
International Equity Index Fund [(a)]	3,342,075	$ 39,269
MidCap S&P 400 Index Fund [(a)]	813,465	19,816
SmallCap S&P 600 Index Fund [(a)]	638,915	19,845
		$ 78,930
Principal Variable Contracts Funds, Inc. Class 1 - 79.73%		
Bond Market Index Account [(a)]	12,533,120	134,856
LargeCap S&P 500 Managed Volatility Index Account [(a)]	9,291,727	175,242
		$ 310,098
TOTAL INVESTMENT COMPANIES		$ 389,028
Total Investments		**$ 389,028**
Other Assets and Liabilities - (0.03)%		**(104)**
TOTAL NET ASSETS - 100.00%		**$ 388,924**

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Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	55.26%
Fixed Income Funds	34.67%
International Equity Funds	10.10%
Other Assets and Liabilities	(0.03)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 130,772	$ 28,064	$ 18,551	$ 134,856
International Equity Index Fund	38,125	6,170	7,173	39,269
LargeCap S&P 500 Managed Volatility Index Account	170,159	25,007	40,413	175,242
MidCap S&P 400 Index Fund	20,086	3,858	6,948	19,816
SmallCap S&P 600 Index Fund	19,208	4,315	6,704	19,845
	$ 378,350	$ 67,414	$ 79,789	$ 389,028

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 2,849	$ (24)	$ 212	$ (5,405)
International Equity Index Fund	1,238	395	713	1,752
LargeCap S&P 500 Managed Volatility Index Account	5,357	9,383	14,222	11,106
MidCap S&P 400 Index Fund	553	769	1,030	2,051
SmallCap S&P 600 Index Fund	500	973	1,165	2,053
	$ 10,497	$ 11,496	$ 17,342	$ 11,557

Amounts in thousands.

Schedule of Investments
Diversified Growth Volatility Control Account
December 31, 2021

INVESTMENT COMPANIES - 100.10%	Shares Held	Value (000's)
Exchange-Traded Funds - 12.35%		
iShares Core S&P 500 ETF	330,769	$ 157,774
Money Market Funds - 7.74%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	98,839,265	98,839
Principal Funds, Inc. Class R-6 - 20.28%		
International Equity Index Fund [a]	10,970,012	128,898
MidCap S&P 400 Index Fund [a]	2,670,036	65,042
SmallCap S&P 600 Index Fund [a]	2,096,994	65,132
		$ 259,072
Principal Variable Contracts Funds, Inc. Class 1 - 59.73%		
Bond Market Index Account [a]	41,143,879	442,708
LargeCap S&P 500 Index Account [a]	12,537,330	320,078
		$ 762,786
TOTAL INVESTMENT COMPANIES		$ 1,278,471
Total Investments		**$ 1,278,471**
Other Assets and Liabilities - (0.10)%		**(1,331)**
TOTAL NET ASSETS - 100.00%		**$ 1,277,140**

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(b) Non-income producing security
(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	35.25%
Fixed Income Funds	34.67%
Investment Companies	12.35%
International Equity Funds	10.09%
Money Market Funds	7.74%
Other Assets and Liabilities	(0.10)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 345,450	$ 125,730	$ 12,672	$ 442,708
International Equity Index Fund	99,275	32,204	7,565	128,898
LargeCap S&P 500 Index Account	249,036	68,063	40,047	320,078
MidCap S&P 400 Index Fund	52,573	17,719	12,460	65,042
Principal Government Money Market Fund - Institutional Class 0.00%	111	564,643	465,915	98,839
SmallCap S&P 600 Index Fund	50,260	20,493	13,163	65,132
	$ 796,705	$ 828,852	$ 551,822	$ 1,120,697

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 8,769	$ 2	$ 651	$ (15,802)
International Equity Index Fund	4,054	45	2,319	4,939
LargeCap S&P 500 Index Account	4,761	741	23,347	42,285
MidCap S&P 400 Index Fund	1,800	277	3,349	6,933
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
SmallCap S&P 600 Index Fund	1,627	221	3,791	7,321
	$ 21,011	$ 1,286	$ 33,457	$ 45,676

Amounts in thousands.

Schedule of Investments
Diversified Income Account
December 31, 2021

INVESTMENT COMPANIES - 100.03%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 10.20%		
International Equity Index Fund [(a)]	1,127,585	$ 13,249
MidCap S&P 400 Index Fund [(a)]	411,672	10,028
SmallCap S&P 600 Index Fund [(a)]	323,337	10,043
		$ 33,320
Principal Variable Contracts Funds, Inc. Class 1 - 89.83%		
Bond Market Index Account [(a)]	19,635,650	211,280
LargeCap S&P 500 Index Account [(a)]	3,221,760	82,251
		$ 293,531
TOTAL INVESTMENT COMPANIES		$ 326,851
Total Investments		**$ 326,851**
Other Assets and Liabilities - (0.03)%		**(87)**
TOTAL NET ASSETS - 100.00%		**$ 326,764**

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Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	64.66%
Domestic Equity Funds	31.31%
International Equity Funds	4.06%
Other Assets and Liabilities	(0.03)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Bond Market Index Account	$ 208,836	$ 53,037	$ 41,780	$ 211,280
International Equity Index Fund	13,109	3,243	3,852	13,249
LargeCap S&P 500 Index Account	81,405	19,073	31,289	82,251
MidCap S&P 400 Index Fund	10,363	2,974	4,800	10,028
SmallCap S&P 600 Index Fund	9,910	3,203	4,677	10,043
	$ 323,623	$ 81,530	$ 86,398	$ 326,851

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Bond Market Index Account	$ 4,507	$ 1	$ 335	$ (8,814)
International Equity Index Fund	416	122	239	627
LargeCap S&P 500 Index Account	1,318	4,408	6,462	8,654
MidCap S&P 400 Index Fund	278	605	518	886
SmallCap S&P 600 Index Fund	251	795	587	812
	$ 6,770	$ 5,931	$ 8,141	$ 2,165

Amounts in thousands.

Schedule of Investments
Diversified International Account
December 31, 2021

INVESTMENT COMPANIES - 0.58%	Shares Held	Value (000's)
Money Market Funds - 0.58%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	1,638,410	$ 1,638
Principal Government Money Market Fund - Institutional Class 0.00%[a],[c],[d]	114,939	115
		$ 1,753
TOTAL INVESTMENT COMPANIES		$ 1,753

COMMON STOCKS - 99.81%	Shares Held	Value (000's)
Airlines - 0.28%		
Copa Holdings SA [d]	10,055	$ 831
Apparel - 2.67%		
Gildan Activewear Inc	38,900	1,650
Kering SA	2,954	2,370
LVMH Moet Hennessy Louis Vuitton SE	4,804	3,970
		$ 7,990
Automobile Manufacturers - 3.68%		
Bayerische Motoren Werke AG	16,658	1,666
Ferrari NV	3,607	928
Kia Corp [d]	27,208	1,878
Toyota Motor Corp	277,000	5,120
Volvo AB - B Shares	61,150	1,414
		$ 11,006
Automobile Parts & Equipment - 0.95%		
Toyota Industries Corp	35,600	2,848
Banks - 11.22%		
Bank Leumi Le-Israel BM	140,612	1,508
Bank Rakyat Indonesia Persero Tbk PT	8,369,208	2,410
BNP Paribas SA	32,233	2,229
Canadian Imperial Bank of Commerce	11,200	1,306
DBS Group Holdings Ltd	122,100	2,957
DNB Bank ASA	80,100	1,832
Grupo Financiero Banorte SAB de CV	174,759	1,137
HDFC Bank Ltd ADR	15,362	1,000
ICICI Bank Ltd ADR	147,592	2,921
Intesa Sanpaolo SpA	946,251	2,444
Kasikornbank PCL	207,000	876
Kotak Mahindra Bank Ltd	50,982	1,227
Lloyds Banking Group PLC	4,403,046	2,859
Mediobanca Banca di Credito Finanziario SpA	193,592	2,222
PT Bank Central Asia Tbk	1,862,400	954
TCS Group Holding PLC	21,368	1,801
Toronto-Dominion Bank/The	28,700	2,200
United Overseas Bank Ltd	85,600	1,710
		$ 33,593
Beverages - 1.11%		
Carlsberg AS	12,246	2,114
Heineken NV	10,771	1,212
		$ 3,326
Biotechnology - 1.05%		
CSL Ltd	9,280	1,963
Genmab A/S [d]	2,935	1,171
		$ 3,134
Building Materials - 4.70%		
Beijing New Building Materials PLC	136,397	770
Beijing Oriental Yuhong Waterproof Technology Co Ltd	184,100	1,528
China Lesso Group Holdings Ltd	725,000	1,042
Cie de Saint-Gobain	48,534	3,414
CRH PLC	69,483	3,678
Geberit AG	1,636	1,334
HeidelbergCement AG	20,734	1,403
Voltas Ltd	55,058	901
		$ 14,070
Chemicals - 2.35%		
Akzo Nobel NV	14,636	1,608
Evonik Industries AG	29,945	967
Koninklijke DSM NV	8,906	2,006
Nippon Sanso Holdings Corp	32,700	715

COMMON STOCKS (continued)	Shares Held	Value (000's)
Chemicals (continued)		
Shin-Etsu Chemical Co Ltd	10,100	$ 1,753
		$ 7,049
Commercial Services - 0.47%		
TechnoPro Holdings Inc	46,300	1,403
Computers - 4.08%		
Capgemini SE	14,727	3,609
Globant SA [d]	2,965	931
Infosys Ltd	132,990	3,368
LG Corp [d]	9,859	671
Logitech International SA	27,266	2,287
Nomura Research Institute Ltd	31,400	1,343
		$ 12,209
Consumer Products - 0.92%		
Hindustan Unilever Ltd	37,011	1,172
Reckitt Benckiser Group PLC	18,430	1,586
		$ 2,758
Cosmetics & Personal Care - 1.12%		
L'Oreal SA	7,015	3,345
Distribution & Wholesale - 2.24%		
Bunzl PLC	32,066	1,253
Ferguson PLC	14,312	2,542
ITOCHU Corp	71,300	2,181
Pop Mart International Group Ltd [d],[e]	126,400	726
		$ 6,702
Diversified Financial Services - 2.30%		
Banca Generali SpA	19,236	844
Euronext NV [e]	7,604	791
Housing Development Finance Corp Ltd	64,177	2,220
KB Financial Group Inc	26,103	1,207
SBI Holdings Inc/Japan	24,800	676
St James's Place PLC	49,563	1,133
		$ 6,871
Electric - 1.93%		
Enel SpA	259,188	2,073
Iberdrola SA	207,894	2,461
Northland Power Inc	41,200	1,236
		$ 5,770
Electrical Components & Equipment - 0.55%		
Delta Electronics Inc	165,000	1,637
Electronics - 0.98%		
Hoya Corp	19,796	2,938
Engineering & Construction - 0.59%		
Vinci SA	16,850	1,780
Food - 3.36%		
Ajinomoto Co Inc	35,800	1,090
Dino Polska SA [d],[e]	10,310	937
Nestle SA	42,272	5,902
Seven & i Holdings Co Ltd	48,400	2,129
		$ 10,058
Hand & Machine Tools - 0.49%		
Techtronic Industries Co Ltd	73,500	1,465
Healthcare - Products - 1.81%		
Alcon Inc	25,007	2,206
Getinge AB	34,504	1,504
Sartorius Stedim Biotech	1,759	966
Tecan Group AG	1,244	755
		$ 5,431
Healthcare - Services - 2.31%		
Fresenius SE & Co KGaA	23,998	964
ICON PLC [d]	10,055	3,114
Lonza Group AG	3,419	2,847
		$ 6,925
Home Builders - 1.43%		
Daiwa House Industry Co Ltd	25,300	727
Persimmon PLC	47,112	1,826
Taylor Wimpey PLC	720,076	1,717
		$ 4,270

See accompanying notes.

Schedule of Investments
Diversified International Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Home Furnishings - 2.77%		
Haier Smart Home Co Ltd	313,600	$ 1,327
Howden Joinery Group PLC	140,018	1,715
JS Global Lifestyle Co Ltd [e]	328,500	553
Sony Group Corp	37,300	4,710
		$ 8,305
Insurance - 3.09%		
AIA Group Ltd	318,400	3,213
AXA SA	53,385	1,589
Fairfax Financial Holdings Ltd	2,400	1,181
ICICI Lombard General Insurance Co Ltd [e]	33,810	636
Legal & General Group PLC	279,450	1,128
Sampo Oyj	30,292	1,516
		$ 9,263
Internet - 2.01%		
East Money Information Co Ltd	134,997	789
Shopify Inc [d]	1,790	2,466
Tencent Holdings Ltd	47,493	2,771
		$ 6,026
Iron & Steel - 0.50%		
Vale SA	106,700	1,493
Leisure Products & Services - 1.09%		
Shimano Inc	8,400	2,237
Yamaha Motor Co Ltd [f]	42,700	1,026
		$ 3,263
Machinery - Construction & Mining - 0.42%		
Weir Group PLC/The	53,858	1,250
Machinery - Diversified - 3.10%		
Atlas Copco AB - A Shares	30,425	2,102
Ebara Corp	41,600	2,311
GEA Group AG	22,573	1,233
Keyence Corp	3,500	2,201
Omron Corp	14,400	1,435
		$ 9,282
Mining - 1.53%		
Anglo American PLC	34,576	1,422
Franco-Nevada Corp	12,167	1,683
Rio Tinto Ltd	20,082	1,465
		$ 4,570
Miscellaneous Manufacturers - 1.61%		
JSR Corp	40,300	1,531
Pidilite Industries Ltd	25,821	854
Siemens AG	14,104	2,443
		$ 4,828
Oil & Gas - 3.91%		
BP PLC	501,590	2,247
Equinor ASA	63,816	1,690
LUKOIL PJSC ADR	18,208	1,632
Neste Oyj	24,109	1,187
Reliance Industries Ltd	57,640	1,831
TotalEnergies SE	61,538	3,132
		$ 11,719
Pharmaceuticals - 5.61%		
AstraZeneca PLC	37,990	4,436
Dechra Pharmaceuticals PLC	11,862	858
Novo Nordisk A/S	47,106	5,291
Roche Holding AG	14,979	6,214
		$ 16,799
Private Equity - 3.47%		
3i Group PLC	219,833	4,310
Brookfield Asset Management Inc	73,869	4,461
Intermediate Capital Group PLC	54,440	1,621
		$ 10,392
Real Estate - 0.26%		
Shimao Services Holdings Ltd [e]	308,000	215
Tokyo Tatemono Co Ltd [f]	37,900	554
		$ 769
REITs - 0.18%		
Keppel DC REIT	296,700	$ 544
Retail - 3.59%		
Alimentation Couche-Tard Inc	59,746	2,503
Bosideng International Holdings Ltd	2,024,000	1,275
Home Product Center PCL	1,100,400	478
JD Sports Fashion PLC [d]	753,640	2,222
Li Ning Co Ltd	186,500	2,046
Wal-Mart de Mexico SAB de CV	594,422	2,213
		$ 10,737
Semiconductors - 9.03%		
Advantest Corp	16,700	1,581
ASM International NV	3,112	1,374
ASML Holding NV	8,835	7,077
MediaTek Inc	54,000	2,317
Nordic Semiconductor ASA [d]	26,871	901
Samsung Electronics Co Ltd	89,146	5,855
Taiwan Semiconductor Manufacturing Co Ltd	359,140	7,945
		$ 27,050
Software - 0.84%		
Capcom Co Ltd	28,000	660
Dassault Systemes SE	24,027	1,426
DeNA Co Ltd	28,400	437
		$ 2,523
Telecommunications - 1.75%		
Deutsche Telekom AG	60,757	1,122
Nice Ltd ADR[d]	2,724	827
Nippon Telegraph & Telephone Corp	71,700	1,961
SoftBank Group Corp	27,800	1,333
		$ 5,243
Toys, Games & Hobbies - 1.14%		
Nintendo Co Ltd	7,300	3,415
Transportation - 1.32%		
Canadian National Railway Co	16,128	1,981
Deutsche Post AG	30,822	1,983
		$ 3,964
TOTAL COMMON STOCKS		$ 298,844
Total Investments		**$ 300,597**
Other Assets and Liabilities - (0.39)%		**(1,171)**
TOTAL NET ASSETS - 100.00%		**$ 299,426**

(a) Current yield shown is as of period end.

(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $1,638 or 0.55% of net assets.

(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(d) Non-income producing security

(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities totaled $3,858 or 1.29% of net assets.

(f) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $1,564 or 0.52% of net assets.

Schedule of Investments
Diversified International Account
December 31, 2021

Portfolio Summary (unaudited)

Location	Percent
Japan	16.14%
United Kingdom	11.42%
France	9.30%
Switzerland	7.18%
Canada	6.90%
India	5.38%
Netherlands	4.70%
Taiwan	3.97%
Germany	3.93%
China	3.74%
Korea, Republic Of	3.21%
Denmark	2.87%
Italy	2.84%
Ireland	2.27%
Hong Kong	2.18%
Singapore	1.74%
Sweden	1.67%
Norway	1.47%
Australia	1.15%
Indonesia	1.13%
Mexico	1.12%
Finland	0.91%
Spain	0.82%
Israel	0.78%
Cyprus	0.60%
United States	0.58%
Russian Federation	0.54%
Brazil	0.50%
Thailand	0.45%
Uruguay	0.31%
Poland	0.31%
Panama	0.28%
Other Assets and Liabilities	(0.39)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 1,712	$ 104,014	$ 105,611	$ 115
	$ 1,712	$ 104,014	$ 105,611	$ 115

	Income[(a)]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —	$ —	$ —	$ —
	$ —	$ —	$ —	$ —

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Schedule of Investments
Equity Income Account
December 31, 2021

INVESTMENT COMPANIES - 1.46%	Shares Held	Value (000's)
Money Market Funds - 1.46%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	22,680	$ 23
Principal Government Money Market Fund - Institutional Class 0.00%[a],[c],[d]	11,037,191	11,037
		$ 11,060
TOTAL INVESTMENT COMPANIES		$ 11,060

COMMON STOCKS - 98.68%	Shares Held	Value (000's)
Apparel - 1.73%		
NIKE Inc	78,581	$ 13,097
Automobile Manufacturers - 2.14%		
PACCAR Inc	183,016	16,153
Automobile Parts & Equipment - 2.35%		
Magna International Inc	219,770	17,788
Banks - 8.82%		
Bank of America Corp	161,546	7,187
First Republic Bank/CA	80,400	16,603
JPMorgan Chase & Co	110,116	17,437
Morgan Stanley	111,193	10,915
PNC Financial Services Group Inc/The	72,097	14,457
		$ 66,599
Beverages - 1.84%		
Coca-Cola Co/The	234,616	13,892
Biotechnology - 1.84%		
Corteva Inc	294,121	13,906
Chemicals - 2.48%		
Air Products and Chemicals Inc	31,625	9,622
PPG Industries Inc	52,931	9,128
		$ 18,750
Computers - 2.01%		
Apple Inc	85,339	15,154
Diversified Financial Services - 4.24%		
BlackRock Inc	23,442	21,463
Discover Financial Services	91,487	10,572
		$ 32,035
Electric - 5.65%		
Eversource Energy	92,460	8,412
NextEra Energy Inc	146,873	13,712
Sempra Energy	29,769	3,938
WEC Energy Group Inc	84,406	8,193
Xcel Energy Inc	123,929	8,390
		$ 42,645
Electronics - 0.85%		
Honeywell International Inc	30,725	6,407
Food - 3.25%		
Hormel Foods Corp	331,335	16,172
Tyson Foods Inc	96,347	8,398
		$ 24,570
Healthcare - Products - 5.80%		
Abbott Laboratories	161,123	22,677
Medtronic PLC	135,885	14,057
STERIS PLC	29,038	7,068
		$ 43,802
Healthcare - Services - 1.05%		
UnitedHealth Group Inc	15,784	7,926
Insurance - 4.37%		
Chubb Ltd	67,128	12,977
Fidelity National Financial Inc	249,300	13,008
Swiss Re AG ADR[e]	283,805	7,033
		$ 33,018
Machinery - Construction & Mining - 0.64%		
Caterpillar Inc	23,402	4,838
Machinery - Diversified - 2.06%		
Deere & Co	45,377	15,559
Media - 1.76%		
Cable One Inc	3,792	6,687
Comcast Corp - Class A	132,018	6,644
		$ 13,331

COMMON STOCKS (continued)	Shares Held	Value (000's)
Miscellaneous Manufacturers - 4.19%		
Parker-Hannifin Corp	58,441	$ 18,591
Trane Technologies PLC	64,525	13,036
		$ 31,627
Oil & Gas - 3.70%		
Chevron Corp	78,510	9,213
EOG Resources Inc	111,368	9,893
Marathon Petroleum Corp	138,736	8,878
		$ 27,984
Pharmaceuticals - 9.95%		
Becton Dickinson and Co	58,326	14,668
Eli Lilly & Co	7,836	2,164
Merck & Co Inc	197,650	15,148
Novartis AG ADR	139,565	12,208
Pfizer Inc	201,223	11,882
Roche Holding AG ADR	370,058	19,128
		$ 75,198
Pipelines - 0.96%		
Enterprise Products Partners LP	330,410	7,256
Private Equity - 2.83%		
KKR & Co Inc	286,539	21,347
REITs - 4.68%		
Alexandria Real Estate Equities Inc	60,354	13,456
Digital Realty Trust Inc	80,663	14,267
Realty Income Corp	106,507	7,625
		$ 35,348
Retail - 3.99%		
Costco Wholesale Corp	24,190	13,733
Starbucks Corp	85,324	9,980
Target Corp	27,875	6,451
		$ 30,164
Semiconductors - 4.15%		
Microchip Technology Inc	190,048	16,546
Taiwan Semiconductor Manufacturing Co Ltd ADR	123,193	14,821
		$ 31,367
Software - 4.36%		
Activision Blizzard Inc	99,828	6,641
Fidelity National Information Services Inc	60,676	6,623
Microsoft Corp	37,958	12,766
SAP SE ADR	49,559	6,944
		$ 32,974
Telecommunications - 4.41%		
BCE Inc	346,008	18,006
Verizon Communications Inc	294,051	15,279
		$ 33,285
Transportation - 2.58%		
Expeditors International of Washington Inc	58,923	7,913
Union Pacific Corp	45,947	11,575
		$ 19,488
TOTAL COMMON STOCKS		$ 745,508
Total Investments		**$ 756,568**
Other Assets and Liabilities - (0.14)%		**(1,072)**
TOTAL NET ASSETS - 100.00%		**$ 755,496**

(a) Current yield shown is as of period end.
(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $23 or 0.00% of net assets.
(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(d) Non-income producing security
(e) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $22 or 0.00% of net assets.

See accompanying notes.

Schedule of Investments
Equity Income Account
December 31, 2021

Portfolio Summary (unaudited)

Sector	Percent
Financial	24.94%
Consumer, Non-cyclical	23.73%
Technology	10.52%
Industrial	10.32%
Consumer, Cyclical	10.21%
Communications	6.17%
Utilities	5.65%
Energy	4.66%
Basic Materials	2.48%
Money Market Funds	1.46%
Other Assets and Liabilities	(0.14)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 15,730	$ 255,226	$ 259,919	$ 11,037
	$ 15,730	$ 255,226	$ 259,919	$ 11,037

	Income[(a)]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Schedule of Investments
Government & High Quality Bond Account
December 31, 2021

INVESTMENT COMPANIES - 9.10%	Shares Held	Value (000's)
Money Market Funds - 9.10%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	17,989,837	$ 17,990
TOTAL INVESTMENT COMPANIES		$ 17,990

BONDS - 15.96%	Principal Amount (000's)	Value (000's)
Automobile Asset Backed Securities - 7.26%		
AmeriCredit Automobile Receivables Trust 2020-3		
0.42%, 03/18/2024	$ 353	$ 352
AmeriCredit Automobile Receivables Trust 2021-1		
0.28%, 06/18/2024	714	714
BMW Vehicle Lease Trust 2021-1		
0.20%, 03/27/2023	606	606
Carmax Auto Owner Trust 2021-1		
0.22%, 02/15/2024	665	665
CarMax Auto Owner Trust 2021-4		
0.24%, 11/15/2024	465	464
Carvana Auto Receivables Trust		
0.82%, 04/10/2025	1,450	1,450
Carvana Auto Receivables Trust 2021-P3		
0.38%, 01/10/2025	1,470	1,467
Drive Auto Receivables Trust 2021-2		
0.36%, 05/15/2024	2,185	2,184
Ford Credit Auto Owner Trust 2020-C		
0.25%, 09/15/2023	577	576
GM Financial Consumer Automobile Receivables Trust 2021-4		
0.28%, 11/18/2024	1,490	1,487
Hyundai Auto Lease Securitization Trust 2021-A		
0.25%, 04/17/2023[d]	466	466
Santander Consumer Auto Receivables Trust 2021-A		
0.23%, 11/15/2023[d]	350	350
Santander Drive Auto Receivables Trust 2021-1		
0.29%, 11/15/2023	131	130
Santander Drive Auto Receivables Trust 2021-2		
0.28%, 04/15/2024	459	459
Santander Retail Auto Lease Trust 2020-B		
0.42%, 11/20/2023[d]	1,039	1,039
Santander Retail Auto Lease Trust 2021-B		
0.31%, 01/22/2024[d]	1,417	1,414
World Omni Select Auto Trust 2021-A		
0.29%, 02/18/2025	535	533
		$ 14,356
Commercial Mortgage Backed Securities - 1.21%		
Freddie Mac Multifamily Structured Pass Through Certificates		
2.37%, 05/25/2022	1,022	1,025
Ginnie Mae		
0.14%, 02/16/2055[e],[f]	10,994	40
0.53%, 04/16/2047[e],[f]	6,539	109
0.54%, 11/16/2052[e],[f]	7,416	125
0.54%, 03/16/2060[e],[f]	2,584	120
2.60%, 05/16/2059	332	336
2.60%, 03/16/2060	624	634
		$ 2,389
Mortgage Backed Securities - 5.97%		
EverBank Mortgage Loan Trust 18-1		
3.50%, 02/25/2048[d],[f]	133	135
Fannie Mae Grantor Trust 2005-T1		
0.45%, 05/25/2035	133	134
1.00 x 1 Month USD LIBOR + 0.35%		
Fannie Mae Interest Strip		
3.50%, 12/25/2043[e],[f]	805	99

BONDS (continued)	Principal Amount (000's)	Value (000's)
Mortgage Backed Securities (continued)		
Fannie Mae REMICS		
1.53%, 06/25/2045[e]	$ 1,859	$ 81
1.00 x US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.00%		
3.00%, 10/25/2040[e]	617	22
3.00%, 04/25/2042	200	202
3.00%, 05/25/2048	102	105
3.00%, 01/25/2051[e]	2,327	325
3.50%, 01/25/2040[e]	118	1
4.50%, 04/25/2045[e]	1,569	271
7.00%, 04/25/2032	65	75
Freddie Mac REMICS		
1.50%, 04/15/2028	471	473
1.66%, 05/15/2038[e]	1,743	80
1.00 x 12 Month Treasury Average Index + 0.00%		
3.00%, 11/15/2030[e]	119	—
3.00%, 11/15/2035	950	962
3.00%, 10/15/2041	137	138
3.00%, 04/15/2046	137	145
3.50%, 08/15/2040[e]	212	2
Ginnie Mae		
2.00%, 12/20/2050[e]	4,377	485
2.50%, 10/20/2050[e]	2,749	337
2.50%, 12/20/2050[e]	1,791	207
2.50%, 01/20/2051[e]	4,100	437
3.00%, 07/20/2050[e]	1,598	189
3.00%, 08/20/2050[e]	2,774	293
3.00%, 09/20/2050[e]	2,657	313
3.00%, 09/20/2050[e]	2,941	345
3.00%, 10/20/2050[e]	1,906	207
3.00%, 11/20/2050[e]	3,696	454
3.00%, 11/20/2050[e]	2,368	213
3.00%, 12/20/2050[e]	1,527	175
3.00%, 01/20/2051[e]	2,972	354
3.50%, 10/20/2044[e]	3,022	275
3.50%, 10/20/2049[e]	2,406	321
4.00%, 02/20/2044[e]	1,310	83
4.00%, 04/20/2044[e]	779	55
4.00%, 01/20/2046[e]	587	33
6.00%, 06/20/2046[e]	402	78
(1.00) x 1 Month USD LIBOR + 6.10%		
6.04%, 12/20/2043[e]	934	179
(1.00) x 1 Month USD LIBOR + 6.14%		
JP Morgan Mortgage Trust 2016-4		
3.50%, 10/25/2046[d],[f]	160	161
JP Morgan Mortgage Trust 2017-3		
3.77%, 08/25/2047[d],[f]	529	540
New Residential Mortgage Loan Trust 2014-1		
5.00%, 01/25/2054[d],[f]	1,109	1,171
New Residential Mortgage Loan Trust 2015-2		
5.47%, 08/25/2055[d],[f]	923	974
Sequoia Mortgage Trust 2013-2		
3.65%, 02/25/2043[f]	237	239
Sequoia Mortgage Trust 2017-3		
3.75%, 04/25/2047[d],[f]	440	446
		$ 11,814
Other Asset Backed Securities - 1.52%		
Chase Funding Trust Series 2004-1		
0.56%, 12/25/2033	79	77
1.00 x 1 Month USD LIBOR + 0.46%		
HPEFS Equipment Trust		
0.69%, 07/22/2030[d]	2,350	2,352
Towd Point Mortgage Trust		
4.25%, 10/25/2053[d],[f]	550	569

Schedule of Investments
Government & High Quality Bond Account
December 31, 2021

BONDS (continued)	Principal Amount (000's)	Value (000's)
Other Asset Backed Securities (continued)		
Verizon Owner Trust 2018-A		
3.23%, 04/20/2023	$ 4	$ 3
		$ 3,001
TOTAL BONDS		$ 31,560

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS - 103.50%	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) - 5.99%		
2.00%, 10/01/2031	$ 352	$ 362
2.23%, 09/01/2032	7	7
1.00 x US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 2.23%		
2.50%, 02/01/2028	301	314
3.00%, 02/01/2027	103	108
3.00%, 01/01/2031	298	314
3.00%, 01/01/2033	583	617
3.00%, 03/01/2037	193	203
3.00%, 08/01/2042	338	357
3.00%, 10/01/2042	587	620
3.00%, 10/01/2042	301	318
3.00%, 05/01/2043	415	440
3.00%, 10/01/2046	530	565
3.50%, 02/01/2032	541	576
3.50%, 04/01/2042	722	780
3.50%, 05/01/2042	343	370
3.50%, 07/01/2042	1,082	1,167
3.50%, 02/01/2044	430	463
4.00%, 07/01/2042	522	580
4.00%, 01/01/2043	531	584
4.00%, 06/01/2043	557	611
4.00%, 10/01/2045	684	752
4.50%, 11/01/2043	495	554
5.00%, 10/01/2025	44	48
5.00%, 02/01/2033	82	93
5.00%, 06/01/2033	105	116
5.00%, 01/01/2034	257	290
5.00%, 07/01/2035	54	61
5.00%, 07/01/2035	5	6
5.00%, 07/01/2035	12	13
5.00%, 10/01/2035	22	25
5.50%, 03/01/2033	59	67
5.50%, 04/01/2038	3	3
5.50%, 05/01/2038	14	16
6.00%, 12/01/2023	1	1
6.00%, 05/01/2031	8	9
6.00%, 12/01/2031	6	7
6.00%, 11/01/2033	29	32
6.00%, 09/01/2034	28	32
6.00%, 02/01/2035	14	16
6.00%, 10/01/2036	25	29
6.00%, 03/01/2037	29	32
6.00%, 01/01/2038	7	8
6.00%, 01/01/2038	47	54
6.00%, 04/01/2038	18	20
6.50%, 05/01/2023	2	2
6.50%, 04/01/2024	1	1
6.50%, 04/01/2026	1	1
6.50%, 05/01/2026	1	2
6.50%, 01/01/2028	2	2
6.50%, 03/01/2028	1	1
6.50%, 10/01/2028	8	9
6.50%, 11/01/2028	2	2
6.50%, 12/01/2028	4	5
6.50%, 03/01/2029	2	2
6.50%, 07/01/2031	16	18
6.50%, 08/01/2031	4	5
6.50%, 10/01/2031	7	7
6.50%, 10/01/2031	5	5
6.50%, 12/01/2031	8	9

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) (continued)		
6.50%, 02/01/2032	$ 8	$ 9
6.50%, 05/01/2032	18	20
6.50%, 04/01/2035	4	4
7.00%, 12/01/2023	1	1
7.00%, 01/01/2024	1	1
7.00%, 09/01/2027	2	2
7.00%, 01/01/2028	14	14
7.00%, 04/01/2028	9	10
7.00%, 05/01/2028	1	1
7.00%, 10/01/2031	3	4
7.00%, 10/01/2031	8	9
7.00%, 04/01/2032	26	31
7.50%, 10/01/2030	5	6
7.50%, 02/01/2031	1	1
7.50%, 02/01/2031	5	6
8.00%, 10/01/2030	9	11
8.50%, 07/01/2029	13	14
		$ 11,855
Federal National Mortgage Association (FNMA) - 0.43%		
1.95%, 12/01/2033	35	35
1.00 x 12 Month USD LIBOR + 1.70%		
2.02%, 12/01/2032	9	10
1.00 x 12 Month USD LIBOR + 1.64%		
3.00%, 04/01/2043	553	589
5.50%, 05/01/2033	11	12
6.00%, 05/01/2037	123	137
6.50%, 08/01/2025	10	11
6.50%, 11/01/2032	11	12
7.00%, 08/01/2028	8	9
7.00%, 12/01/2028	8	9
8.00%, 05/01/2027	3	3
8.50%, 10/01/2027	18	18
		$ 845
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security - 60.66%		
2.00%, 02/01/2032	235	242
2.00%, 11/01/2035	1,160	1,193
2.00%, 11/01/2035	1,608	1,653
2.00%, 01/01/2037[g]	5,750	5,888
2.00%, 10/01/2050	913	914
2.00%, 03/01/2051	2,163	2,173
2.00%, 05/01/2051	5,028	5,026
2.00%, 07/01/2051	2,715	2,709
2.00%, 09/01/2051	1,564	1,561
2.00%, 09/01/2051	3,475	3,474
2.00%, 11/01/2051	2,011	2,007
2.00%, 11/01/2051	1,992	1,996
2.00%, 11/01/2051	3,086	3,091
2.00%, 11/01/2051	1,692	1,693
2.00%, 12/01/2051	2,991	2,996
2.00%, 12/01/2051	3,000	3,009
2.50%, 06/01/2027	469	487
2.50%, 08/01/2028	377	392
2.50%, 12/01/2031	495	516
2.50%, 09/01/2032	332	347
2.50%, 08/01/2035	1,450	1,512
2.50%, 10/01/2035	1,614	1,674
2.50%, 04/01/2050	1,198	1,223
2.50%, 06/01/2050	1,308	1,339
2.50%, 08/01/2050	3,262	3,348
2.50%, 07/01/2051	4,079	4,200
2.50%, 01/01/2052[g]	19,785	20,185
3.00%, 05/01/2029	429	453
3.00%, 08/01/2031	868	917
3.00%, 12/01/2034	569	596
3.00%, 10/01/2036	392	415
3.00%, 10/01/2042	943	1,002
3.00%, 10/01/2046	643	679

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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Federal National Mortgage Association (FNMA)/Federal Home Loan Mortgage Corporation (FHLMC) Uniform Mortgage-Backed Security (continued)		
3.00%, 08/01/2049	$ 275	$ 285
3.00%, 10/01/2049	724	752
3.00%, 12/01/2049	715	744
3.00%, 01/01/2050	1,153	1,199
3.00%, 02/01/2050	1,011	1,051
3.00%, 07/01/2050	1,225	1,273
3.00%, 08/01/2050	903	939
3.00%, 09/01/2050	1,336	1,391
3.00%, 01/01/2052[g]	5,950	6,164
3.50%, 08/01/2031	436	466
3.50%, 02/01/2033	684	733
3.50%, 09/01/2033	966	1,033
3.50%, 06/01/2039	273	293
3.50%, 11/01/2042	772	834
3.50%, 12/01/2042	854	925
3.50%, 02/01/2043	333	363
3.50%, 03/01/2045	357	386
3.50%, 03/01/2045	648	697
3.50%, 09/01/2045	489	528
3.50%, 03/01/2047	596	650
3.50%, 11/01/2048	1,370	1,492
3.50%, 03/01/2050	1,846	1,972
4.00%, 01/01/2034	262	286
4.00%, 10/01/2037	379	410
4.00%, 02/01/2041	759	835
4.00%, 02/01/2042	476	523
4.00%, 10/01/2043	160	175
4.00%, 08/01/2044	339	376
4.00%, 10/01/2044	1,038	1,133
4.00%, 11/01/2044	317	352
4.00%, 08/01/2045	520	578
4.00%, 08/01/2046	837	914
4.00%, 07/01/2047	696	773
4.00%, 10/01/2047	565	621
4.50%, 08/01/2039	894	999
4.50%, 03/01/2042	250	279
4.50%, 09/01/2043	998	1,115
4.50%, 10/01/2043	547	604
4.50%, 11/01/2043	581	650
4.50%, 09/01/2045	398	442
4.50%, 10/01/2045	571	639
4.50%, 11/01/2045	793	881
4.50%, 08/01/2048	442	489
4.50%, 12/01/2048	596	660
5.00%, 05/01/2033	670	759
5.00%, 04/01/2035	58	65
5.00%, 04/01/2035	67	76
5.00%, 07/01/2035	3	3
5.00%, 02/01/2038	247	279
5.00%, 02/01/2040	761	872
5.00%, 07/01/2041	593	673
5.50%, 06/01/2033	36	41
5.50%, 02/01/2037	2	2
5.50%, 03/01/2038	53	61
6.00%, 11/01/2028	10	11
6.00%, 12/01/2031	3	3
6.00%, 01/01/2033	28	32
6.00%, 07/01/2037	77	89
6.00%, 11/01/2037	3	3
6.00%, 12/01/2037	7	7
6.00%, 03/01/2038	37	42
6.50%, 05/01/2024	1	1
6.50%, 09/01/2024	2	2
6.50%, 07/01/2025	6	7
6.50%, 02/01/2026	2	2
6.50%, 05/01/2026	2	2
6.50%, 06/01/2026	1	1
6.50%, 07/01/2028	$ 7	$ 8
6.50%, 03/01/2029	4	4
6.50%, 06/01/2031	9	10
6.50%, 01/01/2032	3	3
6.50%, 04/01/2032	2	2
6.50%, 08/01/2032	7	7
6.50%, 02/01/2033	8	8
6.50%, 12/01/2036	10	11
6.50%, 07/01/2037	10	11
6.50%, 07/01/2037	17	19
6.50%, 02/01/2038	19	22
7.00%, 10/01/2029	6	7
7.00%, 05/01/2031	3	3
7.00%, 11/01/2031	13	15
8.00%, 06/01/2030	1	1
		$ 119,978
Government National Mortgage Association (GNMA) - 20.46%		
2.00%, 01/01/2052	9,200	9,283
2.50%, 01/01/2052	13,500	13,825
3.00%, 11/15/2042	399	422
3.00%, 12/15/2042	877	917
3.00%, 02/15/2043	926	984
3.00%, 05/15/2043	1,145	1,214
3.00%, 07/20/2045	604	631
3.00%, 07/20/2046	325	339
3.00%, 08/20/2046	708	739
3.00%, 09/20/2046	869	907
3.00%, 12/20/2046	440	459
3.00%, 02/20/2047	553	577
3.00%, 08/20/2047	336	350
3.00%, 01/01/2052	2,000	2,069
3.50%, 01/15/2043	724	778
3.50%, 05/15/2043	744	800
3.50%, 06/20/2043	492	529
3.50%, 04/20/2045	350	374
3.50%, 06/20/2046	55	58
3.50%, 02/20/2047	571	616
3.50%, 05/20/2047	596	655
3.50%, 11/20/2047	422	462
4.00%, 08/15/2041	467	513
4.00%, 07/20/2047	448	499
4.00%, 01/20/2048	1,452	1,571
4.50%, 07/15/2040	268	303
5.00%, 09/15/2033	3	3
5.00%, 02/15/2034	163	188
5.00%, 09/15/2039	19	22
5.50%, 11/15/2033	19	21
5.50%, 05/20/2035	66	77
6.00%, 04/20/2026	2	2
6.00%, 05/20/2026	1	2
6.00%, 03/20/2028	1	1
6.00%, 06/20/2028	8	9
6.00%, 07/20/2028	4	4
6.00%, 02/20/2029	4	4
6.00%, 03/20/2029	8	9
6.00%, 07/20/2029	8	9
6.00%, 07/20/2033	69	80
6.50%, 12/20/2025	4	4
6.50%, 02/20/2026	2	3
6.50%, 03/20/2031	6	6
6.50%, 04/20/2031	6	7
7.00%, 01/15/2028	1	1
7.00%, 01/15/2028	3	3
7.00%, 01/15/2028	1	1
7.00%, 01/15/2028	1	1
7.00%, 03/15/2028	43	45
7.00%, 01/15/2029	9	9

Schedule of Investments
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U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS (continued)	Principal Amount (000's)	Value (000's)
Government National Mortgage Association (GNMA) (continued)		
7.00%, 03/15/2029	$ 3	$ 3
7.00%, 05/15/2031	5	5
7.00%, 09/15/2031	21	23
7.00%, 06/15/2032	42	46
7.50%, 09/15/2023	1	1
7.50%, 10/15/2023	1	1
8.00%, 07/15/2026	1	1
8.00%, 08/15/2026	1	1
		$ 40,466
U.S. Treasury - 2.56%		
2.13%, 12/31/2022	2,400	2,440
4.50%, 02/15/2036	1,000	1,374
5.25%, 11/15/2028	1,000	1,251
		$ 5,065
U.S. Treasury Bill - 13.40%		
0.04%, 01/13/2022[h]	8,000	8,000
0.06%, 04/21/2022[h]	9,500	9,498
0.06%, 05/12/2022[h]	7,000	6,998
0.08%, 05/05/2022[h]	2,000	1,999
		$ 26,495
TOTAL U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS		$ 204,704
Total Investments		**$ 254,254**
Other Assets and Liabilities - (28.56)%		**(56,477)**
TOTAL NET ASSETS - 100.00%		**$ 197,777**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(b) Non-income producing security
(c) Current yield shown is as of period end.
(d) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities totaled $9,617 or 4.86% of net assets.
(e) Security is an Interest Only Strip.
(f) Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description. Rate shown is the rate in effect as of period end.
(g) Security was purchased in a "to-be-announced" ("TBA") transaction.
(h) Rate shown is the discount rate of the original purchase.

Portfolio Summary (unaudited)

Sector	Percent
Mortgage Securities	94.72%
Government	15.96%
Money Market Funds	9.10%
Asset Backed Securities	8.78%
Other Assets and Liabilities	(28.56)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Principal Government Money Market Fund - Institutional Class 0.00%	$ 17,351	$ 150,243	$ 149,604	$ 17,990
	$ 17,351	$ 150,243	$ 149,604	$ 17,990

	Income[a]	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Futures Contracts

Description and Expiration Date	Type	Contracts	Notional Amount	Value and Unrealized Appreciation/(Depreciation)
US 10 Year Note; March 2022	Long	93	$ 12,133	$ 61
US 5 Year Note; March 2022	Short	88	10,646	(10)
US Long Bond; March 2022	Long	22	3,530	(6)
Total				$ 45

Amounts in thousands except contracts.

Schedule of Investments
International Emerging Markets Account
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INVESTMENT COMPANIES - 2.43%	Shares Held	Value (000's)
Money Market Funds - 2.43%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	375,434	$ 375
Principal Government Money Market Fund - Institutional Class 0.00%[a],[c],[d]	1,835,344	1,835
		$ 2,210
TOTAL INVESTMENT COMPANIES		$ 2,210

COMMON STOCKS - 97.76%	Shares Held	Value (000's)
Agriculture - 0.26%		
SLC Agricola SA	28,800	$ 233
Airlines - 0.34%		
Copa Holdings SA [d]	3,737	309
Apparel - 0.34%		
Youngone Corp	8,526	313
Automobile Manufacturers - 3.31%		
Ashok Leyland Ltd	302,347	496
Eicher Motors Ltd	11,038	384
Hyundai Motor Co	4,756	835
Kia Corp [d]	13,203	911
Yadea Group Holdings Ltd [e]	196,000	382
		$ 3,008
Automobile Parts & Equipment - 0.79%		
Fuyao Glass Industry Group Co Ltd [e]	54,400	281
Weichai Power Co Ltd	221,000	434
		$ 715
Banks - 10.41%		
Bank Rakyat Indonesia Persero Tbk PT	2,807,276	808
China Merchants Bank Co Ltd	100,500	782
Grupo Financiero Banorte SAB de CV	98,000	637
HDFC Bank Ltd	33,997	673
ICICI Bank Ltd	118,625	1,179
Kasikornbank PCL	90,900	385
Kotak Mahindra Bank Ltd	16,168	389
OTP Bank Nyrt [d]	9,350	477
PT Bank Central Asia Tbk	1,116,000	572
Regional SAB de CV	105,000	545
Saudi National Bank/The	49,309	845
Sberbank of Russia PJSC ADR	84,349	1,353
TCS Group Holding PLC	9,654	814
		$ 9,459
Beverages - 1.59%		
Arca Continental SAB de CV	60,000	381
Kweichow Moutai Co Ltd	1,500	483
Tsingtao Brewery Co Ltd	62,000	580
		$ 1,444
Biotechnology - 0.31%		
I-Mab ADR[d]	5,949	282
Building Materials - 2.33%		
Amber Enterprises India Ltd [d]	8,725	389
Beijing Oriental Yuhong Waterproof Technology Co Ltd	84,371	700
China Lesso Group Holdings Ltd	374,000	538
Voltas Ltd	19,309	316
Xinyi Glass Holdings Ltd	70,000	175
		$ 2,118
Chemicals - 1.42%		
Asian Paints Ltd	11,434	520
Berger Paints India Ltd	19,513	202
Navin Fluorine International Ltd	6,150	346
Supreme Industries Ltd	7,611	227
		$ 1,295
Commercial Services - 0.44%		
GPS Participacoes e Empreendimentos SA [e]	83,688	239
NICE Information Service Co Ltd [d]	10,727	162
		$ 401
Computers - 2.51%		
CI&T Inc [d]	11,295	134
Globant SA [d]	1,321	415
Infosys Ltd	58,043	1,470

COMMON STOCKS (continued)	Shares Held	Value (000's)
Computers (continued)		
WNS Holdings Ltd ADR[d]	2,917	$ 257
		$ 2,276
Consumer Products - 0.51%		
Hindustan Unilever Ltd	14,523	460
Distribution & Wholesale - 1.46%		
AKR Corporindo Tbk PT	939,600	271
Pop Mart International Group Ltd [d],[e]	61,100	351
Sendas Distribuidora SA	88,875	207
Vamos Locacao de Caminhoes Maquinas e Equipamentos SA	233,542	502
		$ 1,331
Diversified Financial Services - 4.59%		
Bajaj Finance Ltd	5,329	498
Banco BTG Pactual SA	56,112	212
CreditAccess Grameen Ltd [d]	23,794	190
Fubon Financial Holding Co Ltd	328,916	905
Hong Kong Exchanges & Clearing Ltd	4,300	252
Housing Development Finance Corp Ltd	36,430	1,260
KB Financial Group Inc	18,450	853
		$ 4,170
Electric - 0.57%		
China Longyuan Power Group Corp Ltd	222,000	519
Electrical Components & Equipment - 1.30%		
Delta Electronics Inc	63,000	625
Frencken Group Ltd	380,400	555
		$ 1,180
Electronics - 0.76%		
Lotes Co Ltd	13,000	357
Voltronic Power Technology Corp	6,000	335
		$ 692
Energy - Alternate Sources - 0.39%		
Sao Martinho SA	56,982	352
Engineering & Construction - 0.77%		
Grupo Aeroportuario del Pacifico SAB de CV [d]	50,600	699
Food - 3.34%		
Bid Corp Ltd	23,720	486
Dino Polska SA [d],[e]	6,921	629
JBS SA	44,100	300
Nestle India Ltd	1,079	286
Tingyi Cayman Islands Holding Corp	298,000	613
Want Want China Holdings Ltd	787,000	722
		$ 3,036
Gas - 1.47%		
China Resources Gas Group Ltd	102,000	576
ENN Energy Holdings Ltd	40,400	762
		$ 1,338
Hand & Machine Tools - 0.32%		
Techtronic Industries Co Ltd	14,500	289
Healthcare - Products - 1.29%		
Osstem Implant Co Ltd [d]	6,924	829
Shenzhen Mindray Bio-Medical Electronics Co Ltd	5,700	342
		$ 1,171
Healthcare - Services - 1.59%		
Hygeia Healthcare Holdings Co Ltd [e]	38,600	242
Notre Dame Intermedica Participacoes SA	24,000	260
Pharmaron Beijing Co Ltd [e]	20,600	318
Wuxi Biologics Cayman Inc [d],[e]	52,500	621
		$ 1,441
Home Furnishings - 0.96%		
Haier Smart Home Co Ltd	110,400	467
JS Global Lifestyle Co Ltd [e]	112,500	189
Vestel Beyaz Esya Sanayi ve Ticaret AS	359,166	215
		$ 871

See accompanying notes.

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COMMON STOCKS (continued)	Shares Held	Value (000's)
Insurance - 3.39%		
AIA Group Ltd	63,000	$ 636
ICICI Lombard General Insurance Co Ltd [e]	16,850	317
ICICI Prudential Life Insurance Co Ltd [e]	30,600	230
PICC Property & Casualty Co Ltd	660,000	540
Ping An Insurance Group Co of China Ltd	111,500	803
Qualitas Controladora SAB de CV [f]	109,500	554
		$ 3,080
Internet - 13.09%		
Alibaba Group Holding Ltd [d]	162,292	2,385
East Money Information Co Ltd	58,193	340
JD.com Inc [d]	28,060	982
Meituan [d],[e]	51,600	1,492
MercadoLibre Inc [d]	303	409
My EG Services Bhd	1,923,400	493
NCSoft Corp [d]	834	450
Sea Ltd ADR[d]	1,767	395
Tencent Holdings Ltd	76,600	4,470
Trip.com Group Ltd ADR[d]	19,040	469
		$ 11,885
Investment Companies - 0.51%		
VEF AB [d]	687,023	460
Iron & Steel - 0.65%		
Hunan Valin Steel Co Ltd	268,996	217
Severstal PAO	17,444	376
		$ 593
Lodging - 0.29%		
Galaxy Entertainment Group Ltd [d]	51,000	265
Machinery - Diversified - 0.75%		
NARI Technology Co Ltd	55,094	347
WEG SA	55,900	331
		$ 678
Metal Fabrication & Hardware - 0.56%		
APL Apollo Tubes Ltd [d]	17,471	234
Astral Ltd	8,869	271
		$ 505
Mining - 1.68%		
Anglo American PLC	16,432	676
Impala Platinum Holdings Ltd	40,023	564
Polyus PJSC	3,270	289
		$ 1,529
Miscellaneous Manufacturers - 1.76%		
Elite Material Co Ltd	32,000	321
Lens Technology Co Ltd	57,300	207
Pidilite Industries Ltd	9,355	310
Sunny Optical Technology Group Co Ltd	24,100	763
		$ 1,601
Oil & Gas - 4.95%		
Indian Oil Corp Ltd	186,420	279
LUKOIL PJSC ADR	11,464	1,027
MOL Hungarian Oil & Gas PLC	48,960	380
Petroleo Brasileiro SA	133,900	738
Reliance Industries Ltd	65,185	2,071
		$ 4,495
Packaging & Containers - 0.42%		
Klabin SA	82,413	380
Pharmaceuticals - 0.54%		
Caplin Point Laboratories Ltd	18,857	218
Grand Pharmaceutical Group Ltd	326,000	270
		$ 488
Pipelines - 0.76%		
Gaztransport Et Technigaz SA	7,406	691
Real Estate - 0.36%		
A-Living Smart City Services Co Ltd [e]	100,000	171
Shimao Services Holdings Ltd [e]	222,245	154
		$ 325

COMMON STOCKS (continued)	Shares Held	Value (000's)
Retail - 4.02%		
Ace Hardware Indonesia Tbk PT	3,450,700	$ 310
Bosideng International Holdings Ltd	664,000	418
China Meidong Auto Holdings Ltd	54,000	278
China Yongda Automobiles Services Holdings Ltd	228,500	306
Home Product Center PCL	852,000	370
Li Ning Co Ltd	62,500	686
Magazine Luiza SA	154,266	200
Wal-Mart de Mexico SAB de CV	210,300	783
Yifeng Pharmacy Chain Co Ltd	34,292	297
		$ 3,648
Semiconductors - 19.16%		
ASE Technology Holding Co Ltd	79,000	305
ASPEED Technology Inc	3,000	387
eMemory Technology Inc	1,500	118
Hana Materials Inc	9,203	485
Keystone Microtech Corp	25,000	289
MediaTek Inc	45,000	1,931
Novatek Microelectronics Corp	19,400	377
Parade Technologies Ltd	5,000	380
Realtek Semiconductor Corp	30,000	627
RichWave Technology Corp	15,400	151
Samsung Electronics Co Ltd	80,514	5,288
Taiwan Semiconductor Manufacturing Co Ltd	319,164	7,061
		$ 17,399
Shipbuilding - 0.21%		
Yangzijiang Shipbuilding Holdings Ltd	189,200	188
Software - 0.66%		
NetEase Inc	29,500	596
Telecommunications - 0.63%		
Route Mobile Ltd	10,569	253
Shenzhen Transsion Holdings Co Ltd	12,958	320
		$ 573
TOTAL COMMON STOCKS		$ 88,781
PREFERRED STOCKS - 0.28%	**Shares Held**	**Value (000's)**
Diversified Financial Services - 0.02%		
Fubon Financial Holding Co Ltd 0.00% [d]	6,701	$ 15
Semiconductors - 0.26%		
Samsung Electronics Co Ltd 1,438.00%	3,931	235
TOTAL PREFERRED STOCKS		$ 250
Total Investments		**$ 91,241**
Other Assets and Liabilities - (0.47)%		**(426)**
TOTAL NET ASSETS - 100.00%		**$ 90,815**

(a) Current yield shown is as of period end.

(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $375 or 0.41% of net assets.

(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(d) Non-income producing security

(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities totaled $5,616 or 6.18% of net assets.

(f) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $360 or 0.40% of net assets.

Schedule of Investments
International Emerging Markets Account
December 31, 2021

Portfolio Summary (unaudited)

Location	Percent
China	28.00%
Taiwan	15.20%
India	15.12%
Korea, Republic Of	11.40%
Brazil	4.51%
Mexico	3.96%
Hong Kong	3.38%
Russian Federation	3.35%
United States	2.85%
Indonesia	2.16%
South Africa	1.16%
Malaysia	1.15%
Hungary	0.94%
Saudi Arabia	0.93%
Cyprus	0.90%
Thailand	0.83%
France	0.76%
United Kingdom	0.74%
Poland	0.69%
Sweden	0.51%
Uruguay	0.46%
Argentina	0.45%
Singapore	0.44%
Panama	0.34%
Turkey	0.24%
Other Assets and Liabilities	(0.47)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 805	$ 24,168	$ 23,138	$ 1,835
	$ 805	$ 24,168	$ 23,138	$ 1,835

	Income[a]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —	$ —	$ —	$ —
	$ —	$ —	$ —	$ —

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Schedule of Investments
LargeCap Growth Account I
December 31, 2021

INVESTMENT COMPANIES - 2.65%	Shares Held	Value (000's)
Exchange-Traded Funds - 0.17%		
iShares Russell 1000 Growth ETF	3,900	$ 1,192
Money Market Funds - 2.48%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	2,954,023	2,954
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c],[d]	14,583,421	14,583
		$ 17,537
TOTAL INVESTMENT COMPANIES		$ 18,729

CONVERTIBLE PREFERRED STOCKS - 0.16%	Shares Held	Value (000's)
Automobile Manufacturers - 0.03%		
Waymo LLC Series A-2 0.00% [d],[e],[f]	2,489	$ 229
Chemicals - 0.03%		
Sila Nano Series F 0.00% [d],[e],[f]	4,929	203
Software - 0.10%		
Nuro - Series C 0.00% [d],[e],[f]	17,442	363
Rappi Inc - Series E 0.00% [d],[e],[f]	5,133	331
		$ 694
TOTAL CONVERTIBLE PREFERRED STOCKS		$ 1,126

COMMON STOCKS - 98.03%	Shares Held	Value (000's)
Advertising - 0.02%		
Trade Desk Inc/The [d]	1,342	$ 123
Aerospace & Defense - 1.05%		
BWX Technologies Inc	221	11
HEICO Corp	50	7
HEICO Corp - Class A	78	10
Howmet Aerospace Inc	92	3
L3Harris Technologies Inc	33,222	7,084
Lockheed Martin Corp	670	238
Northrop Grumman Corp	41	16
Spirit AeroSystems Holdings Inc	97	4
TransDigm Group Inc [d]	46	29
		$ 7,402
Agriculture - 0.02%		
Altria Group Inc	3,188	151
Darling Ingredients Inc [d]	27	2
		$ 153
Airlines - 0.01%		
Delta Air Lines Inc [d]	1,977	77
Apparel - 0.38%		
Columbia Sportswear Co	7	1
Deckers Outdoor Corp [d]	9	3
Hanesbrands Inc	610	10
NIKE Inc	15,615	2,603
Skechers USA Inc [d]	47	2
Tapestry Inc	89	4
VF Corp	644	47
		$ 2,670
Automobile Manufacturers - 3.03%		
Rivian Automotive Inc [d]	12,569	1,303
Rivian Automotive Inc - Lockup Shares [d],[f]	168,367	17,458
Tesla Inc [d]	2,502	2,644
TuSimple Holdings Inc [d]	47	2
		$ 21,407
Automobile Parts & Equipment - 0.28%		
Allison Transmission Holdings Inc	254	9
Aptiv PLC [d]	9,374	1,546
Aurora Innovation Inc [d]	9,278	105
Aurora Innovation Inc - Class B Lockup Shares [d],[f]	28,047	316
QuantumScape Corp [d]	539	12
		$ 1,988
Banks - 0.01%		
Citizens Financial Group Inc	230	11
Goldman Sachs Group Inc/The	61	23
Synovus Financial Corp	34	2
Western Alliance Bancorp	162	17
		$ 53

COMMON STOCKS (continued)	Shares Held	Value (000's)
Beverages - 0.95%		
Boston Beer Co Inc/The [d]	28	$ 14
Brown-Forman Corp - A Shares	78	5
Brown-Forman Corp - B Shares	75,530	5,504
Coca-Cola Co/The	8,481	502
Monster Beverage Corp [d]	1,066	102
PepsiCo Inc	3,548	616
		$ 6,743
Biotechnology - 0.46%		
Alnylam Pharmaceuticals Inc [d]	363	61
Amgen Inc	1,443	325
Certara Inc [d]	184	5
CureVac NV [d]	163	6
Exelixis Inc [d]	780	14
Guardant Health Inc [d]	276	28
Horizon Therapeutics Plc [d]	126	14
Illumina Inc [d]	452	172
Incyte Corp [d]	489	36
Ionis Pharmaceuticals Inc [d]	398	12
Iovance Biotherapeutics Inc [d]	142	3
Maravai LifeSciences Holdings Inc [d]	339	14
Mirati Therapeutics Inc [d]	106	15
Moderna Inc [d]	1,045	265
Novavax Inc [d]	232	33
Regeneron Pharmaceuticals Inc [d]	33	21
Royalty Pharma PLC	594	24
Seagen Inc [d]	368	57
Ultragenyx Pharmaceutical Inc [d]	147	12
Vertex Pharmaceuticals Inc [d]	9,653	2,120
		$ 3,237
Building Materials - 0.02%		
Armstrong World Industries Inc	74	9
AZEK Co Inc/The [d]	194	9
Carrier Global Corp	1,259	68
Fortune Brands Home & Security Inc	107	11
Louisiana-Pacific Corp	23	2
Trex Co Inc [d]	359	49
		$ 148
Chemicals - 1.59%		
Axalta Coating Systems Ltd [d]	118	4
Celanese Corp	126	21
Chemours Co/The	261	9
Diversey Holdings Ltd [d]	126	2
Dow Inc	165	9
Ecolab Inc	678	159
FMC Corp	99	11
LyondellBasell Industries NV	98	9
Olin Corp	34	2
PPG Industries Inc	308	53
RPM International Inc	229	23
Sherwin-Williams Co/The	31,060	10,938
Westlake Chemical Corp	21	2
		$ 11,242
Commercial Services - 4.45%		
Automatic Data Processing Inc	1,211	299
Block Inc [d]	5,731	925
Booz Allen Hamilton Holding Corp	410	35
Bright Horizons Family Solutions Inc [d]	149	19
Chegg Inc [d]	329	10
Cintas Corp	24,073	10,669
CoStar Group Inc [d]	1,367	108
Equifax Inc	143	42
Euronet Worldwide Inc [d]	110	13
FleetCor Technologies Inc [d]	57	13
Gartner Inc [d]	248	83
Global Payments Inc	31,283	4,229
GXO Logistics Inc [d]	256	23
H&R Block Inc	450	11
Legalzoom.com Inc [d],[g]	39	1
MarketAxess Holdings Inc	1,256	516

Schedule of Investments
LargeCap Growth Account I
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Commercial Services (continued)		
Mister Car Wash Inc [d],[g]	189	$ 3
Moody's Corp	476	186
Morningstar Inc	63	21
Paylocity Holding Corp [d]	121	29
PayPal Holdings Inc [d]	62,190	11,728
Robert Half International Inc	297	33
Rollins Inc	650	22
S&P Global Inc	4,721	2,228
Sabre Corp [d]	992	8
Shift4 Payments Inc [d]	131	8
StoneCo Ltd [d]	633	11
TransUnion	404	48
United Rentals Inc [d]	79	26
Verisk Analytics Inc	312	71
WEX Inc [d]	91	13
		$ 31,431
Computers - 4.47%		
Accenture PLC - Class A	1,582	656
Apple Inc	143,810	25,536
Crowdstrike Holdings Inc [d]	607	124
Dell Technologies Inc [d]	413	23
EPAM Systems Inc [d]	167	112
Fortinet Inc [d]	13,594	4,885
Genpact Ltd	30	2
Globant SA [d]	124	39
HP Inc	1,238	47
McAfee Corp	181	5
NCR Corp [d]	140	6
NetApp Inc	454	42
Pure Storage Inc [d]	754	24
Thoughtworks Holding Inc [d]	44	1
Zscaler Inc [d]	243	78
		$ 31,580
Consumer Products - 0.02%		
Avery Dennison Corp	134	29
Church & Dwight Co Inc	42	4
Clorox Co/The	310	54
Kimberly-Clark Corp	524	75
		$ 162
Cosmetics & Personal Care - 1.61%		
Colgate-Palmolive Co	1,369	117
Estee Lauder Cos Inc/The	30,483	11,285
		$ 11,402
Distribution & Wholesale - 0.05%		
Copart Inc [d]	642	97
Core & Main Inc [d]	62	2
Fastenal Co	1,574	101
IAA Inc [d]	415	21
Leslie's Inc [d]	337	8
Pool Corp	121	69
SiteOne Landscape Supply Inc [d]	70	17
WW Grainger Inc	118	61
		$ 376
Diversified Financial Services - 3.31%		
American Express Co	1,237	202
Ameriprise Financial Inc	196	59
Charles Schwab Corp/The	15,653	1,316
Credit Acceptance Corp [d]	1	1
Discover Financial Services	498	57
LPL Financial Holdings Inc	244	39
Mastercard Inc	42,099	15,127
Raymond James Financial Inc	30	3
Rocket Cos Inc [g]	431	6
Synchrony Financial	316	15
T Rowe Price Group Inc	228	45
Tango Holdings Inc	729	53
Upstart Holdings Inc [d]	137	21
UWM Holdings Corp [g]	65	—
Visa Inc	29,605	6,416

COMMON STOCKS (continued)	Shares Held	Value (000's)
Diversified Financial Services (continued)		
Western Union Co/The	324	$ 6
		$ 23,366
Electric - 0.00%		
Brookfield Renewable Corp	118	4
NRG Energy Inc	339	15
		$ 19
Electrical Components & Equipment - 0.01%		
Generac Holdings Inc [d]	191	67
Universal Display Corp	131	22
		$ 89
Electronics - 0.59%		
Agilent Technologies Inc	842	134
Allegion plc	209	28
Amphenol Corp	42,254	3,695
Coherent Inc [d]	66	18
Honeywell International Inc	464	97
Jabil Inc	354	25
Keysight Technologies Inc [d]	250	52
Mettler-Toledo International Inc [d]	71	120
Vontier Corp	282	9
		$ 4,178
Energy - Alternate Sources - 0.02%		
Enphase Energy Inc [d]	406	74
Fluence Energy Inc [d]	42	2
Plug Power Inc [d]	1,574	44
		$ 120
Engineering & Construction - 0.00%		
Frontdoor Inc [d]	190	7
TopBuild Corp [d]	83	23
		$ 30
Entertainment - 0.48%		
Caesars Entertainment Inc [d]	389	36
Churchill Downs Inc	112	27
DraftKings Inc [d]	26,381	725
Live Nation Entertainment Inc [d]	15,818	1,893
Madison Square Garden Sports Corp [d]	23	4
Penn National Gaming Inc [d]	31	2
Six Flags Entertainment Corp [d]	94	4
Vail Resorts Inc	123	40
Warner Music Group Corp	14,717	636
		$ 3,367
Environmental Control - 0.01%		
Waste Management Inc	208	35
Food - 0.03%		
Beyond Meat Inc [d],[g]	153	10
Hershey Co/The	387	75
Kellogg Co	344	22
Lamb Weston Holdings Inc	132	8
Pilgrim's Pride Corp [d]	61	2
Sysco Corp	1,580	124
		$ 241
Hand & Machine Tools - 0.01%		
Lincoln Electric Holdings Inc	176	25
MSA Safety Inc	33	5
Regal Rexnord Corp	43	7
		$ 37
Healthcare - Products - 7.89%		
10X Genomics Inc [d]	257	38
Abbott Laboratories	2,682	377
ABIOMED Inc [d]	139	50
Adaptive Biotechnologies Corp [d]	299	8
Align Technology Inc [d]	243	160
Avantor Inc [d]	71,654	3,019
Bio-Techne Corp	120	62
Bruker Corp	315	26
Danaher Corp	101	33
Edwards Lifesciences Corp [d]	89,582	11,606
Exact Sciences Corp [d]	487	38

See accompanying notes.

Schedule of Investments
LargeCap Growth Account I
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Healthcare - Products (continued)		
Globus Medical Inc [(d)]	12	$ 1
IDEXX Laboratories Inc [(d)]	262	173
Insulet Corp [(d)]	204	54
Intuitive Surgical Inc [(d)]	57,095	20,514
Masimo Corp [(d)]	112	33
Natera Inc [(d)]	237	22
Novocure Ltd [(d)]	316	24
Penumbra Inc [(d)]	104	30
Repligen Corp [(d)]	160	42
ResMed Inc	400	104
STERIS PLC	35	9
Stryker Corp	20,908	5,591
Tandem Diabetes Care Inc [(d)]	176	27
Teleflex Inc	26	9
Thermo Fisher Scientific Inc	20,297	13,543
Waters Corp [(d)]	174	65
West Pharmaceutical Services Inc	227	106
		$ 55,764
Healthcare - Services - 2.21%		
agilon health Inc [(d)]	483	13
Amedisys Inc [(d)]	87	14
Anthem Inc	3,341	1,549
Catalent Inc [(d)]	117	15
Centene Corp [(d)]	2,306	190
Charles River Laboratories International Inc [(d)]	146	55
Chemed Corp	11	6
DaVita Inc [(d)]	150	17
Encompass Health Corp	172	11
HCA Healthcare Inc	12,903	3,315
Humana Inc	5,053	2,344
IQVIA Holdings Inc [(d)]	290	82
Molina Healthcare Inc [(d)]	27	9
Oak Street Health Inc [(d)]	273	9
Sotera Health Co [(d)]	305	7
Syneos Health Inc [(d)]	42	4
UnitedHealth Group Inc	15,900	7,984
		$ 15,624
Home Builders - 0.02%		
DR Horton Inc	424	46
NVR Inc [(d)]	7	41
PulteGroup Inc	235	14
Thor Industries Inc	70	7
Toll Brothers Inc	139	10
		$ 118
Home Furnishings - 0.00%		
Tempur Sealy International Inc	562	26
Housewares - 0.00%		
Scotts Miracle-Gro Co/The	126	20
Insurance - 0.03%		
Alleghany Corp [(d)]	4	3
Aon PLC	399	120
Arch Capital Group Ltd [(d)]	285	13
Brown & Brown Inc	47	3
Erie Indemnity Co	56	11
Everest Re Group Ltd	30	8
GoHealth Inc [(d)]	131	—
Lemonade Inc [(d),(g)]	12	—
Lincoln National Corp	86	6
Markel Corp [(d)]	7	9
Marsh & McLennan Cos Inc	186	32
RenaissanceRe Holdings Ltd	65	11
		$ 216
Internet - 23.36%		
Alphabet Inc - A Shares [(d)]	8,854	25,651
Alphabet Inc - C Shares [(d)]	9,192	26,598
Amazon.com Inc [(d)]	11,617	38,735
Anaplan Inc [(d)]	434	20
Booking Holdings Inc [(d)]	1,333	3,199

COMMON STOCKS (continued)	Shares Held	Value (000's)
Internet (continued)		
CDW Corp/DE	422	$ 86
Chewy Inc [(d),(g)]	101,574	5,990
Coupang Inc [(d)]	42,083	1,236
DoorDash Inc - Class A [(d)]	3,204	477
eBay Inc	1,936	129
Etsy Inc [(d)]	390	85
Expedia Group Inc [(d)]	446	81
Farfetch Ltd [(d)]	23,777	795
Figs Inc [(d),(g)]	76	2
GoDaddy Inc [(d)]	55	5
IAC/InterActiveCorp [(d)]	10,871	1,421
Lyft Inc [(d)]	897	38
Mandiant Inc [(d)]	219	4
Match Group Inc [(d)]	80,875	10,696
Meta Platforms Inc [(d)]	56,547	19,020
Netflix Inc [(d)]	10,190	6,139
NortonLifeLock Inc	449	12
Okta Inc [(d)]	389	87
Opendoor Technologies Inc [(d)]	251	4
Palo Alto Networks Inc [(d)]	295	164
Pinterest Inc [(d)]	135,279	4,917
Roku Inc [(d)]	363	83
Shopify Inc [(d)]	8,104	11,162
Snap Inc Class A [(d)]	85,996	4,044
Spotify Technology SA [(d)]	16,579	3,880
TripAdvisor Inc [(d)]	195	5
Twitter Inc [(d)]	252	11
Uber Technologies Inc [(d)]	4,276	179
Vimeo Inc [(d)]	406	7
Wayfair Inc [(d),(g)]	128	24
Wix.com Ltd [(d)]	163	26
Zendesk Inc [(d)]	364	38
Zillow Group Inc - A Shares [(d)]	182	11
Zillow Group Inc - C Shares [(d)]	521	33
		$ 165,094
Iron & Steel - 0.00%		
Steel Dynamics Inc	114	7
Leisure Products & Services - 0.11%		
Brunswick Corp/DE	31	3
Peloton Interactive Inc [(d)]	20,006	715
Planet Fitness Inc [(d)]	176	16
Polaris Inc	123	13
Virgin Galactic Holdings Inc [(d)]	496	7
YETI Holdings Inc [(d)]	263	22
		$ 776
Lodging - 0.05%		
Boyd Gaming Corp [(d)]	55	4
Choice Hotels International Inc	106	16
Hilton Worldwide Holdings Inc [(d)]	566	88
Las Vegas Sands Corp [(d)]	1,021	38
Marriott International Inc/MD [(d)]	840	139
Travel + Leisure Co	173	10
Wyndham Hotels & Resorts Inc	178	16
Wynn Resorts Ltd [(d)]	325	28
		$ 339
Machinery - Construction & Mining - 0.05%		
Caterpillar Inc	1,444	298
Vertiv Holdings Co	992	25
		$ 323
Machinery - Diversified - 1.54%		
AGCO Corp	19	2
Cognex Corp	528	41
Deere & Co	863	296
Graco Inc	320	26
IDEX Corp	31,263	7,388
Ingersoll Rand Inc	47,667	2,949
Middleby Corp/The [(d)]	53	10
Nordson Corp	31	8
Rockwell Automation Inc	217	76

Schedule of Investments
LargeCap Growth Account I
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Machinery - Diversified (continued)		
Toro Co/The	313	$ 31
Xylem Inc/NY	363	44
		$ 10,871
Media - 0.05%		
Altice USA Inc [(d)]	447	7
Cable One Inc	9	16
Charter Communications Inc [(d)]	367	239
FactSet Research Systems Inc	102	50
Nexstar Media Group Inc	9	2
Walt Disney Co/The [(d)]	284	44
World Wrestling Entertainment Inc	126	6
		$ 364
Metal Fabrication & Hardware - 0.00%		
Advanced Drainage Systems Inc	185	25
Mining - 0.01%		
Freeport-McMoRan Inc	1,326	55
Southern Copper Corp	236	15
		$ 70
Miscellaneous Manufacturers - 0.06%		
3M Co	261	46
Axon Enterprise Inc [(d)]	195	31
Carlisle Cos Inc	59	15
Donaldson Co Inc	49	3
Illinois Tool Works Inc	872	215
Parker-Hannifin Corp	66	21
Trane Technologies PLC	358	72
		$ 403
Office & Business Equipment - 0.01%		
Zebra Technologies Corp [(d)]	165	98
Oil & Gas - 0.02%		
Continental Resources Inc/OK	21	1
Coterra Energy Inc	353	7
Diamondback Energy Inc	263	28
EOG Resources Inc	213	19
Hess Corp	60	4
Occidental Petroleum Corp	331	10
Pioneer Natural Resources Co	297	54
Texas Pacific Land Corp	18	22
		$ 145
Oil & Gas Services - 0.00%		
Halliburton Co	150	3
Packaging & Containers - 0.01%		
Ball Corp	294	28
Crown Holdings Inc	50	6
Graphic Packaging Holding Co	259	5
Sealed Air Corp	254	17
		$ 56
Pharmaceuticals - 4.47%		
AbbVie Inc	5,466	740
Becton Dickinson and Co	7,201	1,811
Cardinal Health Inc	530	27
Cigna Corp	25,792	5,923
Dexcom Inc [(d)]	19,588	10,518
Eli Lilly & Co	2,072	572
Herbalife Nutrition Ltd [(d)]	56	2
McKesson Corp	71	18
Neurocrine Biosciences Inc [(d)]	284	24
Sarepta Therapeutics Inc [(d)]	257	23
Zoetis Inc	48,718	11,889
		$ 31,547
Pipelines - 0.01%		
Cheniere Energy Inc	727	74
New Fortress Energy Inc	84	2
		$ 76
Private Equity - 0.04%		
Ares Management Corp	385	31
Blackstone Inc	2,101	272
		$ 303

COMMON STOCKS (continued)	Shares Held	Value (000's)
Real Estate - 0.00%		
CBRE Group Inc	60	$ 7
REITs - 1.76%		
American Tower Corp	1,396	408
Crown Castle International Corp	1,334	278
Equinix Inc	197	167
Equity LifeStyle Properties Inc	283	25
Extra Space Storage Inc	38	9
Iron Mountain Inc	623	32
Lamar Advertising Co	231	28
Public Storage	358	134
SBA Communications Corp	28,805	11,206
Simon Property Group Inc	876	140
		$ 12,427
Retail - 4.81%		
AutoZone Inc [(d)]	14	29
Bath & Body Works Inc	433	30
Best Buy Co Inc	177	18
Burlington Stores Inc [(d)]	193	56
CarMax Inc [(d)]	46	6
Carvana Co [(d)]	7,894	1,829
Chipotle Mexican Grill Inc [(d)]	1,130	1,975
Costco Wholesale Corp	17,034	9,671
Darden Restaurants Inc	271	41
Dollar General Corp	15,344	3,619
Domino's Pizza Inc	78	44
Five Below Inc [(d)]	169	35
Floor & Decor Holdings Inc [(d)]	313	41
Freshpet Inc [(d)]	125	12
GameStop Corp [(d),(g)]	196	29
Home Depot Inc/The	3,290	1,365
Lithia Motors Inc	6	2
Lowe's Cos Inc	2,145	554
Lululemon Athletica Inc [(d)]	22,298	8,729
McDonald's Corp	411	110
Nordstrom Inc [(d)]	286	7
Olaplex Holdings Inc [(d)]	48	1
O'Reilly Automotive Inc [(d)]	63	45
Petco Health & Wellness Co Inc [(d)]	23	—
RH [(d)]	53	28
Ross Stores Inc	40,421	4,620
Starbucks Corp	3,646	427
Target Corp	676	156
TJX Cos Inc/The	3,723	283
Tractor Supply Co	351	84
Ulta Beauty Inc [(d)]	166	68
Victoria's Secret & Co [(d)]	139	8
Vroom Inc [(d)]	93	1
Wendy's Co/The	529	13
Williams-Sonoma Inc	175	30
Yum China Holdings Inc	106	5
Yum! Brands Inc	74	10
		$ 33,981
Savings & Loans - 0.00%		
Sterling Bancorp/DE	48	1
Semiconductors - 4.43%		
Advanced Micro Devices Inc [(d)]	20,938	3,013
Allegro MicroSystems Inc [(d)]	140	5
Analog Devices Inc	660	116
Applied Materials Inc	2,788	439
ASML Holding NV - NY Reg Shares	6,535	5,203
Azenta Inc	186	19
Broadcom Inc	1,234	821
Entegris Inc	415	58
GLOBALFOUNDRIES Inc [(d)]	85	6
IPG Photonics Corp [(d)]	9	2
KLA Corp	470	202
Lam Research Corp	436	314
Microchip Technology Inc	1,418	123
Micron Technology Inc	477	44

Schedule of Investments
LargeCap Growth Account I
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Semiconductors (continued)		
MKS Instruments Inc	143	$ 25
Monolithic Power Systems Inc	140	69
NVIDIA Corp	23,554	6,928
NXP Semiconductors NV	55,241	12,583
ON Semiconductor Corp [(d)]	707	48
QUALCOMM Inc	3,490	638
Skyworks Solutions Inc	240	37
Teradyne Inc	504	82
Texas Instruments Inc	1,768	333
Xilinx Inc	760	161
		$ 31,269
Software - 24.03%		
Adobe Inc [(d)]	17,648	10,008
Alteryx Inc [(d)]	180	11
ANSYS Inc [(d)]	112	45
Aspen Technology Inc [(d)]	209	32
Atlassian Corp PLC [(d)]	430	164
Autodesk Inc [(d)]	36,924	10,382
Avalara Inc [(d)]	261	34
Bentley Systems Inc	415	20
Bill.com Holdings Inc [(d)]	283	70
Broadridge Financial Solutions Inc	324	59
C3.ai Inc [(d)]	48	1
Cadence Design Systems Inc [(d)]	850	158
CDK Global Inc	58	2
Citrix Systems Inc	134	13
Cloudflare Inc [(d)]	750	99
Coupa Software Inc [(d)]	28,432	4,494
Datadog Inc [(d)]	786	140
Definitive Healthcare Corp [(d)]	21	1
DocuSign Inc [(d)]	596	91
DoubleVerify Holdings Inc [(d)]	159	5
Dropbox Inc - A Shares [(d)]	942	23
Duck Creek Technologies Inc [(d)]	52	2
Dynatrace Inc [(d)]	569	34
Elastic NV [(d)]	226	28
Everbridge Inc [(d)]	117	8
Fair Isaac Corp [(d)]	82	36
Fiserv Inc [(d)]	38,725	4,019
Five9 Inc [(d)]	206	28
HashiCorp Inc [(d)]	2,394	218
HubSpot Inc [(d)]	138	91
Informatica Inc [(d)]	74	3
Intuit Inc	39,902	25,666
Jack Henry & Associates Inc	59	10
Jamf Holding Corp [(d)]	155	6
Magic Leap Inc [(d),(e),(f)]	371	7
Manhattan Associates Inc [(d)]	104	16
Microsoft Corp	159,802	53,745
MongoDB Inc [(d)]	5,073	2,686
MSCI Inc	176	108
nCino Inc [(d)]	172	9
New Relic Inc [(d)]	159	17
Nuance Communications Inc [(d)]	333	18
Nutanix Inc [(d)]	650	21
Oracle Corp	4,760	415
Palantir Technologies Inc [(d)]	5,130	93
Paychex Inc	869	119
Paycom Software Inc [(d)]	157	65
Paycor HCM Inc [(d)]	51	1
Pegasystems Inc	117	13
Playtika Holding Corp [(d)]	318	5
Procore Technologies Inc [(d),(g)]	132	11
PTC Inc [(d)]	324	39
RingCentral Inc [(d)]	252	47
Roper Technologies Inc	16,212	7,974
salesforce.com Inc [(d)]	33,756	8,578
SentinelOne Inc [(d)]	25,620	1,294
ServiceNow Inc [(d)]	30,889	20,050

COMMON STOCKS (continued)	Shares Held	Value (000's)
Software (continued)		
Skillz Inc [(d),(g)]	946	$ 7
Smartsheet Inc [(d)]	371	29
Snowflake Inc - Class A [(d)]	1,940	657
Splunk Inc [(d)]	14,548	1,684
Stripe Inc - Class B [(d),(e),(f)]	5,754	372
Synopsys Inc [(d)]	8,525	3,141
Take-Two Interactive Software Inc [(d)]	70	12
Teradata Corp [(d)]	285	12
Twilio Inc [(d)]	144	38
Tyler Technologies Inc [(d)]	109	59
UiPath Inc [(d)]	25,302	1,091
UIPATH Inc - Class A [(d),(f)]	5,842	252
Unity Software Inc [(d)]	464	66
Veeva Systems Inc [(d)]	34,557	8,829
VMware Inc	255	30
Workday Inc [(d)]	3,636	993
Zoom Video Communications Inc [(d)]	6,300	1,159
Zynga Inc [(d)]	1,511	10
		$ 169,773
Telecommunications - 0.02%		
Arista Networks Inc [(d)]	668	96
CommScope Holding Co Inc [(d)]	620	7
Corning Inc	794	30
Switch Inc	354	10
Ubiquiti Inc	20	6
		$ 149
Toys, Games & Hobbies - 0.00%		
Mattel Inc [(d)]	1,040	22
Transportation - 0.16%		
CH Robinson Worldwide Inc	84	9
Expeditors International of Washington Inc	377	51
FedEx Corp	329	85
JB Hunt Transport Services Inc	229	47
Landstar System Inc	100	18
Old Dominion Freight Line Inc	291	104
Union Pacific Corp	1,258	317
United Parcel Service Inc	2,239	480
XPO Logistics Inc [(d)]	257	20
		$ 1,131
TOTAL COMMON STOCKS		$ 692,704
Total Investments		**$ 712,559**
Other Assets and Liabilities - (0.84)%		**(5,903)**
TOTAL NET ASSETS - 100.00%		**$ 706,656**

(a) Current yield shown is as of period end.

(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $6,194 or 0.88% of net assets.

(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(d) Non-income producing security

(e) The value of these investments was determined using significant unobservable inputs, in good faith by the Manager, under procedures established and periodically reviewed by the Board of Directors.

(f) Restricted Security. Please see Restricted Securities sub-schedule for additional information.

(g) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $6,011 or 0.85% of net assets.

See accompanying notes.

Schedule of Investments
LargeCap Growth Account I
December 31, 2021

Portfolio Summary (unaudited)

Sector	Percent
Technology	33.04%
Communications	23.45%
Consumer, Non-cyclical	22.11%
Consumer, Cyclical	9.25%
Financial	5.15%
Industrial	3.51%
Money Market Funds	2.48%
Basic Materials	1.63%
Investment Companies	0.17%
Energy	0.05%
Utilities	0.00%
Other Assets and Liabilities	(0.84)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 6,012	$ 157,441	$ 148,870	$ 14,583
	$ 6,012	$ 157,441	$ 148,870	$ 14,583

	Income[a]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Restricted Securities

Security Name	Acquisition Date	Cost	Value	Percent of Net Assets
Aurora Innovation Inc - Class B Lockup Shares	11/08/2021	$ 119	$ 316	0.04%
Magic Leap Inc	01/20/2016-10/12/20217	182	7	0.00%
Nuro - Series C 0.00%	10/30/2020	228	363	0.05%
Rappi Inc - Series E 0.00%	09/08/2020	306	331	0.05%
Rivian Automotive Inc - Lockup Shares	11/10/2021	2,674	17,458	2.47%
Sila Nano Series F 0.00%	01/07/2021	203	203	0.03%
Stripe Inc - Class B	12/17/2019	90	372	0.05%
UIPATH Inc - Class A	04/21/2021	289	252	0.04%
Waymo LLC Series A-2 0.00%	05/08/2020	214	229	0.03%
Total		$	19,531	2.76%

Amounts in thousands.

Futures Contracts

Description and Expiration Date	Type	Contracts	Notional Amount	Value and Unrealized Appreciation/(Depreciation)
S&P 500 Emini; March 2022	Long	23	$ 5,472	$ 64
Total				$ 64

Amounts in thousands except contracts.

Schedule of Investments
LargeCap S&P 500 Index Account
December 31, 2021

INVESTMENT COMPANIES - 3.07%	Shares Held	Value (000's)
Exchange-Traded Funds - 0.22%		
iShares Core S&P 500 ETF	15,016	$ 7,162
Money Market Funds - 2.85%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	91,328,668	91,329
TOTAL INVESTMENT COMPANIES		$ 98,491

COMMON STOCKS - 97.12%	Shares Held	Value (000's)
Advertising - 0.07%		
Interpublic Group of Cos Inc/The	30,410	$ 1,139
Omnicom Group Inc	16,417	1,203
		$ 2,342
Aerospace & Defense - 1.30%		
Boeing Co/The [b]	42,666	8,590
General Dynamics Corp	17,898	3,731
Howmet Aerospace Inc	29,697	945
L3Harris Technologies Inc	15,155	3,232
Lockheed Martin Corp	18,957	6,738
Northrop Grumman Corp	11,510	4,455
Raytheon Technologies Corp	115,603	9,949
Teledyne Technologies Inc [b]	3,603	1,574
TransDigm Group Inc [b]	4,043	2,572
		$ 41,786
Agriculture - 0.66%		
Altria Group Inc	141,878	6,724
Archer-Daniels-Midland Co	43,207	2,920
Philip Morris International Inc	120,239	11,423
		$ 21,067
Airlines - 0.20%		
Alaska Air Group Inc [b]	9,677	504
American Airlines Group Inc [b]	50,009	898
Delta Air Lines Inc [b]	49,430	1,932
Southwest Airlines Co [b]	45,715	1,958
United Airlines Holdings Inc [b]	25,008	1,095
		$ 6,387
Apparel - 0.65%		
NIKE Inc	98,688	16,448
PVH Corp	5,488	585
Ralph Lauren Corp	3,763	447
Tapestry Inc	21,252	863
Under Armour Inc - Class A [b]	14,569	309
Under Armour Inc - Class C [b]	16,610	300
VF Corp	25,178	1,844
		$ 20,796
Automobile Manufacturers - 2.62%		
Cummins Inc	11,047	2,410
Ford Motor Co	303,172	6,297
General Motors Co [b]	112,131	6,574
PACCAR Inc	26,813	2,367
Tesla Inc [b]	62,826	66,393
		$ 84,041
Automobile Parts & Equipment - 0.13%		
Aptiv PLC [b]	20,892	3,446
BorgWarner Inc	18,518	835
		$ 4,281
Banks - 4.73%		
Bank of America Corp	556,238	24,747
Bank of New York Mellon Corp/The	58,680	3,408
Citigroup Inc	153,253	9,255
Citizens Financial Group Inc	32,916	1,555
Comerica Inc	10,129	881
Fifth Third Bancorp	52,810	2,300
First Republic Bank/CA	13,844	2,859
Goldman Sachs Group Inc/The	26,218	10,030
Huntington Bancshares Inc/OH	111,716	1,723
JPMorgan Chase & Co	228,247	36,143
KeyCorp	71,910	1,663
M&T Bank Corp	9,938	1,526
Morgan Stanley	110,871	10,883
Northern Trust Corp	16,039	1,918

COMMON STOCKS (continued)	Shares Held	Value (000's)
Banks (continued)		
PNC Financial Services Group Inc/The	32,643	$ 6,546
Regions Financial Corp	73,625	1,605
Signature Bank/New York NY	4,682	1,515
State Street Corp	28,237	2,626
SVB Financial Group [b]	4,532	3,074
Truist Financial Corp	103,097	6,036
US Bancorp	104,214	5,854
Wells Fargo & Co	307,950	14,775
Zions Bancorp NA	12,085	763
		$ 151,685
Beverages - 1.37%		
Brown-Forman Corp - B Shares	14,112	1,028
Coca-Cola Co/The	300,243	17,777
Constellation Brands Inc	12,687	3,184
Molson Coors Beverage Co	14,551	674
Monster Beverage Corp [b]	29,015	2,787
PepsiCo Inc	106,786	18,550
		$ 44,000
Biotechnology - 1.42%		
Amgen Inc	43,504	9,787
Biogen Inc [b]	11,345	2,722
Bio-Rad Laboratories Inc [b]	1,669	1,261
Corteva Inc	56,297	2,662
Gilead Sciences Inc	96,879	7,035
Illumina Inc [b]	12,072	4,593
Incyte Corp [b]	14,500	1,064
Moderna Inc [b]	27,243	6,919
Regeneron Pharmaceuticals Inc [b]	8,165	5,156
Vertex Pharmaceuticals Inc [b]	19,637	4,312
		$ 45,511
Building Materials - 0.46%		
Carrier Global Corp	66,929	3,630
Fortune Brands Home & Security Inc	10,483	1,121
Johnson Controls International plc	54,736	4,451
Martin Marietta Materials Inc	4,818	2,122
Masco Corp	18,853	1,324
Vulcan Materials Co	10,248	2,127
		$ 14,775
Chemicals - 1.64%		
Air Products and Chemicals Inc	17,096	5,202
Albemarle Corp	9,034	2,112
Celanese Corp	8,408	1,413
CF Industries Holdings Inc	16,567	1,173
Dow Inc	57,124	3,240
DuPont de Nemours Inc	40,016	3,232
Eastman Chemical Co	10,383	1,255
Ecolab Inc	19,254	4,517
FMC Corp	9,790	1,076
International Flavors & Fragrances Inc	19,657	2,961
Linde PLC	39,586	13,714
LyondellBasell Industries NV	20,306	1,873
Mosaic Co/The	28,607	1,124
PPG Industries Inc	18,334	3,161
Sherwin-Williams Co/The	18,631	6,561
		$ 52,614
Commercial Services - 2.01%		
Automatic Data Processing Inc	32,546	8,025
Cintas Corp	6,789	3,009
Equifax Inc	9,422	2,759
FleetCor Technologies Inc [b]	6,271	1,404
Gartner Inc [b]	6,352	2,124
Global Payments Inc	22,410	3,029
IHS Markit Ltd	30,803	4,094
MarketAxess Holdings Inc	2,937	1,208
Moody's Corp	12,491	4,879
Nielsen Holdings PLC	27,710	568
PayPal Holdings Inc [b]	90,743	17,112
Quanta Services Inc	11,005	1,262
Robert Half International Inc	8,599	959

See accompanying notes.

Schedule of Investments
LargeCap S&P 500 Index Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Commercial Services (continued)		
Rollins Inc	17,480	$ 598
S&P Global Inc	18,613	8,784
United Rentals Inc [b]	5,590	1,857
Verisk Analytics Inc	12,446	2,847
		$ 64,518
Computers - 8.26%		
Accenture PLC - Class A	48,785	20,224
Apple Inc	1,203,773	213,754
Cognizant Technology Solutions Corp	40,566	3,599
DXC Technology Co [b]	19,480	627
EPAM Systems Inc [b]	4,381	2,928
Fortinet Inc [b]	10,480	3,767
Hewlett Packard Enterprise Co	101,024	1,593
HP Inc	89,014	3,353
International Business Machines Corp	69,262	9,258
Leidos Holdings Inc	10,840	964
NetApp Inc	17,271	1,589
Seagate Technology Holdings PLC	15,820	1,787
Western Digital Corp [b]	24,067	1,569
		$ 265,012
Consumer Products - 0.27%		
Avery Dennison Corp	6,393	1,385
Church & Dwight Co Inc	18,858	1,933
Clorox Co/The	9,488	1,654
Kimberly-Clark Corp	26,004	3,716
		$ 8,688
Cosmetics & Personal Care - 1.33%		
Colgate-Palmolive Co	65,095	5,555
Estee Lauder Cos Inc/The	17,894	6,624
Procter & Gamble Co/The [d]	186,902	30,574
		$ 42,753
Distribution & Wholesale - 0.31%		
Copart Inc [b]	16,480	2,499
Fastenal Co	44,421	2,846
LKQ Corp	20,713	1,243
Pool Corp	3,096	1,752
WW Grainger Inc	3,343	1,732
		$ 10,072
Diversified Financial Services - 3.53%		
American Express Co	48,457	7,928
Ameriprise Financial Inc	8,642	2,607
BlackRock Inc	11,029	10,098
Capital One Financial Corp	32,873	4,770
Cboe Global Markets Inc	8,235	1,074
Charles Schwab Corp/The	116,110	9,765
CME Group Inc	27,756	6,341
Discover Financial Services	22,636	2,616
Franklin Resources Inc	21,702	727
Intercontinental Exchange Inc	43,512	5,951
Invesco Ltd	26,358	607
Mastercard Inc	67,000	24,074
Nasdaq Inc	9,040	1,898
Raymond James Financial Inc	14,303	1,436
Synchrony Financial	42,268	1,961
T Rowe Price Group Inc	17,358	3,413
Visa Inc	129,521	28,068
		$ 113,334
Electric - 2.28%		
AES Corp/The	51,492	1,251
Alliant Energy Corp	19,335	1,188
Ameren Corp	19,895	1,771
American Electric Power Co Inc	38,898	3,461
CenterPoint Energy Inc	48,568	1,356
CMS Energy Corp	22,373	1,455
Consolidated Edison Inc	27,320	2,331
Dominion Energy Inc	62,551	4,914
DTE Energy Co	14,961	1,788
Duke Energy Corp	59,409	6,232

COMMON STOCKS (continued)	Shares Held	Value (000's)
Electric (continued)		
Edison International	29,340	$ 2,002
Entergy Corp	15,522	1,749
Evergy Inc	17,709	1,215
Eversource Energy	26,552	2,416
Exelon Corp	75,558	4,364
FirstEnergy Corp	42,046	1,749
NextEra Energy Inc	151,541	14,148
NRG Energy Inc	18,909	815
Pinnacle West Capital Corp	8,713	615
PPL Corp	57,982	1,743
Public Service Enterprise Group Inc	39,053	2,606
Sempra Energy	24,662	3,262
Southern Co/The	81,852	5,613
WEC Energy Group Inc	24,362	2,365
Xcel Energy Inc	41,603	2,817
		$ 73,226
Electrical Components & Equipment - 0.27%		
AMETEK Inc	17,865	2,627
Emerson Electric Co	46,169	4,292
Generac Holdings Inc [b]	4,873	1,715
		$ 8,634
Electronics - 1.10%		
Agilent Technologies Inc	23,380	3,733
Allegion plc	6,926	917
Amphenol Corp	46,187	4,040
Fortive Corp	27,693	2,113
Garmin Ltd	11,733	1,598
Honeywell International Inc	53,170	11,086
Keysight Technologies Inc [b]	14,226	2,938
Mettler-Toledo International Inc [b]	1,776	3,014
TE Connectivity Ltd	25,203	4,066
Trimble Inc [b]	19,385	1,690
		$ 35,195
Energy - Alternate Sources - 0.10%		
Enphase Energy Inc [b]	10,418	1,906
SolarEdge Technologies Inc [b]	4,055	1,137
		$ 3,043
Engineering & Construction - 0.04%		
Jacobs Engineering Group Inc	10,064	1,401
Entertainment - 0.11%		
Caesars Entertainment Inc [b]	16,510	1,544
Live Nation Entertainment Inc [b]	10,432	1,249
Penn National Gaming Inc [b]	12,829	665
		$ 3,458
Environmental Control - 0.25%		
Pentair PLC	12,779	933
Republic Services Inc	16,164	2,254
Waste Management Inc	29,724	4,961
		$ 8,148
Food - 0.93%		
Campbell Soup Co	15,634	679
Conagra Brands Inc	37,047	1,265
General Mills Inc	46,778	3,152
Hershey Co/The	11,228	2,172
Hormel Foods Corp	21,789	1,064
J M Smucker Co/The	8,368	1,137
Kellogg Co	19,759	1,273
Kraft Heinz Co/The	54,831	1,968
Kroger Co/The	52,266	2,366
Lamb Weston Holdings Inc	11,281	715
McCormick & Co Inc/MD	19,257	1,860
Mondelez International Inc	107,738	7,144
Sysco Corp	39,593	3,110
Tyson Foods Inc	22,769	1,985
		$ 29,890
Forest Products & Paper - 0.04%		
International Paper Co	29,911	1,405

See accompanying notes.

Schedule of Investments
LargeCap S&P 500 Index Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Gas - 0.06%		
Atmos Energy Corp	10,227	$ 1,072
NiSource Inc	30,329	837
		$ 1,909
Hand & Machine Tools - 0.10%		
Snap-on Inc	4,149	893
Stanley Black & Decker Inc	12,591	2,375
		$ 3,268
Healthcare - Products - 3.98%		
Abbott Laboratories	136,570	19,221
ABIOMED Inc [b]	3,513	1,262
Align Technology Inc [b]	5,664	3,722
Baxter International Inc	38,669	3,319
Bio-Techne Corp	3,035	1,570
Boston Scientific Corp [b]	110,056	4,675
Cooper Cos Inc/The	3,808	1,595
Danaher Corp	49,117	16,160
DENTSPLY SIRONA Inc	16,883	942
Edwards Lifesciences Corp [b]	48,219	6,247
Henry Schein Inc [b]	10,711	830
Hologic Inc [b]	19,576	1,499
IDEXX Laboratories Inc [b]	6,550	4,313
Intuitive Surgical Inc [b]	27,569	9,906
Medtronic PLC	103,941	10,753
PerkinElmer Inc	9,746	1,960
ResMed Inc	11,254	2,931
STERIS PLC	7,724	1,880
Stryker Corp	25,930	6,934
Teleflex Inc	3,617	1,188
Thermo Fisher Scientific Inc	30,434	20,307
Waters Corp [b]	4,714	1,756
West Pharmaceutical Services Inc	5,722	2,684
Zimmer Biomet Holdings Inc	16,134	2,050
		$ 127,704
Healthcare - Services - 2.21%		
Anthem Inc	18,747	8,690
Catalent Inc [b]	13,221	1,693
Centene Corp [b]	45,065	3,713
Charles River Laboratories International Inc [b]	3,898	1,469
DaVita Inc [b]	5,037	573
HCA Healthcare Inc	18,496	4,752
Humana Inc	9,927	4,605
IQVIA Holdings Inc [b]	14,755	4,163
Laboratory Corp of America Holdings [b]	7,391	2,322
Quest Diagnostics Inc	9,474	1,639
UnitedHealth Group Inc	72,742	36,527
Universal Health Services Inc	5,647	732
		$ 70,878
Home Builders - 0.24%		
DR Horton Inc	25,173	2,730
Lennar Corp - A Shares	20,997	2,439
NVR Inc [b]	254	1,501
PulteGroup Inc	19,556	1,118
		$ 7,788
Home Furnishings - 0.04%		
Whirlpool Corp	4,691	1,101
Housewares - 0.02%		
Newell Brands Inc	29,240	639
Insurance - 3.10%		
Aflac Inc	47,006	2,745
Allstate Corp/The	22,142	2,605
American International Group Inc	64,128	3,646
Aon PLC	17,017	5,115
Arthur J Gallagher & Co	16,008	2,716
Assurant Inc	4,401	686
Berkshire Hathaway Inc - Class B [b]	141,445	42,292
Brown & Brown Inc	18,103	1,272
Chubb Ltd	33,268	6,431
Cincinnati Financial Corp	11,573	1,319

COMMON STOCKS (continued)	Shares Held	Value (000's)
Insurance (continued)		
Everest Re Group Ltd	3,041	$ 833
Globe Life Inc	7,175	672
Hartford Financial Services Group Inc/The	26,287	1,815
Lincoln National Corp	13,121	896
Loews Corp	15,480	894
Marsh & McLennan Cos Inc	38,996	6,778
MetLife Inc	55,221	3,451
Principal Financial Group Inc	19,040	1,377
Progressive Corp/The	45,186	4,638
Prudential Financial Inc	29,195	3,160
Travelers Cos Inc/The	19,000	2,972
W R Berkley Corp	10,779	888
Willis Towers Watson PLC	9,624	2,286
		$ 99,487
Internet - 10.94%		
Alphabet Inc - A Shares [b]	23,232	67,304
Alphabet Inc - C Shares [b]	21,596	62,490
Amazon.com Inc [b]	33,686	112,321
Booking Holdings Inc [b]	3,171	7,608
CDW Corp/DE	10,482	2,146
eBay Inc	48,349	3,215
Etsy Inc [b]	9,791	2,144
Expedia Group Inc [b]	11,276	2,038
F5 Inc [b]	4,657	1,140
Match Group Inc [b]	21,862	2,891
Meta Platforms Inc [b]	182,757	61,470
Netflix Inc [b]	34,211	20,610
NortonLifeLock Inc	44,930	1,167
Twitter Inc [b]	61,756	2,669
VeriSign Inc [b]	7,464	1,895
		$ 351,108
Iron & Steel - 0.08%		
Nucor Corp	22,075	2,520
Leisure Products & Services - 0.10%		
Carnival Corp [b]	62,131	1,250
Norwegian Cruise Line Holdings Ltd [b]	28,578	593
Royal Caribbean Cruises Ltd [b]	17,316	1,331
		$ 3,174
Lodging - 0.31%		
Hilton Worldwide Holdings Inc [b]	21,526	3,358
Las Vegas Sands Corp [b]	26,551	1,000
Marriott International Inc/MD [b]	21,128	3,491
MGM Resorts International	30,063	1,349
Wynn Resorts Ltd [b]	8,127	691
		$ 9,889
Machinery - Construction & Mining - 0.27%		
Caterpillar Inc	41,780	8,638
Machinery - Diversified - 0.68%		
Deere & Co	21,792	7,472
Dover Corp	11,119	2,019
IDEX Corp	5,871	1,387
Ingersoll Rand Inc	31,478	1,948
Otis Worldwide Corp	32,808	2,857
Rockwell Automation Inc	8,957	3,125
Westinghouse Air Brake Technologies Corp	14,430	1,329
Xylem Inc/NY	13,926	1,670
		$ 21,807
Media - 1.63%		
Charter Communications Inc [b]	9,555	6,230
Comcast Corp - Class A	352,146	17,723
Discovery Inc - A Shares [b]	13,068	308
Discovery Inc - C Shares [b]	23,457	537
DISH Network Corp [b]	19,285	626
FactSet Research Systems Inc	2,907	1,413
Fox Corp - A Shares	24,743	913
Fox Corp - B Shares	11,358	389
News Corp - A Shares	30,355	677
News Corp - B Shares	9,404	212

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COMMON STOCKS (continued)	Shares Held	Value (000's)
Media (continued)		
ViacomCBS Inc - Class B	46,857	$ 1,414
Walt Disney Co/The [b]	140,342	21,737
		$ 52,179
Mining - 0.27%		
Freeport-McMoRan Inc	113,415	4,733
Newmont Corp	61,588	3,819
		$ 8,552
Miscellaneous Manufacturers - 1.11%		
3M Co	44,507	7,906
A O Smith Corp	10,286	883
Eaton Corp PLC	30,785	5,320
General Electric Co	84,812	8,012
Illinois Tool Works Inc	22,061	5,445
Parker-Hannifin Corp	9,970	3,172
Textron Inc	17,025	1,314
Trane Technologies PLC	18,345	3,706
		$ 35,758
Office & Business Equipment - 0.08%		
Zebra Technologies Corp [b]	4,128	2,457
Oil & Gas - 2.18%		
APA Corp	28,058	755
Chevron Corp	148,883	17,471
ConocoPhillips	101,868	7,353
Coterra Energy Inc	62,835	1,194
Devon Energy Corp	48,626	2,142
Diamondback Energy Inc	13,152	1,418
EOG Resources Inc	45,187	4,014
Exxon Mobil Corp	326,973	20,008
Hess Corp	21,289	1,576
Marathon Oil Corp	60,129	987
Marathon Petroleum Corp	47,545	3,042
Occidental Petroleum Corp	68,527	1,987
Phillips 66	33,841	2,452
Pioneer Natural Resources Co	17,535	3,189
Valero Energy Corp	31,575	2,372
		$ 69,960
Oil & Gas Services - 0.20%		
Baker Hughes Co	67,506	1,624
Halliburton Co	69,132	1,581
Schlumberger NV	108,329	3,245
		$ 6,450
Packaging & Containers - 0.20%		
Amcor PLC	118,413	1,422
Ball Corp	25,017	2,408
Packaging Corp of America	7,336	999
Sealed Air Corp	11,444	772
Westrock Co	20,621	915
		$ 6,516
Pharmaceuticals - 5.10%		
AbbVie Inc	136,539	18,487
AmerisourceBergen Corp	11,554	1,535
Becton Dickinson and Co	22,180	5,578
Bristol-Myers Squibb Co	171,429	10,689
Cardinal Health Inc	21,764	1,121
Cigna Corp	25,597	5,878
CVS Health Corp	101,952	10,517
Dexcom Inc [b]	7,485	4,019
Eli Lilly & Co	61,321	16,938
Johnson & Johnson	203,323	34,783
McKesson Corp	11,792	2,931
Merck & Co Inc	195,086	14,951
Organon & Co	19,581	596
Pfizer Inc	433,501	25,598
Viatris Inc	93,405	1,264
Zoetis Inc	36,540	8,917
		$ 163,802

COMMON STOCKS (continued)	Shares Held	Value (000's)
Pipelines - 0.21%		
Kinder Morgan Inc	150,604	$ 2,388
ONEOK Inc	34,441	2,024
Williams Cos Inc/The	93,840	2,444
		$ 6,856
Real Estate - 0.09%		
CBRE Group Inc	25,848	2,805
REITs - 2.60%		
Alexandria Real Estate Equities Inc	10,891	2,428
American Tower Corp	35,172	10,288
AvalonBay Communities Inc	10,792	2,726
Boston Properties Inc	10,978	1,264
Crown Castle International Corp	33,379	6,968
Digital Realty Trust Inc	21,916	3,876
Duke Realty Corp	29,414	1,931
Equinix Inc	6,954	5,882
Equity Residential	26,356	2,385
Essex Property Trust Inc	5,026	1,770
Extra Space Storage Inc	10,340	2,344
Federal Realty Investment Trust	5,406	737
Healthpeak Properties Inc	41,634	1,503
Host Hotels & Resorts Inc [b]	55,147	959
Iron Mountain Inc	22,362	1,170
Kimco Realty Corp	47,608	1,174
Mid-America Apartment Communities Inc	8,893	2,040
Prologis Inc	57,100	9,613
Public Storage	11,782	4,413
Realty Income Corp	43,695	3,128
Regency Centers Corp	11,900	897
SBA Communications Corp	8,402	3,269
Simon Property Group Inc	25,379	4,055
UDR Inc	22,446	1,347
Ventas Inc	30,829	1,576
Vornado Realty Trust	12,279	514
Welltower Inc	33,617	2,883
Weyerhaeuser Co	57,850	2,382
		$ 83,522
Retail - 5.18%		
Advance Auto Parts Inc	4,866	1,167
AutoZone Inc [b]	1,621	3,398
Bath & Body Works Inc	20,418	1,425
Best Buy Co Inc	17,098	1,737
CarMax Inc [b]	12,521	1,631
Chipotle Mexican Grill Inc [b]	2,173	3,799
Costco Wholesale Corp	34,123	19,372
Darden Restaurants Inc	10,024	1,510
Dollar General Corp	18,019	4,250
Dollar Tree Inc [b]	17,372	2,441
Domino's Pizza Inc	2,811	1,586
Gap Inc/The	16,558	292
Genuine Parts Co	11,000	1,542
Home Depot Inc/The	81,511	33,828
Lowe's Cos Inc	53,480	13,824
McDonald's Corp	57,712	15,471
O'Reilly Automotive Inc [b]	5,205	3,676
Ross Stores Inc	27,447	3,137
Starbucks Corp	91,135	10,660
Target Corp	37,694	8,724
TJX Cos Inc/The	92,878	7,051
Tractor Supply Co	8,790	2,097
Ulta Beauty Inc [b]	4,199	1,731
Walgreens Boots Alliance Inc	55,489	2,894
Walmart Inc	109,837	15,892
Yum! Brands Inc	22,641	3,144
		$ 166,279
Savings & Loans - 0.02%		
People's United Financial Inc	33,056	589

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COMMON STOCKS (continued)	Shares Held	Value (000's)
Semiconductors - 6.11%		
Advanced Micro Devices Inc [b]	93,269	$ 13,421
Analog Devices Inc	41,505	7,295
Applied Materials Inc	69,737	10,974
Broadcom Inc	31,790	21,153
Intel Corp	314,109	16,177
IPG Photonics Corp [b]	2,759	475
KLA Corp	11,712	5,037
Lam Research Corp	10,875	7,821
Microchip Technology Inc	42,853	3,731
Micron Technology Inc	86,396	8,048
Monolithic Power Systems Inc	3,346	1,651
NVIDIA Corp	193,082	56,787
NXP Semiconductors NV	20,538	4,678
Qorvo Inc [b]	8,513	1,331
QUALCOMM Inc	86,503	15,819
Skyworks Solutions Inc	12,754	1,979
Teradyne Inc	12,590	2,059
Texas Instruments Inc	71,326	13,443
Xilinx Inc	19,143	4,059
		$ 195,938
Shipbuilding - 0.02%		
Huntington Ingalls Industries Inc	3,093	578
Software - 10.22%		
Activision Blizzard Inc	60,155	4,002
Adobe Inc [b]	36,747	20,838
Akamai Technologies Inc [b]	12,548	1,469
ANSYS Inc [b]	6,739	2,703
Autodesk Inc [b]	16,979	4,774
Broadridge Financial Solutions Inc	9,002	1,646
Cadence Design Systems Inc [b]	21,404	3,989
Ceridian HCM Holding Inc [b]	10,519	1,099
Cerner Corp	22,725	2,110
Citrix Systems Inc	9,632	911
Electronic Arts Inc	21,843	2,881
Fidelity National Information Services Inc	47,032	5,133
Fiserv Inc [b]	45,894	4,763
Intuit Inc	21,870	14,067
Jack Henry & Associates Inc	5,719	955
Microsoft Corp	579,868	195,021
MSCI Inc	6,368	3,902
Oracle Corp	124,569	10,864
Paychex Inc	24,785	3,383
Paycom Software Inc [b]	3,718	1,544
PTC Inc [b]	8,158	988
Roper Technologies Inc	8,147	4,007
salesforce.com Inc [b]	75,610	19,215
ServiceNow Inc [b]	15,370	9,977
Synopsys Inc [b]	11,778	4,340
Take-Two Interactive Software Inc [b]	8,905	1,583
Tyler Technologies Inc [b]	3,164	1,702
		$ 327,866
Telecommunications - 2.06%		
Arista Networks Inc [b]	17,324	2,490
AT&T Inc	551,525	13,567
Cisco Systems Inc/Delaware	325,742	20,642
Corning Inc	59,319	2,208
Juniper Networks Inc	25,114	897
Lumen Technologies Inc	71,172	893
Motorola Solutions Inc	13,043	3,544
T-Mobile US Inc [b]	45,340	5,259
Verizon Communications Inc	319,759	16,615
		$ 66,115
Textiles - 0.02%		
Mohawk Industries Inc [b]	4,237	772
Toys, Games & Hobbies - 0.03%		
Hasbro Inc	10,014	1,019

COMMON STOCKS (continued)	Shares Held	Value (000's)
Transportation - 1.50%		
CH Robinson Worldwide Inc	10,039	$ 1,081
CSX Corp	171,304	6,441
Expeditors International of Washington Inc	13,083	1,757
FedEx Corp	18,876	4,882
JB Hunt Transport Services Inc	6,487	1,326
Norfolk Southern Corp	18,795	5,595
Old Dominion Freight Line Inc	7,195	2,579
Union Pacific Corp	49,653	12,509
United Parcel Service Inc	56,314	12,070
		$ 48,240
Water - 0.08%		
American Water Works Co Inc	14,020	2,648
TOTAL COMMON STOCKS		$ 3,116,873
Total Investments		**$ 3,215,364**
Other Assets and Liabilities - (0.19)%		**(6,115)**
TOTAL NET ASSETS - 100.00%		**$ 3,209,249**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(b) Non-income producing security

(c) Current yield shown is as of period end.

(d) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At the end of the period, the value of these securities totaled $6,437 or 0.20% of net assets.

Portfolio Summary (unaudited)

Sector	Percent
Technology	24.67%
Consumer, Non-cyclical	19.28%
Communications	14.70%
Financial	14.07%
Consumer, Cyclical	9.96%
Industrial	7.30%
Money Market Funds	2.85%
Energy	2.69%
Utilities	2.42%
Basic Materials	2.03%
Investment Companies	0.22%
Other Assets and Liabilities	(0.19)%
TOTAL NET ASSETS	100.00%

See accompanying notes.

Schedule of Investments
LargeCap S&P 500 Index Account
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Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Principal Government Money Market Fund - Institutional Class 0.00%	$ 49,065	$ 576,504	$ 534,240	$ 91,329
	$ 49,065	$ 576,504	$ 534,240	$ 91,329

	Income[(a)]	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Futures Contracts

Description and Expiration Date	Type	Contracts	Notional Amount	Value and Unrealized Appreciation/(Depreciation)
S&P 500 Emini; March 2022	Long	383	$ 91,125	$ 2,798
Total				$ 2,798

Amounts in thousands except contracts.

Schedule of Investments
LargeCap S&P 500 Managed Volatility Index Account
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INVESTMENT COMPANIES - 7.15%	Shares Held	Value (000's)
Exchange-Traded Funds - 0.10%		
iShares Core S&P 500 ETF	516	$ 246
Money Market Funds - 7.05%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	16,905,060	16,905
TOTAL INVESTMENT COMPANIES		$ 17,151

COMMON STOCKS - 93.05%	Shares Held	Value (000's)
Advertising - 0.07%		
Interpublic Group of Cos Inc/The	2,177	$ 82
Omnicom Group Inc	1,176	86
		$ 168
Aerospace & Defense - 1.25%		
Boeing Co/The [b]	3,055	615
General Dynamics Corp	1,281	267
Howmet Aerospace Inc	2,129	68
L3Harris Technologies Inc	1,085	231
Lockheed Martin Corp	1,357	482
Northrop Grumman Corp	825	319
Raytheon Technologies Corp	8,280	713
Teledyne Technologies Inc [b]	258	113
TransDigm Group Inc [b]	290	185
		$ 2,993
Agriculture - 0.63%		
Altria Group Inc	10,162	482
Archer-Daniels-Midland Co	3,093	209
Philip Morris International Inc	8,610	818
		$ 1,509
Airlines - 0.19%		
Alaska Air Group Inc [b]	692	36
American Airlines Group Inc [b]	3,581	64
Delta Air Lines Inc [b]	3,539	138
Southwest Airlines Co [b]	3,273	140
United Airlines Holdings Inc [b]	1,790	79
		$ 457
Apparel - 0.62%		
NIKE Inc	7,067	1,178
PVH Corp	392	42
Ralph Lauren Corp	269	32
Tapestry Inc	1,523	62
Under Armour Inc - Class A [b]	1,039	22
Under Armour Inc - Class C [b]	1,189	21
VF Corp	1,802	132
		$ 1,489
Automobile Manufacturers - 2.51%		
Cummins Inc	791	173
Ford Motor Co	21,712	451
General Motors Co [b]	8,030	471
PACCAR Inc	1,919	169
Tesla Inc [b]	4,499	4,754
		$ 6,018
Automobile Parts & Equipment - 0.13%		
Aptiv PLC [b]	1,496	247
BorgWarner Inc	1,325	59
		$ 306
Banks - 4.53%		
Bank of America Corp	39,839	1,773
Bank of New York Mellon Corp/The	4,204	244
Citigroup Inc	10,977	663
Citizens Financial Group Inc	2,356	111
Comerica Inc	725	63
Fifth Third Bancorp	3,783	165
First Republic Bank/CA	990	205
Goldman Sachs Group Inc/The	1,877	718
Huntington Bancshares Inc/OH	8,001	123
JPMorgan Chase & Co	16,347	2,589
KeyCorp	5,151	119
M&T Bank Corp	711	109
Morgan Stanley	7,942	780
Northern Trust Corp	1,148	137

COMMON STOCKS (continued)	Shares Held	Value (000's)
Banks (continued)		
PNC Financial Services Group Inc/The	2,338	$ 469
Regions Financial Corp	5,272	115
Signature Bank/New York NY	334	108
State Street Corp	2,021	188
SVB Financial Group [b]	325	220
Truist Financial Corp	7,383	432
US Bancorp	7,463	419
Wells Fargo & Co	22,057	1,058
Zions Bancorp NA	866	55
		$ 10,863
Beverages - 1.31%		
Brown-Forman Corp - B Shares	1,010	74
Coca-Cola Co/The	21,503	1,273
Constellation Brands Inc	909	228
Molson Coors Beverage Co	1,041	48
Monster Beverage Corp [b]	2,077	200
PepsiCo Inc	7,647	1,328
		$ 3,151
Biotechnology - 1.36%		
Amgen Inc	3,117	701
Biogen Inc [b]	812	195
Bio-Rad Laboratories Inc [b]	120	91
Corteva Inc	4,033	191
Gilead Sciences Inc	6,937	504
Illumina Inc [b]	865	329
Incyte Corp [b]	1,037	76
Moderna Inc [b]	1,950	495
Regeneron Pharmaceuticals Inc [b]	585	369
Vertex Pharmaceuticals Inc [b]	1,406	309
		$ 3,260
Building Materials - 0.44%		
Carrier Global Corp	4,792	260
Fortune Brands Home & Security Inc	750	80
Johnson Controls International plc	3,921	319
Martin Marietta Materials Inc	346	152
Masco Corp	1,351	95
Vulcan Materials Co	733	152
		$ 1,058
Chemicals - 1.57%		
Air Products and Chemicals Inc	1,223	372
Albemarle Corp	646	151
Celanese Corp	603	101
CF Industries Holdings Inc	1,185	84
Dow Inc	4,092	232
DuPont de Nemours Inc	2,867	232
Eastman Chemical Co	744	90
Ecolab Inc	1,378	323
FMC Corp	701	77
International Flavors & Fragrances Inc	1,406	212
Linde PLC	2,835	982
LyondellBasell Industries NV	1,456	134
Mosaic Co/The	2,048	81
PPG Industries Inc	1,312	226
Sherwin-Williams Co/The	1,334	470
		$ 3,767
Commercial Services - 1.93%		
Automatic Data Processing Inc	2,331	575
Cintas Corp	486	215
Equifax Inc	674	197
FleetCor Technologies Inc [b]	449	101
Gartner Inc [b]	455	152
Global Payments Inc	1,606	217
IHS Markit Ltd	2,205	293
MarketAxess Holdings Inc	210	86
Moody's Corp	895	350
Nielsen Holdings PLC	1,984	41
PayPal Holdings Inc [b]	6,498	1,225
Quanta Services Inc	788	90
Robert Half International Inc	615	69

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COMMON STOCKS (continued)	Shares Held	Value (000's)
Commercial Services (continued)		
Rollins Inc	1,251	$ 43
S&P Global Inc	1,333	629
United Rentals Inc [(b)]	400	133
Verisk Analytics Inc	890	204
		$ 4,620
Computers - 7.91%		
Accenture PLC - Class A	3,495	1,449
Apple Inc	86,210	15,308
Cognizant Technology Solutions Corp	2,904	258
DXC Technology Co [(b)]	1,395	45
EPAM Systems Inc [(b)]	314	210
Fortinet Inc [(b)]	749	269
Hewlett Packard Enterprise Co	7,234	114
HP Inc	6,376	240
International Business Machines Corp	4,959	663
Leidos Holdings Inc	776	69
NetApp Inc	1,236	114
Seagate Technology Holdings PLC	1,133	128
Western Digital Corp [(b)]	1,723	112
		$ 18,979
Consumer Products - 0.26%		
Avery Dennison Corp	457	99
Church & Dwight Co Inc	1,352	139
Clorox Co/The	679	118
Kimberly-Clark Corp	1,862	266
		$ 622
Cosmetics & Personal Care - 1.28%		
Colgate-Palmolive Co	4,661	398
Estee Lauder Cos Inc/The	1,282	474
Procter & Gamble Co/The	13,386	2,190
		$ 3,062
Distribution & Wholesale - 0.30%		
Copart Inc [(b)]	1,179	179
Fastenal Co	3,180	204
LKQ Corp	1,485	89
Pool Corp	223	126
WW Grainger Inc	240	124
		$ 722
Diversified Financial Services - 3.38%		
American Express Co	3,471	568
Ameriprise Financial Inc	619	187
BlackRock Inc	791	724
Capital One Financial Corp	2,355	342
Cboe Global Markets Inc	589	77
Charles Schwab Corp/The	8,315	699
CME Group Inc	1,987	454
Discover Financial Services	1,622	187
Franklin Resources Inc	1,551	52
Intercontinental Exchange Inc	3,115	426
Invesco Ltd	1,887	44
Mastercard Inc	4,799	1,724
Nasdaq Inc	647	136
Raymond James Financial Inc	1,024	103
Synchrony Financial	3,028	141
T Rowe Price Group Inc	1,243	244
Visa Inc	9,277	2,010
		$ 8,118
Electric - 2.19%		
AES Corp/The	3,687	90
Alliant Energy Corp	1,384	85
Ameren Corp	1,424	127
American Electric Power Co Inc	2,785	248
CenterPoint Energy Inc	3,477	97
CMS Energy Corp	1,601	104
Consolidated Edison Inc	1,956	167
Dominion Energy Inc	4,479	352
DTE Energy Co	1,071	128
Duke Energy Corp	4,254	446

COMMON STOCKS (continued)	Shares Held	Value (000's)
Electric (continued)		
Edison International	2,101	$ 143
Entergy Corp	1,111	125
Evergy Inc	1,267	87
Eversource Energy	1,901	173
Exelon Corp	5,411	312
FirstEnergy Corp	3,010	125
NextEra Energy Inc	10,852	1,013
NRG Energy Inc	1,354	58
Pinnacle West Capital Corp	623	44
PPL Corp	4,154	125
Public Service Enterprise Group Inc	2,796	187
Sempra Energy	1,766	234
Southern Co/The	5,861	402
WEC Energy Group Inc	1,744	169
Xcel Energy Inc	2,979	202
		$ 5,243
Electrical Components & Equipment - 0.26%		
AMETEK Inc	1,278	188
Emerson Electric Co	3,306	307
Generac Holdings Inc [(b)]	350	123
		$ 618
Electronics - 1.05%		
Agilent Technologies Inc	1,674	267
Allegion plc	495	66
Amphenol Corp	3,307	289
Fortive Corp	1,982	151
Garmin Ltd	840	114
Honeywell International Inc	3,807	794
Keysight Technologies Inc [(b)]	1,018	210
Mettler-Toledo International Inc [(b)]	127	216
TE Connectivity Ltd	1,805	291
Trimble Inc [(b)]	1,387	121
		$ 2,519
Energy - Alternate Sources - 0.09%		
Enphase Energy Inc [(b)]	746	136
SolarEdge Technologies Inc [(b)]	289	81
		$ 217
Engineering & Construction - 0.04%		
Jacobs Engineering Group Inc	720	100
Entertainment - 0.10%		
Caesars Entertainment Inc [(b)]	1,181	110
Live Nation Entertainment Inc [(b)]	747	89
Penn National Gaming Inc [(b)]	918	48
		$ 247
Environmental Control - 0.24%		
Pentair PLC	913	67
Republic Services Inc	1,158	161
Waste Management Inc	2,130	356
		$ 584
Food - 0.89%		
Campbell Soup Co	1,119	49
Conagra Brands Inc	2,653	91
General Mills Inc	3,349	226
Hershey Co/The	803	155
Hormel Foods Corp	1,559	76
J M Smucker Co/The	599	81
Kellogg Co	1,414	91
Kraft Heinz Co/The	3,926	141
Kroger Co/The	3,744	169
Lamb Weston Holdings Inc	807	51
McCormick & Co Inc/MD	1,378	133
Mondelez International Inc	7,715	512
Sysco Corp	2,835	223
Tyson Foods Inc	1,630	142
		$ 2,140
Forest Products & Paper - 0.04%		
International Paper Co	2,143	101

See accompanying notes.

Schedule of Investments
LargeCap S&P 500 Managed Volatility Index Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Gas - 0.06%		
Atmos Energy Corp	732	$ 77
NiSource Inc	2,171	60
		$ 137
Hand & Machine Tools - 0.10%		
Snap-on Inc	296	64
Stanley Black & Decker Inc	901	170
		$ 234
Healthcare - Products - 3.81%		
Abbott Laboratories	9,780	1,376
ABIOMED Inc [b]	252	91
Align Technology Inc [b]	407	267
Baxter International Inc	2,768	238
Bio-Techne Corp	217	112
Boston Scientific Corp [b]	7,881	335
Cooper Cos Inc/The	274	115
Danaher Corp	3,516	1,157
DENTSPLY SIRONA Inc	1,209	67
Edwards Lifesciences Corp [b]	3,453	447
Henry Schein Inc [b]	767	59
Hologic Inc [b]	1,402	107
IDEXX Laboratories Inc [b]	470	310
Intuitive Surgical Inc [b]	1,973	709
Medtronic PLC	7,443	770
PerkinElmer Inc	697	140
ResMed Inc	805	210
STERIS PLC	553	135
Stryker Corp	1,856	496
Teleflex Inc	258	85
Thermo Fisher Scientific Inc	2,180	1,455
Waters Corp [b]	338	126
West Pharmaceutical Services Inc	410	192
Zimmer Biomet Holdings Inc	1,155	147
		$ 9,146
Healthcare - Services - 2.12%		
Anthem Inc	1,344	623
Catalent Inc [b]	946	121
Centene Corp [b]	3,226	266
Charles River Laboratories International Inc [b]	280	106
DaVita Inc [b]	361	41
HCA Healthcare Inc	1,325	340
Humana Inc	711	330
IQVIA Holdings Inc [b]	1,056	298
Laboratory Corp of America Holdings [b]	529	166
Quest Diagnostics Inc	678	117
UnitedHealth Group Inc	5,210	2,616
Universal Health Services Inc	405	53
		$ 5,077
Home Builders - 0.23%		
DR Horton Inc	1,802	196
Lennar Corp - A Shares	1,504	175
NVR Inc [b]	18	106
PulteGroup Inc	1,402	80
		$ 557
Home Furnishings - 0.03%		
Whirlpool Corp	336	79
Housewares - 0.02%		
Newell Brands Inc	2,093	46
Insurance - 2.97%		
Aflac Inc	3,367	197
Allstate Corp/The	1,587	187
American International Group Inc	4,593	261
Aon PLC	1,218	366
Arthur J Gallagher & Co	1,146	194
Assurant Inc	315	49
Berkshire Hathaway Inc - Class B [b]	10,131	3,029
Brown & Brown Inc	1,296	91
Chubb Ltd	2,384	461
Cincinnati Financial Corp	828	94

COMMON STOCKS (continued)	Shares Held	Value (000's)
Insurance (continued)		
Everest Re Group Ltd	218	$ 60
Globe Life Inc	514	48
Hartford Financial Services Group Inc/The	1,883	130
Lincoln National Corp	940	64
Loews Corp	1,110	64
Marsh & McLennan Cos Inc	2,793	485
MetLife Inc	3,956	247
Principal Financial Group Inc	1,364	99
Progressive Corp/The	3,235	332
Prudential Financial Inc	2,092	226
Travelers Cos Inc/The	1,360	213
W R Berkley Corp	772	64
Willis Towers Watson PLC	689	164
		$ 7,125
Internet - 10.48%		
Alphabet Inc - A Shares [b]	1,664	4,821
Alphabet Inc - C Shares [b]	1,546	4,473
Amazon.com Inc [b]	2,412	8,042
Booking Holdings Inc [b]	227	545
CDW Corp/DE	750	154
eBay Inc	3,463	230
Etsy Inc [b]	701	153
Expedia Group Inc [b]	806	146
F5 Inc [b]	332	81
Match Group Inc [b]	1,565	207
Meta Platforms Inc [b]	13,090	4,403
Netflix Inc [b]	2,450	1,476
NortonLifeLock Inc	3,217	84
Twitter Inc [b]	4,422	191
VeriSign Inc [b]	534	135
		$ 25,141
Iron & Steel - 0.08%		
Nucor Corp	1,582	181
Leisure Products & Services - 0.09%		
Carnival Corp [b]	4,448	90
Norwegian Cruise Line Holdings Ltd [b]	2,041	42
Royal Caribbean Cruises Ltd [b]	1,239	95
		$ 227
Lodging - 0.30%		
Hilton Worldwide Holdings Inc [b]	1,541	240
Las Vegas Sands Corp [b]	1,901	72
Marriott International Inc/MD [b]	1,512	250
MGM Resorts International	2,154	97
Wynn Resorts Ltd [b]	581	49
		$ 708
Machinery - Construction & Mining - 0.26%		
Caterpillar Inc	2,993	619
Machinery - Diversified - 0.65%		
Deere & Co	1,561	535
Dover Corp	795	144
IDEX Corp	420	99
Ingersoll Rand Inc	2,253	139
Otis Worldwide Corp	2,350	205
Rockwell Automation Inc	641	224
Westinghouse Air Brake Technologies Corp	1,033	95
Xylem Inc/NY	996	120
		$ 1,561
Media - 1.56%		
Charter Communications Inc [b]	685	447
Comcast Corp - Class A	25,222	1,269
Discovery Inc - A Shares [b]	932	22
Discovery Inc - C Shares [b]	1,675	38
DISH Network Corp [b]	1,380	45
FactSet Research Systems Inc	208	101
Fox Corp - A Shares	1,773	65
Fox Corp - B Shares	814	28
News Corp - A Shares	2,173	49
News Corp - B Shares	670	15

Schedule of Investments
LargeCap S&P 500 Managed Volatility Index Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Media (continued)		
ViacomCBS Inc - Class B	3,355	$ 101
Walt Disney Co/The [b]	10,050	1,557
		$ 3,737
Mining - 0.26%		
Freeport-McMoRan Inc	8,122	339
Newmont Corp	4,410	273
		$ 612
Miscellaneous Manufacturers - 1.07%		
3M Co	3,188	566
A O Smith Corp	736	63
Eaton Corp PLC	2,203	381
General Electric Co	6,073	574
Illinois Tool Works Inc	1,580	390
Parker-Hannifin Corp	713	227
Textron Inc	1,220	94
Trane Technologies PLC	1,312	265
		$ 2,560
Office & Business Equipment - 0.07%		
Zebra Technologies Corp [b]	296	176
Oil & Gas - 2.09%		
APA Corp	2,010	54
Chevron Corp	10,663	1,251
ConocoPhillips	7,296	527
Coterra Energy Inc	4,499	85
Devon Energy Corp	3,482	153
Diamondback Energy Inc	941	102
EOG Resources Inc	3,235	287
Exxon Mobil Corp [d]	23,417	1,433
Hess Corp	1,524	113
Marathon Oil Corp	4,306	71
Marathon Petroleum Corp	3,406	218
Occidental Petroleum Corp	4,907	142
Phillips 66	2,423	176
Pioneer Natural Resources Co	1,255	228
Valero Energy Corp	2,260	170
		$ 5,010
Oil & Gas Services - 0.19%		
Baker Hughes Co	4,834	116
Halliburton Co	4,951	113
Schlumberger NV	7,758	233
		$ 462
Packaging & Containers - 0.19%		
Amcor PLC	8,481	102
Ball Corp	1,792	173
Packaging Corp of America	524	71
Sealed Air Corp	820	55
Westrock Co	1,476	65
		$ 466
Pharmaceuticals - 4.89%		
AbbVie Inc	9,777	1,324
AmerisourceBergen Corp	827	110
Becton Dickinson and Co	1,588	399
Bristol-Myers Squibb Co	12,277	765
Cardinal Health Inc	1,559	80
Cigna Corp	1,833	421
CVS Health Corp	7,300	753
Dexcom Inc [b]	536	288
Eli Lilly & Co	4,391	1,213
Johnson & Johnson	14,561	2,491
McKesson Corp	844	210
Merck & Co Inc	13,971	1,071
Organon & Co	1,402	43
Pfizer Inc	31,047	1,833
Viatris Inc	6,688	91
Zoetis Inc	2,616	638
		$ 11,730

COMMON STOCKS (continued)	Shares Held	Value (000's)
Pipelines - 0.20%		
Kinder Morgan Inc	10,785	$ 171
ONEOK Inc	2,466	145
Williams Cos Inc/The	6,720	175
		$ 491
Real Estate - 0.08%		
CBRE Group Inc	1,851	201
REITs - 2.49%		
Alexandria Real Estate Equities Inc	779	174
American Tower Corp	2,518	736
AvalonBay Communities Inc	772	195
Boston Properties Inc	786	90
Crown Castle International Corp	2,389	499
Digital Realty Trust Inc	1,569	277
Duke Realty Corp	2,105	138
Equinix Inc	498	421
Equity Residential	1,886	171
Essex Property Trust Inc	360	127
Extra Space Storage Inc	740	168
Federal Realty Investment Trust	386	53
Healthpeak Properties Inc	2,981	108
Host Hotels & Resorts Inc [b]	3,948	69
Iron Mountain Inc	1,600	84
Kimco Realty Corp	3,409	84
Mid-America Apartment Communities Inc	637	146
Prologis Inc	4,088	688
Public Storage	843	316
Realty Income Corp	3,129	224
Regency Centers Corp	851	64
SBA Communications Corp	603	235
Simon Property Group Inc	1,817	290
UDR Inc	1,606	96
Ventas Inc	2,207	113
Vornado Realty Trust	879	37
Welltower Inc	2,407	206
Weyerhaeuser Co	4,142	170
		$ 5,979
Retail - 4.97%		
Advance Auto Parts Inc	348	84
AutoZone Inc [b]	116	243
Bath & Body Works Inc	1,461	102
Best Buy Co Inc	1,225	124
CarMax Inc [b]	896	117
Chipotle Mexican Grill Inc [b]	156	273
Costco Wholesale Corp	2,444	1,387
Darden Restaurants Inc	718	108
Dollar General Corp	1,291	304
Dollar Tree Inc [b]	1,244	175
Domino's Pizza Inc	202	114
Gap Inc/The	1,185	21
Genuine Parts Co	788	111
Home Depot Inc/The	5,839	2,423
Lowe's Cos Inc	3,831	990
McDonald's Corp	4,132	1,108
O'Reilly Automotive Inc [b]	374	264
Ross Stores Inc	1,966	225
Starbucks Corp	6,526	763
Target Corp	2,700	625
TJX Cos Inc/The	6,652	505
Tractor Supply Co	630	150
Ulta Beauty Inc [b]	302	125
Walgreens Boots Alliance Inc	3,973	207
Walmart Inc	7,867	1,138
Yum! Brands Inc	1,622	225
		$ 11,911
Savings & Loans - 0.02%		
People's United Financial Inc	2,367	42

Schedule of Investments
LargeCap S&P 500 Managed Volatility Index Account
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COMMON STOCKS (continued)	Shares Held	Value (000's)
Semiconductors - 5.85%		
Advanced Micro Devices Inc [b]	6,681	$ 961
Analog Devices Inc	2,972	522
Applied Materials Inc	4,996	786
Broadcom Inc	2,277	1,515
Intel Corp	22,495	1,159
IPG Photonics Corp [b]	197	34
KLA Corp	840	361
Lam Research Corp	780	561
Microchip Technology Inc	3,068	267
Micron Technology Inc	6,188	576
Monolithic Power Systems Inc	239	118
NVIDIA Corp	13,827	4,067
NXP Semiconductors NV	1,470	335
Qorvo Inc [b]	609	95
QUALCOMM Inc	6,196	1,133
Skyworks Solutions Inc	912	142
Teradyne Inc	901	147
Texas Instruments Inc	5,107	963
Xilinx Inc	1,370	291
		$ 14,033
Shipbuilding - 0.02%		
Huntington Ingalls Industries Inc	221	41
Software - 9.79%		
Activision Blizzard Inc	4,307	287
Adobe Inc [b]	2,632	1,492
Akamai Technologies Inc [b]	897	105
ANSYS Inc [b]	483	194
Autodesk Inc [b]	1,215	342
Broadridge Financial Solutions Inc	644	118
Cadence Design Systems Inc [b]	1,532	285
Ceridian HCM Holding Inc [b]	752	79
Cerner Corp	1,630	151
Citrix Systems Inc	689	65
Electronic Arts Inc	1,564	206
Fidelity National Information Services Inc	3,369	368
Fiserv Inc [b]	3,286	341
Intuit Inc	1,566	1,007
Jack Henry & Associates Inc	409	68
Microsoft Corp [d]	41,529	13,967
MSCI Inc	456	279
Oracle Corp	8,923	778
Paychex Inc	1,775	242
Paycom Software Inc [b]	267	111
PTC Inc [b]	583	71
Roper Technologies Inc	583	287
salesforce.com Inc [b]	5,414	1,376
ServiceNow Inc [b]	1,101	715
Synopsys Inc [b]	843	311
Take-Two Interactive Software Inc [b]	638	113
Tyler Technologies Inc [b]	228	123
		$ 23,481
Telecommunications - 1.97%		
Arista Networks Inc [b]	1,240	178
AT&T Inc	39,499	972
Cisco Systems Inc/Delaware	23,329	1,478
Corning Inc	4,248	158
Juniper Networks Inc	1,798	64
Lumen Technologies Inc	5,098	64
Motorola Solutions Inc	934	254
T-Mobile US Inc [b]	3,246	377
Verizon Communications Inc	22,901	1,190
		$ 4,735
Textiles - 0.02%		
Mohawk Industries Inc [b]	303	55
Toys, Games & Hobbies - 0.03%		
Hasbro Inc	716	73

COMMON STOCKS (continued)	Shares Held	Value (000's)
Transportation - 1.44%		
CH Robinson Worldwide Inc	719	$ 77
CSX Corp	12,269	461
Expeditors International of Washington Inc	936	126
FedEx Corp	1,352	350
JB Hunt Transport Services Inc	464	95
Norfolk Southern Corp	1,346	401
Old Dominion Freight Line Inc	516	185
Union Pacific Corp	3,556	896
United Parcel Service Inc	4,032	864
		$ 3,455
Water - 0.08%		
American Water Works Co Inc	1,003	189
TOTAL COMMON STOCKS		$ 223,208
TOTAL PURCHASED OPTIONS - 0.25%		$ 605
Total Investments		**$ 240,964**
Other Assets and Liabilities - (0.45)%		**(1,069)**
TOTAL NET ASSETS - 100.00%		**$ 239,895**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(b) Non-income producing security
(c) Current yield shown is as of period end.
(d) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At the end of the period, the value of these securities totaled $2,393 or 1.00% of net assets.

Portfolio Summary (unaudited)

Sector	Percent
Technology	23.62%
Consumer, Non-cyclical	18.48%
Communications	14.08%
Financial	13.47%
Consumer, Cyclical	9.54%
Money Market Funds	7.05%
Industrial	7.01%
Energy	2.57%
Utilities	2.33%
Basic Materials	1.95%
Purchased Options	0.25%
Investment Companies	0.10%
Other Assets and Liabilities	(0.45)%
TOTAL NET ASSETS	100.00%

Schedule of Investments
LargeCap S&P 500 Managed Volatility Index Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Principal Government Money Market Fund - Institutional Class 0.00%	$ 15,820	$ 89,439	$ 88,354	$ 16,905
	$ 15,820	$ 89,439	$ 88,354	$ 16,905

	Income[(a)]	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Options

Purchased Options Outstanding	Counterparty	Contracts/ Shares	Notional Amount	Exercise Price	Expiration Date	Upfront Payments	Fair Value	Unrealized Appreciation/ (Depreciation)
Call - S&P 500 Index	N/A	100	$ 10	$ 4,800.00	01/24/2022	$ 358	$ 376	$ 18
Put - S&P 500 Index	N/A	200	20	$ 4,500.00	01/24/2022	1,797	229	(1,568)
Total						$ 2,155	$ 605	$ (1,550)

Written Options Outstanding	Counterparty	Contracts/ Shares	Notional Amount	Exercise Price	Expiration Date	Upfront Receipts	Fair Value	Unrealized Appreciation/ (Depreciation)
Call - S&P 500 Index	N/A	100	$ 10	$ 4,830.00	01/24/2022	$ (271)	$ (240)	$ 31
Put - S&P 500 Index	N/A	200	20	$ 4,450.00	01/24/2022	(1,511)	(181)	1,330
Total						$ (1,782)	$ (421)	$ 1,361

Amounts in thousands except contracts/shares.

Futures Contracts

Description and Expiration Date	Type	Contracts	Notional Amount	Value and Unrealized Appreciation/(Depreciation)
S&P 500 Emini; March 2022	Long	26	$ 6,186	$ 217
Total				$ 217

Amounts in thousands except contracts.

Schedule of Investments
MidCap Account
December 31, 2021

INVESTMENT COMPANIES - 0.27%	Shares Held	Value (000's)
Money Market Funds - 0.27%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	1,988,155	$ 1,988
TOTAL INVESTMENT COMPANIES		$ 1,988

COMMON STOCKS - 100.06%	Shares Held	Value (000's)
Aerospace & Defense - 5.78%		
HEICO Corp - Class A	114,149	$ 14,671
TransDigm Group Inc [b]	45,048	28,663
		$ 43,334
Banks - 0.75%		
First Republic Bank/CA	27,303	5,638
Beverages - 0.20%		
Brown-Forman Corp - B Shares	20,431	1,489
Building Materials - 4.51%		
Martin Marietta Materials Inc	21,933	9,662
Summit Materials Inc [b]	119,971	4,815
Vulcan Materials Co	93,096	19,325
		$ 33,802
Chemicals - 0.97%		
Air Products and Chemicals Inc	13,148	4,000
Perimeter Solutions - Warrants [b]	97,671	46
Perimeter Solutions SA [b]	229,717	3,191
		$ 7,237
Commercial Services - 8.91%		
Block Inc [b]	19,412	3,135
Bright Horizons Family Solutions Inc [b]	23,531	2,962
CoStar Group Inc [b]	328,895	25,993
Gartner Inc [b]	24,896	8,323
Moody's Corp	17,440	6,812
TransUnion	88,652	10,512
Verisk Analytics Inc	39,856	9,116
		$ 66,853
Distribution & Wholesale - 5.13%		
Copart Inc [b]	174,672	26,484
Fastenal Co	186,655	11,957
		$ 38,441
Diversified Financial Services - 0.75%		
Brookfield Asset Management Reinsurance Partners Ltd [b]	4,484	281
Credit Acceptance Corp [b]	7,820	5,378
		$ 5,659
Electric - 2.51%		
Brookfield Infrastructure Partners LP	243,910	14,832
Brookfield Renewable Partners LP	111,765	4,000
		$ 18,832
Electronics - 2.07%		
Agilent Technologies Inc	21,154	3,377
Mettler-Toledo International Inc [b]	7,141	12,120
		$ 15,497
Entertainment - 3.91%		
Live Nation Entertainment Inc [b]	147,342	17,635
Vail Resorts Inc	35,736	11,718
		$ 29,353
Healthcare - Products - 1.27%		
IDEXX Laboratories Inc [b]	14,477	9,533
Home Builders - 2.77%		
Lennar Corp - A Shares	76,290	8,862
Lennar Corp - B Shares	1,155	110
NVR Inc [b]	2,002	11,830
		$ 20,802
Insurance - 6.14%		
Aon PLC	13,719	4,123
Arch Capital Group Ltd [b]	140,465	6,244
Brown & Brown Inc	176,270	12,388
Fidelity National Financial Inc	27,775	1,449
Markel Corp [b]	12,918	15,941
Progressive Corp/The	57,715	5,925
		$ 46,070

COMMON STOCKS (continued)	Shares Held	Value (000's)
Internet - 4.43%		
Etsy Inc [b]	41,979	$ 9,191
VeriSign Inc [b]	53,565	13,596
Wix.com Ltd [b]	66,086	10,428
		$ 33,215
Lodging - 3.83%		
Hilton Worldwide Holdings Inc [b]	150,945	23,546
Hyatt Hotels Corp [b]	53,691	5,149
		$ 28,695
Machinery - Diversified - 0.60%		
Cognex Corp	30,422	2,366
Colfax Corp [b]	45,977	2,113
		$ 4,479
Media - 3.94%		
Liberty Broadband Corp - A Shares [b]	20,520	3,302
Liberty Broadband Corp - C Shares [b]	108,565	17,490
Liberty Media Corp-Liberty Formula One - A Shares [b]	15,460	917
Liberty Media Corp-Liberty Formula One - C Shares [b]	124,483	7,872
		$ 29,581
Private Equity - 9.47%		
Ares Management Corp	45,989	3,738
Brookfield Asset Management Inc	606,813	36,638
KKR & Co Inc	324,518	24,177
Onex Corp	82,041	6,435
		$ 70,988
Real Estate - 2.70%		
CBRE Group Inc	111,730	12,124
Howard Hughes Corp/The [b]	53,587	5,454
Kennedy-Wilson Holdings Inc	110,755	2,645
		$ 20,223
REITs - 3.02%		
SBA Communications Corp	58,180	22,633
Retail - 9.73%		
CarMax Inc [b]	186,074	24,232
Dollar General Corp	36,027	8,496
Domino's Pizza Inc	24,857	14,028
O'Reilly Automotive Inc [b]	31,488	22,238
Ross Stores Inc	34,773	3,974
		$ 72,968
Semiconductors - 1.74%		
Microchip Technology Inc	150,265	13,082
Software - 14.93%		
ANSYS Inc [b]	31,072	12,464
Autodesk Inc [b]	67,076	18,861
Black Knight Inc [b]	193,871	16,070
Guidewire Software Inc [b]	115,850	13,153
HubSpot Inc [b]	4,245	2,798
MSCI Inc	12,454	7,630
Qualtrics International Inc [b]	25,144	890
Roper Technologies Inc	36,027	17,720
Tyler Technologies Inc [b]	41,575	22,365
		$ 111,951
TOTAL COMMON STOCKS		$ 750,355
Total Investments		**$ 752,343**
Other Assets and Liabilities - (0.33)%		**(2,444)**
TOTAL NET ASSETS - 100.00%		**$ 749,899**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(b) Non-income producing security

(c) Current yield shown is as of period end.

See accompanying notes.

Schedule of Investments
MidCap Account
December 31, 2021

Portfolio Summary (unaudited)

Sector	Percent
Consumer, Cyclical	25.37%
Financial	22.83%
Technology	16.67%
Industrial	12.96%
Consumer, Non-cyclical	10.38%
Communications	8.37%
Utilities	2.51%
Basic Materials	0.97%
Money Market Funds	0.27%
Other Assets and Liabilities	(0.33)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 1,607	$ 74,674	$ 74,293	$ 1,988
	$ 1,607	$ 74,674	$ 74,293	$ 1,988

	Income[a]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —	$ —	$ —	$ —
	$ —	$ —	$ —	$ —

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Schedule of Investments
Principal Capital Appreciation Account
December 31, 2021

INVESTMENT COMPANIES - 1.03%	Shares Held	Value (000's)
Money Market Funds - 1.03%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	1,995,842	$ 1,996
TOTAL INVESTMENT COMPANIES		$ 1,996

COMMON STOCKS - 99.55%	Shares Held	Value (000's)
Apparel - 1.70%		
Deckers Outdoor Corp [b]	5,495	$ 2,013
NIKE Inc	7,733	1,289
		$ 3,302
Automobile Manufacturers - 1.08%		
PACCAR Inc	23,870	2,107
Automobile Parts & Equipment - 0.53%		
Magna International Inc	12,768	1,033
Banks - 3.58%		
JPMorgan Chase & Co	28,194	4,465
PNC Financial Services Group Inc/The	12,438	2,494
		$ 6,959
Beverages - 1.43%		
Keurig Dr Pepper Inc	65,019	2,397
PepsiCo Inc	2,236	388
		$ 2,785
Chemicals - 1.65%		
Air Products and Chemicals Inc	5,188	1,579
FMC Corp	14,818	1,628
		$ 3,207
Commercial Services - 1.36%		
Morningstar Inc	3,011	1,030
PayPal Holdings Inc [b]	8,563	1,615
		$ 2,645
Computers - 5.50%		
Apple Inc	60,181	10,686
Consumer Products - 1.47%		
Church & Dwight Co Inc	22,511	2,307
WD-40 Co	2,257	552
		$ 2,859
Diversified Financial Services - 6.14%		
Ameriprise Financial Inc	6,734	2,031
BlackRock Inc	1,872	1,714
Charles Schwab Corp/The	28,389	2,388
Discover Financial Services	8,457	977
Nasdaq Inc	9,921	2,084
Visa Inc	12,602	2,731
		$ 11,925
Electric - 2.34%		
NextEra Energy Inc	35,372	3,302
Xcel Energy Inc	18,223	1,234
		$ 4,536
Electronics - 0.87%		
Honeywell International Inc	8,075	1,684
Environmental Control - 1.13%		
Republic Services Inc	15,674	2,186
Food - 0.40%		
Simply Good Foods Co/The [b]	18,443	767
Healthcare - Products - 5.81%		
Abbott Laboratories	32,802	4,616
Cooper Cos Inc/The	3,903	1,635
Edwards Lifesciences Corp [b]	7,611	986
Medtronic PLC	7,179	743
Thermo Fisher Scientific Inc	4,964	3,312
		$ 11,292
Healthcare - Services - 2.50%		
UnitedHealth Group Inc	8,469	4,253
Universal Health Services Inc	4,632	600
		$ 4,853

COMMON STOCKS (continued)	Shares Held	Value (000's)
Insurance - 2.72%		
Fidelity National Financial Inc	17,579	$ 917
Marsh & McLennan Cos Inc	14,023	2,438
Progressive Corp/The	18,696	1,919
		$ 5,274
Internet - 9.51%		
Alphabet Inc - A Shares [b]	2,756	7,984
Amazon.com Inc [b]	1,459	4,865
Meta Platforms Inc [b]	11,390	3,831
Netflix Inc [b]	1,432	863
Pinterest Inc [b]	25,782	937
		$ 18,480
Machinery - Construction & Mining - 1.07%		
Epiroc AB - A Shares	82,035	2,074
Machinery - Diversified - 1.02%		
Deere & Co	5,762	1,976
Media - 2.21%		
Comcast Corp - Class A	46,127	2,322
Nexstar Media Group Inc	10,944	1,652
Walt Disney Co/The [b]	2,110	327
		$ 4,301
Oil & Gas - 3.73%		
Chevron Corp	44,344	5,204
EOG Resources Inc	20,369	1,809
Valero Energy Corp	2,969	223
		$ 7,236
Packaging & Containers - 0.89%		
Ball Corp	17,900	1,723
Pharmaceuticals - 4.13%		
Bristol-Myers Squibb Co	3,103	194
Dexcom Inc [b]	678	364
Eli Lilly & Co	6,520	1,801
Merck & Co Inc	28,473	2,182
Pfizer Inc	45,222	2,670
Roche Holding AG ADR	15,756	814
		$ 8,025
REITs - 3.70%		
Alexandria Real Estate Equities Inc	8,519	1,899
American Tower Corp	5,148	1,506
Extra Space Storage Inc	8,988	2,038
Prologis Inc	10,380	1,748
		$ 7,191
Retail - 9.14%		
Chipotle Mexican Grill Inc [b]	629	1,100
Costco Wholesale Corp	6,284	3,567
Home Depot Inc/The	5,364	2,226
Lululemon Athletica Inc [b]	4,291	1,680
O'Reilly Automotive Inc [b]	2,681	1,893
Papa John's International Inc	5,820	777
Starbucks Corp	10,500	1,228
Target Corp	10,272	2,377
Tractor Supply Co	12,204	2,912
		$ 17,760
Semiconductors - 7.34%		
Broadcom Inc	6,607	4,396
Lam Research Corp	4,367	3,141
Microchip Technology Inc	24,612	2,143
NVIDIA Corp	10,571	3,109
Taiwan Semiconductor Manufacturing Co Ltd ADR	12,246	1,473
		$ 14,262
Software - 13.38%		
Adobe Inc [b]	7,312	4,146
Black Knight Inc [b]	11,165	926
Fair Isaac Corp [b]	2,528	1,096
Microsoft Corp	38,055	12,799
Roper Technologies Inc	3,292	1,619
salesforce.com Inc [b]	11,512	2,926
ServiceNow Inc [b]	2,742	1,780

See accompanying notes.

Schedule of Investments
Principal Capital Appreciation Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Software (continued)		
Veeva Systems Inc [b]	2,765	$ 706
		$ 25,998
Telecommunications - 0.97%		
T-Mobile US Inc [b]	16,205	1,879
Transportation - 2.25%		
Expeditors International of Washington Inc	17,195	2,309
Union Pacific Corp	8,170	2,058
		$ 4,367
TOTAL COMMON STOCKS		$ 193,372
Total Investments		**$ 195,368**
Other Assets and Liabilities - (0.58)%		**(1,121)**
TOTAL NET ASSETS - 100.00%		**$ 194,247**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(b) Non-income producing security
(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Sector	Percent
Technology	26.22%
Consumer, Non-cyclical	17.10%
Financial	16.14%
Communications	12.69%
Consumer, Cyclical	12.45%
Industrial	7.23%
Energy	3.73%
Utilities	2.34%
Basic Materials	1.65%
Money Market Funds	1.03%
Other Assets and Liabilities	(0.58)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Principal Government Money Market Fund - Institutional Class 0.00%	$ 1,887	$ 33,184	$ 33,075	$ 1,996
	$ 1,887	$ 33,184	$ 33,075	$ 1,996

	Income[a]	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Schedule of Investments
Principal LifeTime 2010 Account
December 31, 2021

INVESTMENT COMPANIES - 100.01%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 57.07%		
Blue Chip Fund [(a)]	36,886	$ 1,514
Core Fixed Income Fund [(a)]	1,184,111	11,735
Diversified International Fund [(a)]	173,678	2,492
Diversified Real Asset Fund [(a)]	64,835	857
International Small Company Fund [(a)]	39,450	463
LargeCap Growth Fund I [(a)]	65,493	1,456
MidCap Fund [(a)]	17,218	721
MidCap Value Fund I [(a)]	41,372	728
Origin Emerging Markets Fund [(a)]	46,838	612
SmallCap Growth Fund I [(a)]	19,256	329
SmallCap Value Fund II [(a)]	29,488	380
		$ 21,287
Principal Funds, Inc. Institutional Class - 42.94%		
Equity Income Fund [(a)]	34,344	1,414
High Income Fund [(a)]	283,556	2,654
Inflation Protection Fund [(a)]	246,587	2,288
LargeCap S&P 500 Index Fund [(a)]	38,870	943
LargeCap Value Fund III [(a)]	72,927	1,432
Overseas Fund [(a)]	99,380	1,046
Short-Term Income Fund [(a)]	511,203	6,237
		$ 16,014
TOTAL INVESTMENT COMPANIES		$ 37,301
Total Investments		**$ 37,301**
Other Assets and Liabilities - (0.01)%		**(4)**
TOTAL NET ASSETS - 100.00%		**$ 37,297**

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Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	68.12%
Domestic Equity Funds	23.91%
International Equity Funds	5.68%
Specialty Funds	2.30%
Other Assets and Liabilities	(0.01)%
TOTAL NET ASSETS	100.00%

Schedule of Investments
Principal LifeTime 2010 Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 1,224	$ 280	$ 191	$ 1,514
Core Fixed Income Fund	13,544	2,644	3,915	11,735
Diversified International Fund	1,780	1,092	236	2,492
Diversified Real Asset Fund	756	364	320	857
Equity Income Fund	977	423	161	1,414
High Income Fund	2,149	944	432	2,654
Inflation Protection Fund	1,469	1,206	313	2,288
International Small Company Fund	377	167	68	463
LargeCap Growth Fund I	1,172	340	161	1,456
LargeCap S&P 500 Index Fund	1,571	288	1,044	943
LargeCap Value Fund III	899	547	160	1,432
MidCap Fund	641	179	188	721
MidCap Value Fund I	544	213	123	728
Origin Emerging Markets Fund	464	253	76	612
Overseas Fund	1,167	202	378	1,046
Short-Term Income Fund	6,460	1,569	1,647	6,237
SmallCap Growth Fund I	396	88	142	329
SmallCap Value Fund II	240	147	44	380
	$ 35,830	$ 10,946	$ 9,599	$ 37,301

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 12	$ 4	$ 83	$ 197
Core Fixed Income Fund	298	(5)	—	(533)
Diversified International Fund	93	(1)	216	(143)
Diversified Real Asset Fund	40	25	10	32
Equity Income Fund	29	2	43	173
High Income Fund	128	—	—	(7)
Inflation Protection Fund	108	1	52	(75)
International Small Company Fund	7	1	34	(14)
LargeCap Growth Fund I	12	2	136	103
LargeCap S&P 500 Index Fund	15	373	98	(245)
LargeCap Value Fund III	39	4	82	142
MidCap Fund	2	32	51	57
MidCap Value Fund I	34	3	41	91
Origin Emerging Markets Fund	12	—	11	(29)
Overseas Fund	76	25	—	30
Short-Term Income Fund	74	(1)	31	(144)
SmallCap Growth Fund I	10	44	31	(57)
SmallCap Value Fund II	38	1	12	36
	$ 1,027	$ 510	$ 931	$ (386)

Amounts in thousands.

See accompanying notes.

Schedule of Investments
Principal LifeTime 2020 Account
December 31, 2021

INVESTMENT COMPANIES - 100.00%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 61.40%		
Blue Chip Fund [(a)]	250,644	$ 10,286
Core Fixed Income Fund [(a)]	5,746,919	56,952
Diversified International Fund [(a)]	1,197,320	17,182
Diversified Real Asset Fund [(a)]	335,952	4,441
International Small Company Fund [(a)]	272,468	3,202
LargeCap Growth Fund I [(a)]	444,495	9,881
MidCap Fund [(a)]	116,282	4,866
MidCap Value Fund I [(a)]	272,933	4,804
Origin Emerging Markets Fund [(a)]	310,290	4,052
SmallCap Growth Fund I [(a)]	131,979	2,257
SmallCap Value Fund II [(a)]	203,371	2,624
		$ 120,547
Principal Funds, Inc. Institutional Class - 38.60%		
Equity Income Fund [(a)]	231,847	9,547
High Income Fund [(a)]	1,233,176	11,542
Inflation Protection Fund [(a)]	1,070,870	9,938
LargeCap S&P 500 Index Fund [(a)]	289,459	7,019
LargeCap Value Fund III [(a)]	493,413	9,686
Overseas Fund [(a)]	686,784	7,232
Short-Term Income Fund [(a)]	1,707,124	20,827
		$ 75,791
TOTAL INVESTMENT COMPANIES		$ 196,338
Total Investments		**$ 196,338**
Other Assets and Liabilities - 0.00%		**(4)**
TOTAL NET ASSETS - 100.00%		**$ 196,334**

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Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	59.31%
Domestic Equity Funds	31.06%
International Equity Funds	7.37%
Specialty Funds	2.26%
Other Assets and Liabilities	0.00%
TOTAL NET ASSETS	100.00%

Schedule of Investments
Principal LifeTime 2020 Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 10,043	$ 1,295	$ 2,862	$ 10,286
Core Fixed Income Fund	59,928	9,867	10,444	56,952
Diversified International Fund	15,180	4,861	2,119	17,182
Diversified Real Asset Fund	3,710	2,136	1,659	4,441
Equity Income Fund	9,123	1,516	2,593	9,547
High Income Fund	8,232	5,019	1,678	11,542
Inflation Protection Fund	7,353	4,302	1,420	9,938
International Small Company Fund	3,253	520	552	3,202
LargeCap Growth Fund I	10,160	1,652	3,024	9,881
LargeCap S&P 500 Index Fund	10,401	1,495	6,063	7,019
LargeCap Value Fund III	9,070	1,846	2,625	9,686
MidCap Fund	5,260	809	1,981	4,866
MidCap Value Fund I	4,403	1,085	1,539	4,804
Origin Emerging Markets Fund	4,230	827	824	4,052
Overseas Fund	9,910	1,151	4,416	7,232
Short-Term Income Fund	18,623	6,094	3,446	20,827
SmallCap Growth Fund I	3,298	457	1,472	2,257
SmallCap Value Fund II	1,996	911	656	2,624
	$ 194,173	$ 45,843	$ 49,373	$ 196,338

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 81	$ 359	$ 570	$ 1,451
Core Fixed Income Fund	1,337	—	—	(2,399)
Diversified International Fund	650	(12)	1,499	(728)
Diversified Real Asset Fund	193	70	52	184
Equity Income Fund	220	243	296	1,258
High Income Fund	528	—	—	(31)
Inflation Protection Fund	467	5	227	(302)
International Small Company Fund	47	21	235	(40)
LargeCap Growth Fund I	81	251	926	842
LargeCap S&P 500 Index Fund	113	2,144	738	(958)
LargeCap Value Fund III	263	309	556	1,086
MidCap Fund	14	721	352	57
MidCap Value Fund I	227	160	275	695
Origin Emerging Markets Fund	80	15	73	(196)
Overseas Fund	528	273	—	314
Short-Term Income Fund	218	(1)	105	(443)
SmallCap Growth Fund I	71	621	212	(647)
SmallCap Value Fund II	262	74	84	299
	$ 5,380	$ 5,253	$ 6,200	$ 442

Amounts in thousands.

See accompanying notes.

Schedule of Investments
Principal LifeTime 2030 Account
December 31, 2021

INVESTMENT COMPANIES - 100.00%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 71.77%		
Blue Chip Fund [(a)]	458,774	$ 18,828
Core Fixed Income Fund [(a)]	7,592,664	75,243
Diversified International Fund [(a)]	2,099,437	30,127
International Small Company Fund [(a)]	467,573	5,494
LargeCap Growth Fund I [(a)]	815,680	18,132
MidCap Fund [(a)]	215,933	9,037
MidCap Value Fund I [(a)]	513,056	9,030
Origin Emerging Markets Fund [(a)]	528,109	6,897
Real Estate Securities Fund [(a)]	199,246	6,948
SmallCap Growth Fund I [(a)]	245,652	4,201
SmallCap Value Fund II [(a)]	366,608	4,729
		$ 188,666
Principal Funds, Inc. Institutional Class - 28.23%		
Equity Income Fund [(a)]	425,452	17,520
High Income Fund [(a)]	1,282,962	12,009
LargeCap S&P 500 Index Fund [(a)]	586,312	14,218
LargeCap Value Fund III [(a)]	904,286	17,751
Overseas Fund [(a)]	1,206,557	12,705
		$ 74,203
TOTAL INVESTMENT COMPANIES		$ 262,869
Total Investments		**$ 262,869**
Other Assets and Liabilities - 0.00%		**(5)**
TOTAL NET ASSETS - 100.00%		**$ 262,864**

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Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	45.81%
Fixed Income Funds	44.65%
International Equity Funds	9.54%
Other Assets and Liabilities	0.00%
TOTAL NET ASSETS	100.00%

Schedule of Investments
Principal LifeTime 2030 Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 15,380	$ 4,030	$ 3,547	$ 18,828
Core Fixed Income Fund	58,315	28,935	9,622	75,243
Diversified International Fund	24,768	10,097	3,350	30,127
Diversified Real Asset Fund	4,522	926	5,949	—
Equity Income Fund	14,164	4,337	3,424	17,520
High Income Fund	7,210	6,275	1,446	12,009
Inflation Protection Fund	4,648	1,140	6,049	—
International Small Company Fund	5,302	1,254	1,010	5,494
LargeCap Growth Fund I	15,863	4,058	3,493	18,132
LargeCap S&P 500 Index Fund	17,346	3,795	8,803	14,218
LargeCap Value Fund III	14,424	4,605	3,456	17,751
MidCap Fund	8,165	2,138	2,564	9,037
MidCap Value Fund I	7,078	2,706	2,068	9,030
Origin Emerging Markets Fund	6,700	1,827	1,293	6,897
Overseas Fund	16,041	2,997	7,199	12,705
Real Estate Securities Fund	—	6,851	98	6,948
SmallCap Growth Fund I	5,030	1,114	1,814	4,201
SmallCap Value Fund II	3,341	1,749	932	4,729
	$ 228,297	$ 88,834	$ 66,117	$ 262,869

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 145	$ 324	$ 1,030	$ 2,641
Core Fixed Income Fund	1,423	(2)	—	(2,383)
Diversified International Fund	1,136	(40)	2,614	(1,348)
Diversified Real Asset Fund	114	750	—	(249)
Equity Income Fund	384	149	535	2,294
High Income Fund	539	—	—	(30)
Inflation Protection Fund	—	583	—	(322)
International Small Company Fund	81	(2)	401	(50)
LargeCap Growth Fund I	148	292	1,690	1,412
LargeCap S&P 500 Index Fund	227	2,061	1,485	(181)
LargeCap Value Fund III	480	186	1,014	1,992
MidCap Fund	25	387	642	911
MidCap Value Fund I	425	73	514	1,241
Origin Emerging Markets Fund	135	26	124	(363)
Overseas Fund	923	129	—	737
Real Estate Securities Fund	123	—	85	195
SmallCap Growth Fund I	131	355	392	(484)
SmallCap Value Fund II	470	38	150	533
	$ 6,909	$ 5,309	$ 10,676	$ 6,546

Amounts in thousands.

See accompanying notes.

Schedule of Investments
Principal LifeTime 2040 Account
December 31, 2021

INVESTMENT COMPANIES - 100.00%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 62.04%		
Blue Chip Fund [(a)]	295,387	$ 12,123
Core Fixed Income Fund [(a)]	1,545,947	15,320
Diversified International Fund [(a)]	1,399,677	20,086
International Small Company Fund [(a)]	318,842	3,746
LargeCap Growth Fund I [(a)]	528,094	11,740
MidCap Value Fund I [(a)]	349,366	6,149
Origin Emerging Markets Fund [(a)]	370,900	4,844
Real Estate Securities Fund [(a)]	101,876	3,552
SmallCap Growth Fund I [(a)]	157,298	2,690
SmallCap Value Fund II [(a)]	231,586	2,988
		$ 83,238
Principal Funds, Inc. Institutional Class - 37.96%		
Equity Income Fund [(a)]	278,063	11,451
High Income Fund [(a)]	340,640	3,188
LargeCap S&P 500 Index Fund [(a)]	434,703	10,541
LargeCap Value Fund III [(a)]	589,271	11,567
MidCap Growth Fund III [(a)]	402,465	5,719
Overseas Fund [(a)]	804,527	8,472
		$ 50,938
TOTAL INVESTMENT COMPANIES		$ 134,176
Total Investments		**$ 134,176**
Other Assets and Liabilities - 0.00%		**(4)**
TOTAL NET ASSETS - 100.00%		**$ 134,172**

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Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	58.52%
Fixed Income Funds	28.77%
International Equity Funds	12.71%
Other Assets and Liabilities	0.00%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 9,081	$ 2,680	$ 1,224	$ 12,123
Core Fixed Income Fund	15,788	5,748	5,544	15,320
Diversified International Fund	13,964	8,893	1,659	20,086
Equity Income Fund	7,582	3,500	998	11,451
High Income Fund	2,817	1,805	1,428	3,188
International Small Company Fund	3,076	1,168	426	3,746
LargeCap Growth Fund I	9,255	3,151	1,491	11,740
LargeCap S&P 500 Index Fund	9,461	3,106	3,094	10,541
LargeCap Value Fund III	7,624	3,796	999	11,567
MidCap Growth Fund III	4,995	2,555	1,475	5,719
MidCap Value Fund I	3,635	2,503	675	6,149
Origin Emerging Markets Fund	3,951	1,661	546	4,844
Overseas Fund	9,057	2,266	3,298	8,472
Real Estate Securities Fund	2,215	874	348	3,552
SmallCap Growth Fund I	2,751	904	830	2,690
SmallCap Value Fund II	1,891	1,091	298	2,988
	$ 107,143	$ 45,701	$ 24,333	$ 134,176

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 93	$ 15	$ 659	$ 1,571
Core Fixed Income Fund	393	7	—	(679)
Diversified International Fund	760	(2)	1,730	(1,110)
Equity Income Fund	234	11	348	1,356
High Income Fund	187	2	—	(8)
International Small Company Fund	55	1	271	(73)
LargeCap Growth Fund I	95	18	1,088	807
LargeCap S&P 500 Index Fund	167	419	1,094	649
LargeCap Value Fund III	311	14	657	1,132
MidCap Growth Fund III	177	127	916	(483)
MidCap Value Fund I	287	7	347	679
Origin Emerging Markets Fund	95	5	86	(227)
Overseas Fund	613	26	—	421
Real Estate Securities Fund	101	1	43	810
SmallCap Growth Fund I	84	117	249	(252)
SmallCap Value Fund II	294	1	94	303
	$ 3,946	$ 769	$ 7,582	$ 4,896

Amounts in thousands.

Schedule of Investments
Principal LifeTime 2050 Account
December 31, 2021

INVESTMENT COMPANIES - 100.01%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 58.60%		
Blue Chip Fund [(a)]	172,003	$ 7,059
Core Fixed Income Fund [(a)]	108,520	1,075
Diversified International Fund [(a)]	795,242	11,412
International Small Company Fund [(a)]	180,352	2,119
LargeCap Growth Fund I [(a)]	307,683	6,840
MidCap Value Fund I [(a)]	207,139	3,646
Origin Emerging Markets Fund [(a)]	213,401	2,787
Real Estate Securities Fund [(a)]	52,041	1,815
SmallCap Growth Fund I [(a)]	91,933	1,572
SmallCap Value Fund II [(a)]	141,872	1,830
		$ 40,155
Principal Funds, Inc. Institutional Class - 41.41%		
Equity Income Fund [(a)]	161,832	6,664
High Income Fund [(a)]	29,627	277
LargeCap S&P 500 Index Fund [(a)]	269,558	6,537
LargeCap Value Fund III [(a)]	342,351	6,720
MidCap Growth Fund III [(a)]	240,541	3,418
Overseas Fund [(a)]	452,023	4,760
		$ 28,376
TOTAL INVESTMENT COMPANIES		$ 68,531
Total Investments		**$ 68,531**
Other Assets and Liabilities - (0.01)%		**(4)**
TOTAL NET ASSETS - 100.00%		**$ 68,527**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	67.28%
Fixed Income Funds	18.62%
International Equity Funds	14.11%
Other Assets and Liabilities	(0.01)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 4,765	$ 2,437	$ 968	$ 7,059
Core Fixed Income Fund	3,603	2,238	4,629	1,075
Diversified International Fund	7,184	5,936	1,034	11,412
Equity Income Fund	3,913	2,802	771	6,664
High Income Fund	749	846	1,317	277
International Small Company Fund	1,566	925	313	2,119
LargeCap Growth Fund I	4,854	2,692	1,104	6,840
LargeCap S&P 500 Index Fund	4,728	2,764	1,482	6,537
LargeCap Value Fund III	3,933	2,995	770	6,720
MidCap Growth Fund III	2,579	2,026	941	3,418
MidCap Value Fund I	1,881	1,961	524	3,646
Origin Emerging Markets Fund	1,971	1,358	399	2,787
Overseas Fund	4,659	1,829	1,920	4,760
Real Estate Securities Fund	1,003	648	233	1,815
SmallCap Growth Fund I	1,434	753	520	1,572
SmallCap Value Fund II	963	959	214	1,830
	$ 49,785	$ 33,169	$ 17,139	$ 68,531

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 54	$ 2	$ 383	$ 823
Core Fixed Income Fund	90	11	—	(148)
Diversified International Fund	428	(1)	981	(673)
Equity Income Fund	131	3	202	717
High Income Fund	54	(8)	—	7
International Small Company Fund	31	—	153	(59)
LargeCap Growth Fund I	56	9	633	389
LargeCap S&P 500 Index Fund	103	88	677	439
LargeCap Value Fund III	180	2	381	560
MidCap Growth Fund III	106	87	546	(333)
MidCap Value Fund I	170	—	205	328
Origin Emerging Markets Fund	54	3	49	(146)
Overseas Fund	343	17	—	175
Real Estate Securities Fund	51	1	22	396
SmallCap Growth Fund I	49	72	145	(167)
SmallCap Value Fund II	180	1	58	121
	$ 2,080	$ 287	$ 4,435	$ 2,429

Amounts in thousands.

Schedule of Investments
Principal LifeTime 2060 Account
December 31, 2021

INVESTMENT COMPANIES - 100.02%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 58.16%		
Blue Chip Fund [(a)]	43,065	$ 1,767
Core Fixed Income Fund [(a)]	28,498	282
Diversified International Fund [(a)]	199,161	2,858
International Small Company Fund [(a)]	45,496	535
LargeCap Growth Fund I [(a)]	77,004	1,712
MidCap Value Fund I [(a)]	51,544	907
Origin Emerging Markets Fund [(a)]	52,821	690
Real Estate Securities Fund [(a)]	13,094	457
SmallCap Growth Fund I [(a)]	22,734	389
SmallCap Value Fund II [(a)]	35,188	454
		$ 10,051
Principal Funds, Inc. Institutional Class - 41.86%		
Equity Income Fund [(a)]	40,483	1,667
High Income Fund [(a)]	10,517	98
LargeCap S&P 500 Index Fund [(a)]	69,968	1,697
LargeCap Value Fund III [(a)]	85,848	1,685
MidCap Growth Fund III [(a)]	59,162	841
Overseas Fund [(a)]	118,250	1,245
		$ 7,233
TOTAL INVESTMENT COMPANIES		$ 17,284
Total Investments		**$ 17,284**
Other Assets and Liabilities - (0.02)%		**(4)**
TOTAL NET ASSETS - 100.00%		**$ 17,280**

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Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	66.99%
Fixed Income Funds	18.74%
International Equity Funds	14.29%
Other Assets and Liabilities	(0.02)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 1,126	$ 681	$ 252	$ 1,767
Core Fixed Income Fund	436	325	462	282
Diversified International Fund	1,737	1,561	282	2,858
Equity Income Fund	941	778	234	1,667
High Income Fund	121	116	138	98
International Small Company Fund	382	254	89	535
LargeCap Growth Fund I	1,157	745	292	1,712
LargeCap S&P 500 Index Fund	1,129	759	331	1,697
LargeCap Value Fund III	955	817	234	1,685
MidCap Growth Fund III	615	532	253	841
MidCap Value Fund I	452	527	161	907
Origin Emerging Markets Fund	486	356	115	690
Overseas Fund	1,134	636	579	1,245
Real Estate Securities Fund	229	201	69	457
SmallCap Growth Fund I	340	202	132	389
SmallCap Value Fund II	234	252	67	454
	$ 11,474	$ 8,742	$ 3,690	$ 17,284

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 13	$ 1	$ 94	$ 211
Core Fixed Income Fund	11	—	—	(17)
Diversified International Fund	107	1	243	(159)
Equity Income Fund	33	1	50	181
High Income Fund	8	—	—	(1)
International Small Company Fund	8	—	38	(12)
LargeCap Growth Fund I	14	2	157	100
LargeCap S&P 500 Index Fund	27	2	174	138
LargeCap Value Fund III	45	1	95	146
MidCap Growth Fund III	26	12	133	(65)
MidCap Value Fund I	42	1	51	88
Origin Emerging Markets Fund	13	—	12	(37)
Overseas Fund	89	5	—	49
Real Estate Securities Fund	12	—	5	96
SmallCap Growth Fund I	12	13	36	(34)
SmallCap Value Fund II	44	1	14	34
	$ 504	$ 40	$ 1,102	$ 718

Amounts in thousands.

Schedule of Investments
Principal LifeTime Strategic Income Account
December 31, 2021

INVESTMENT COMPANIES - 100.01%	Shares Held	Value (000's)
Principal Funds, Inc. Class R-6 - 56.94%		
Blue Chip Fund [(a)]	28,597	$ 1,174
Core Fixed Income Fund [(a)]	957,311	9,487
Diversified International Fund [(a)]	136,402	1,957
Diversified Real Asset Fund [(a)]	54,388	719
International Small Company Fund [(a)]	31,906	375
LargeCap Growth Fund I [(a)]	51,452	1,144
MidCap Fund [(a)]	14,961	626
MidCap Value Fund I [(a)]	35,811	630
Origin Emerging Markets Fund [(a)]	38,411	502
SmallCap Growth Fund I [(a)]	14,876	254
SmallCap Value Fund II [(a)]	22,274	287
		$ 17,155
Principal Funds, Inc. Institutional Class - 43.07%		
Equity Income Fund [(a)]	27,377	1,128
High Income Fund [(a)]	229,289	2,146
Inflation Protection Fund [(a)]	199,347	1,850
LargeCap S&P 500 Index Fund [(a)]	34,813	844
LargeCap Value Fund III [(a)]	57,739	1,134
Overseas Fund [(a)]	79,139	833
Short-Term Income Fund [(a)]	413,379	5,043
		$ 12,978
TOTAL INVESTMENT COMPANIES		$ 30,133
Total Investments		**$ 30,133**
Other Assets and Liabilities - (0.01)%		**(4)**
TOTAL NET ASSETS - 100.00%		**$ 30,129**

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Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	67.98%
Domestic Equity Funds	23.96%
International Equity Funds	5.68%
Specialty Funds	2.39%
Other Assets and Liabilities	(0.01)%
TOTAL NET ASSETS	100.00%

Schedule of Investments
Principal LifeTime Strategic Income Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 859	$ 430	$ 228	$ 1,174
Core Fixed Income Fund	12,597	2,549	5,176	9,487
Diversified International Fund	1,159	1,148	213	1,957
Diversified Real Asset Fund	763	270	371	719
Equity Income Fund	686	483	150	1,128
High Income Fund	2,139	673	661	2,146
Inflation Protection Fund	1,388	891	378	1,850
International Small Company Fund	255	193	58	375
LargeCap Growth Fund I	844	477	223	1,144
LargeCap S&P 500 Index Fund	973	461	649	844
LargeCap Value Fund III	650	554	150	1,134
MidCap Fund	438	314	171	626
MidCap Value Fund I	353	334	103	630
Origin Emerging Markets Fund	309	285	70	502
Overseas Fund	773	272	236	833
Short-Term Income Fund	6,408	1,344	2,577	5,043
SmallCap Growth Fund I	266	116	113	254
SmallCap Value Fund II	170	136	38	287
	$ 31,030	$ 10,930	$ 11,565	$ 30,133

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 9	$ 40	$ 66	$ 73
Core Fixed Income Fund	271	12	—	(495)
Diversified International Fund	74	—	171	(137)
Diversified Real Asset Fund	35	15	8	42
Equity Income Fund	21	2	35	107
High Income Fund	117	—	—	(5)
Inflation Protection Fund	87	2	43	(53)
International Small Company Fund	5	2	28	(17)
LargeCap Growth Fund I	9	2	108	44
LargeCap S&P 500 Index Fund	14	206	89	(147)
LargeCap Value Fund III	31	4	65	76
MidCap Fund	2	44	46	1
MidCap Value Fund I	30	4	36	42
Origin Emerging Markets Fund	10	—	9	(22)
Overseas Fund	61	13	—	11
Short-Term Income Fund	70	5	25	(137)
SmallCap Growth Fund I	8	28	24	(43)
SmallCap Value Fund II	29	—	9	19
	$ 883	$ 379	$ 762	$ (641)

Amounts in thousands.

Schedule of Investments
Real Estate Securities Account
December 31, 2021

INVESTMENT COMPANIES - 1.14%	Shares Held	Value (000's)
Money Market Funds - 1.14%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	2,128,602	$ 2,129
TOTAL INVESTMENT COMPANIES		$ 2,129
COMMON STOCKS - 98.70%	**Shares Held**	**Value (000's)**
Entertainment - 1.46%		
Marriott Vacations Worldwide Corp	16,125	$ 2,725
Home Builders - 1.03%		
DR Horton Inc	17,755	1,925
Lodging - 1.08%		
Choice Hotels International Inc	3,870	604
Travel + Leisure Co	25,509	1,410
		$ 2,014
REITs - 95.13%		
Agree Realty Corp	31,858	2,273
Alexandria Real Estate Equities Inc	29,879	6,662
American Assets Trust Inc	16,674	626
American Homes 4 Rent	155,454	6,779
American Tower Corp	19,005	5,559
Apartment Income REIT Corp	69,950	3,824
Apple Hospitality REIT Inc	99,490	1,607
AvalonBay Communities Inc	38,950	9,838
Brandywine Realty Trust	46,635	626
Broadstone Net Lease Inc	98,944	2,456
Cousins Properties Inc	81,059	3,265
CubeSmart	61,620	3,507
DiamondRock Hospitality Co [b]	64,855	623
Digital Realty Trust Inc	10,188	1,802
Equinix Inc	13,399	11,333
Equity LifeStyle Properties Inc	42,332	3,711
Essex Property Trust Inc	22,971	8,091
Extra Space Storage Inc	35,975	8,157
First Industrial Realty Trust Inc	65,768	4,354
Healthcare Realty Trust Inc	93,810	2,968
Healthcare Trust of America Inc	123,717	4,131
InvenTrust Properties Corp	62,135	1,694
Invitation Homes Inc	232,930	10,561
Kilroy Realty Corp	50,987	3,389
Medical Properties Trust Inc	142,128	3,358
MGM Growth Properties LLC	48,084	1,964
Park Hotels & Resorts Inc [b]	57,305	1,082
Prologis Inc	84,122	14,163
PS Business Parks Inc	15,501	2,855
Public Storage	10,635	3,983
Regency Centers Corp	42,790	3,224
Rexford Industrial Realty Inc	49,083	3,981
Sabra Health Care REIT Inc	150,537	2,038
Saul Centers Inc	15,747	835
Simon Property Group Inc	16,376	2,616
STORE Capital Corp	100,203	3,447
Sun Communities Inc	36,446	7,653
Terreno Realty Corp	42,110	3,592
Ventas Inc	139,936	7,154
VICI Properties Inc	128,134	3,858
Welltower Inc	29,124	2,498
Weyerhaeuser Co	32,819	1,351
		$ 177,488
TOTAL COMMON STOCKS		$ 184,152
Total Investments		**$ 186,281**
Other Assets and Liabilities - 0.16%		**291**
TOTAL NET ASSETS - 100.00%		**$ 186,572**

Portfolio Summary (unaudited)

Sector	Percent
Financial	95.13%
Consumer, Cyclical	3.57%
Money Market Funds	1.14%
Other Assets and Liabilities	0.16%
TOTAL NET ASSETS	100.00%

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(b) Non-income producing security
(c) Current yield shown is as of period end.

Schedule of Investments
Real Estate Securities Account
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Principal Government Money Market Fund - Institutional Class 0.00%	$ 59	$ 22,041	$ 19,971	$ 2,129
	$ 59	$ 22,041	$ 19,971	$ 2,129

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

See accompanying notes.

Schedule of Investments
SAM Balanced Portfolio
December 31, 2021

INVESTMENT COMPANIES - 99.94%	Shares Held	Value (000's)
Money Market Funds - 3.08%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	22,973,940	$ 22,974
Principal Exchange-Traded Funds - 17.41%		
Principal Investment Grade Corporate Active ETF [a]	382,000	10,054
Principal U.S. Mega-Cap ETF [a]	1,505,807	66,858
Principal U.S. Small-Cap Multi-Factor ETF [a]	1,113,600	52,810
		$ 129,722
Principal Funds, Inc. Class R-6 - 52.20%		
Blue Chip Fund [a]	1,874,317	76,921
Core Fixed Income Fund [a]	8,313,258	82,384
Diversified International Fund [a]	1,333,955	19,142
Diversified Real Asset Fund [a]	2,847,453	37,643
Edge MidCap Fund [a]	1,216,051	17,925
Global Real Estate Securities Fund [a]	1,456,417	17,302
High Yield Fund [a]	2,228,750	16,203
International Small Company Fund [a]	807,498	9,488
LargeCap Growth Fund I [a]	1,409,248	31,328
Origin Emerging Markets Fund [a]	3,707,668	48,422
Spectrum Preferred and Capital Securities Income Fund [a]	3,104,689	32,072
		$ 388,830
Principal Funds, Inc. Institutional Class - 14.32%		
Finisterre Emerging Markets Total Return Bond Fund [a]	2,267,135	23,011
LargeCap Value Fund III [a]	1,918,425	37,659
Overseas Fund [a]	691,955	7,286
Principal Capital Appreciation Fund [a]	195,751	13,047
Short-Term Income Fund [a]	2,101,615	25,640
		$ 106,643
Principal Variable Contracts Funds, Inc. Class 1 - 12.93%		
Equity Income Account [a]	1,813,143	62,100
Government & High Quality Bond Account [a]	2,803,212	26,575
MidCap Account [a]	101,984	7,624
		$ 96,299
TOTAL INVESTMENT COMPANIES		$ 744,468
Total Investments		**$ 744,468**
Other Assets and Liabilities - 0.06%		**476**
TOTAL NET ASSETS - 100.00%		**$ 744,944**

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(b) Non-income producing security

(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	49.18%
Fixed Income Funds	31.56%
International Equity Funds	11.07%
Specialty Funds	5.05%
Money Market Funds	3.08%
Other Assets and Liabilities	0.06%
TOTAL NET ASSETS	100.00%

Schedule of Investments
SAM Balanced Portfolio
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 70,225	$ 12,128	$ 17,961	$ 76,921
Core Fixed Income Fund	84,871	16,752	15,956	82,384
Diversified International Fund	64,787	3,652	51,338	19,142
Diversified Real Asset Fund	9,845	30,922	5,145	37,643
Edge MidCap Fund	34,948	5,267	23,312	17,925
Equity Income Account	107,769	3,689	65,392	62,100
Finisterre Emerging Markets Total Return Bond Fund	—	23,968	220	23,011
Global Diversified Income Fund	6,937	98	7,115	—
Global Real Estate Securities Fund	26,032	2,282	16,389	17,302
Government & High Quality Bond Account	34,073	8,770	15,500	26,575
High Yield Fund	15,572	1,824	1,262	16,203
Inflation Protection Fund	10,838	82	10,798	—
International Small Company Fund	8,395	5,126	4,082	9,488
LargeCap Growth Fund I	—	33,779	4,244	31,328
LargeCap Value Fund III	—	40,173	3,117	37,659
MidCap Account	—	7,391	—	7,624
Origin Emerging Markets Fund	29,074	26,647	4,087	48,422
Overseas Fund	—	7,663	—	7,286
Principal Active Global Dividend Income ETF	9,190	—	9,316	—
Principal Capital Appreciation Fund	—	14,067	—	13,047
Principal Government Money Market Fund - Institutional Class 0.00%	935	68,582	46,543	22,974
Principal Investment Grade Corporate Active ETF	—	10,037	—	10,054
Principal U.S. Mega-Cap ETF	73,605	—	23,644	66,858
Principal U.S. Small-Cap Multi-Factor ETF	35,683	19,405	14,899	52,810
Short-Term Income Fund	43,322	4,879	21,898	25,640
Spectrum Preferred and Capital Securities Income Fund	36,446	3,031	6,941	32,072
	$ 702,547	$ 350,214	$ 369,159	$ 744,468

	Income	Realized Gain/(Loss) on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ (Loss)
Blue Chip Fund	$ 643	$ 2,074	$ 4,554	$ 10,455
Core Fixed Income Fund	1,728	(38)	—	(3,245)
Diversified International Fund	723	12,859	1,661	(10,818)
Diversified Real Asset Fund	2,006	179	441	1,842
Edge MidCap Fund	608	6,271	3,773	(5,249)
Equity Income Account	1,216	31,212	35	(15,178)
Finisterre Emerging Markets Total Return Bond Fund	433	(11)	—	(726)
Global Diversified Income Fund	65	586	—	(506)
Global Real Estate Securities Fund	388	3,338	23	2,039
Government & High Quality Bond Account	450	60	—	(828)
High Yield Fund	830	—	—	69
Inflation Protection Fund	—	922	—	(1,044)
International Small Company Fund	140	359	693	(310)
LargeCap Growth Fund I	257	393	2,928	1,400
LargeCap Value Fund III	1,021	117	2,157	486
MidCap Account	—	—	—	233
Origin Emerging Markets Fund	957	(381)	888	(2,831)
Overseas Fund	529	—	—	(377)
Principal Active Global Dividend Income ETF	—	2,042	—	(1,916)
Principal Capital Appreciation Fund	315	—	817	(1,020)
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
Principal Investment Grade Corporate Active ETF	244	—	—	17
Principal U.S. Mega-Cap ETF	1,251	8,392	—	8,505
Principal U.S. Small-Cap Multi-Factor ETF	849	895	—	11,726
Short-Term Income Fund	337	356	129	(1,019)
Spectrum Preferred and Capital Securities Income Fund	1,480	62	—	(526)
	$ 16,470	$ 69,687	$ 18,099	$ (8,821)

Amounts in thousands.

Schedule of Investments
SAM Conservative Balanced Portfolio
December 31, 2021

INVESTMENT COMPANIES - 99.97%	Shares Held	Value (000's)
Money Market Funds - 2.41%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	4,909,869	$ 4,910
Principal Exchange-Traded Funds - 12.04%		
Principal Investment Grade Corporate Active ETF [a]	178,000	4,686
Principal U.S. Mega-Cap ETF [a]	283,230	12,575
Principal U.S. Small-Cap Multi-Factor ETF [a]	153,200	7,265
		$ 24,526
Principal Funds, Inc. Class R-6 - 56.87%		
Blue Chip Fund [a]	361,594	14,840
Core Fixed Income Fund [a]	3,788,405	37,543
Diversified International Fund [a]	140,712	2,019
Diversified Real Asset Fund [a]	741,319	9,800
Edge MidCap Fund [a]	232,185	3,423
Global Real Estate Securities Fund [a]	574,269	6,822
High Yield Fund [a]	1,092,506	7,943
International Small Company Fund [a]	204,114	2,398
LargeCap Growth Fund I [a]	271,987	6,046
Origin Emerging Markets Fund [a]	678,046	8,855
Spectrum Preferred and Capital Securities Income Fund [a]	1,560,989	16,125
		$ 115,814
Principal Funds, Inc. Institutional Class - 16.02%		
Finisterre Emerging Markets Total Return Bond Fund [a]	1,160,405	11,778
LargeCap Value Fund III [a]	264,003	5,183
Overseas Fund [a]	144,343	1,520
Principal Capital Appreciation Fund [a]	30,337	2,022
Short-Term Income Fund [a]	994,037	12,127
		$ 32,630
Principal Variable Contracts Funds, Inc. Class 1 - 12.63%		
Equity Income Account [a]	331,257	11,346
Government & High Quality Bond Account [a]	1,281,864	12,152
MidCap Account [a]	29,633	2,215
		$ 25,713
TOTAL INVESTMENT COMPANIES		$ 203,593
Total Investments		**$ 203,593**
Other Assets and Liabilities - 0.03%		**63**
TOTAL NET ASSETS - 100.00%		**$ 203,656**

(a) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.

(b) Non-income producing security

(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	51.24%
Domestic Equity Funds	31.88%
International Equity Funds	9.63%
Specialty Funds	4.81%
Money Market Funds	2.41%
Other Assets and Liabilities	0.03%
TOTAL NET ASSETS	100.00%

Schedule of Investments
SAM Conservative Balanced Portfolio
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 13,273	$ 2,876	$ 3,681	$ 14,840
Core Fixed Income Fund	36,765	9,202	6,998	37,543
Diversified International Fund	12,225	1,011	11,753	2,019
Diversified Real Asset Fund	2,947	8,279	1,974	9,800
Edge MidCap Fund	6,338	1,470	4,561	3,423
Equity Income Account	21,471	2,311	15,542	11,346
Finisterre Emerging Markets Total Return Bond Fund	—	12,353	191	11,778
Global Diversified Income Fund	3,339	44	3,416	—
Global Real Estate Securities Fund	8,971	933	4,929	6,822
Government & High Quality Bond Account	15,208	4,683	7,383	12,152
High Yield Fund	6,750	1,859	701	7,943
Inflation Protection Fund	3,207	56	3,228	—
International Small Company Fund	1,583	1,090	231	2,398
LargeCap Growth Fund I	—	6,692	1,017	6,046
LargeCap Value Fund III	—	5,448	358	5,183
MidCap Account	—	2,151	4	2,215
Origin Emerging Markets Fund	5,075	5,609	1,217	8,855
Overseas Fund	—	1,617	19	1,520
Principal Active Global Dividend Income ETF	1,582	—	1,602	—
Principal Capital Appreciation Fund	—	2,177	—	2,022
Principal Government Money Market Fund - Institutional Class 0.00%	251	18,656	13,997	4,910
Principal Investment Grade Corporate Active ETF	—	4,678	—	4,686
Principal U.S. Mega-Cap ETF	13,619	—	4,258	12,575
Principal U.S. Small-Cap Multi-Factor ETF	6,375	3,786	5,184	7,265
Short-Term Income Fund	19,865	1,786	9,198	12,127
Spectrum Preferred and Capital Securities Income Fund	15,685	2,095	1,439	16,125
	$ 194,529	$ 100,862	$ 102,881	$ 203,593

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 126	$ 178	$ 889	$ 2,194
Core Fixed Income Fund	791	(114)	—	(1,312)
Diversified International Fund	76	3,069	175	(2,533)
Diversified Real Asset Fund	542	36	115	512
Edge MidCap Fund	116	1,205	720	(1,029)
Equity Income Account	208	5,235	6	(2,129)
Finisterre Emerging Markets Total Return Bond Fund	223	(8)	—	(376)
Global Diversified Income Fund	32	117	—	(84)
Global Real Estate Securities Fund	154	949	9	898
Government & High Quality Bond Account	207	(114)	—	(242)
High Yield Fund	396	(1)	—	36
Inflation Protection Fund	—	312	—	(347)
International Small Company Fund	35	5	175	(49)
LargeCap Growth Fund I	50	102	565	269
LargeCap Value Fund III	140	13	296	80
MidCap Account	—	—	—	68
Origin Emerging Markets Fund	175	(103)	163	(509)
Overseas Fund	110	(1)	—	(77)
Principal Active Global Dividend Income ETF	—	350	—	(330)
Principal Capital Appreciation Fund	48	—	125	(155)
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
Principal Investment Grade Corporate Active ETF	114	—	—	8
Principal U.S. Mega-Cap ETF	238	1,541	—	1,673
Principal U.S. Small-Cap Multi-Factor ETF	140	679	—	1,609
Short-Term Income Fund	165	123	61	(449)
Spectrum Preferred and Capital Securities Income Fund	717	(4)	—	(212)
	$ 4,803	$ 13,569	$ 3,299	$ (2,486)

Amounts in thousands.

Schedule of Investments
SAM Conservative Growth Portfolio
December 31, 2021

INVESTMENT COMPANIES - 99.91%	Shares Held	Value (000's)
Money Market Funds - 3.25%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	14,113,065	$ 14,113
Principal Exchange-Traded Funds - 21.93%		
Principal Investment Grade Corporate Active ETF [a]	71,000	1,868
Principal U.S. Mega-Cap ETF [a]	1,171,311	52,006
Principal U.S. Small-Cap Multi-Factor ETF [a]	875,400	41,514
		$ 95,388
Principal Funds, Inc. Class R-6 - 49.01%		
Blue Chip Fund [a]	1,455,035	59,716
Core Fixed Income Fund [a]	1,743,679	17,280
Diversified International Fund [a]	1,063,852	15,266
Diversified Real Asset Fund [a]	1,569,779	20,753
Edge MidCap Fund [a]	1,016,339	14,981
Global Real Estate Securities Fund [a]	675,104	8,020
High Yield Fund [a]	296,283	2,154
International Small Company Fund [a]	628,775	7,388
LargeCap Growth Fund I [a]	1,158,859	25,761
Origin Emerging Markets Fund [a]	2,810,247	36,702
Spectrum Preferred and Capital Securities Income Fund [a]	492,526	5,088
		$ 213,109
Principal Funds, Inc. Institutional Class - 11.76%		
Finisterre Emerging Markets Total Return Bond Fund [a]	403,264	4,093
LargeCap Value Fund III [a]	1,453,029	28,523
Overseas Fund [a]	596,719	6,284
Principal Capital Appreciation Fund [a]	118,867	7,922
Short-Term Income Fund [a]	353,052	4,307
		$ 51,129
Principal Variable Contracts Funds, Inc. Class 1 - 13.96%		
Equity Income Account [a]	1,404,498	48,104
Government & High Quality Bond Account [a]	565,142	5,358
MidCap Account [a]	97,065	7,256
		$ 60,718
TOTAL INVESTMENT COMPANIES		$ 434,457
Total Investments		**$ 434,457**
Other Assets and Liabilities - 0.09%		**370**
TOTAL NET ASSETS - 100.00%		**$ 434,827**

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(b) Non-income producing security

(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	65.72%
International Equity Funds	13.43%
Fixed Income Funds	12.74%
Specialty Funds	4.77%
Money Market Funds	3.25%
Other Assets and Liabilities	0.09%
TOTAL NET ASSETS	100.00%

Schedule of Investments
SAM Conservative Growth Portfolio
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 51,403	$ 8,996	$ 10,024	$ 59,716
Core Fixed Income Fund	18,675	6,689	7,367	17,280
Diversified International Fund	49,312	3,479	39,029	15,266
Diversified Real Asset Fund	5,956	17,220	3,595	20,753
Edge MidCap Fund	26,819	5,198	17,664	14,981
Equity Income Account	73,667	5,031	42,178	48,104
Finisterre Emerging Markets Total Return Bond Fund	—	4,221	—	4,093
Global Real Estate Securities Fund	11,374	2,889	8,773	8,020
Government & High Quality Bond Account	7,819	2,727	5,058	5,358
High Yield Fund	3,777	195	1,826	2,154
Inflation Protection Fund	5,877	—	5,811	—
International Small Company Fund	6,294	3,282	2,192	7,388
LargeCap Growth Fund I	—	25,161	450	25,761
LargeCap Value Fund III	—	28,480	249	28,523
MidCap Account	—	7,022	—	7,256
Origin Emerging Markets Fund	19,783	22,054	2,622	36,702
Overseas Fund	—	6,605	—	6,284
Principal Active Global Dividend Income ETF	6,010	—	6,094	—
Principal Capital Appreciation Fund	—	8,519	—	7,922
Principal Government Money Market Fund - Institutional Class 0.00%	649	42,400	28,936	14,113
Principal Investment Grade Corporate Active ETF	—	1,865	—	1,868
Principal U.S. Mega-Cap ETF	52,601	—	13,189	52,006
Principal U.S. Small-Cap Multi-Factor ETF	25,597	16,086	9,310	41,514
Short-Term Income Fund	9,958	3,111	8,659	4,307
Spectrum Preferred and Capital Securities Income Fund	8,731	688	4,238	5,088
	$ 384,302	$ 221,918	$ 217,264	$ 434,457

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 490	$ 476	$ 3,469	$ 8,865
Core Fixed Income Fund	313	(8)	—	(709)
Diversified International Fund	576	9,612	1,318	(8,108)
Diversified Real Asset Fund	1,124	84	242	1,088
Edge MidCap Fund	506	3,737	3,140	(3,109)
Equity Income Account	963	7,191	28	4,393
Finisterre Emerging Markets Total Return Bond Fund	76	—	—	(128)
Global Real Estate Securities Fund	179	1,360	11	1,170
Government & High Quality Bond Account	71	78	—	(208)
High Yield Fund	129	45	—	(37)
Inflation Protection Fund	—	5	—	(71)
International Small Company Fund	109	161	537	(157)
LargeCap Growth Fund I	211	30	2,398	1,020
LargeCap Value Fund III	770	2	1,627	290
MidCap Account	—	—	—	234
Origin Emerging Markets Fund	720	(242)	663	(2,271)
Overseas Fund	453	—	—	(321)
Principal Active Global Dividend Income ETF	—	1,337	—	(1,253)
Principal Capital Appreciation Fund	188	—	484	(597)
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
Principal Investment Grade Corporate Active ETF	44	—	—	3
Principal U.S. Mega-Cap ETF	941	4,425	—	8,169
Principal U.S. Small-Cap Multi-Factor ETF	646	428	—	8,713
Short-Term Income Fund	51	170	21	(273)
Spectrum Preferred and Capital Securities Income Fund	260	76	—	(169)
	$ 8,820	$ 28,967	$ 13,938	$ 16,534

Amounts in thousands.

See accompanying notes.

Schedule of Investments
SAM Flexible Income Portfolio
December 31, 2021

INVESTMENT COMPANIES - 99.95%	Shares Held	Value (000's)
Money Market Funds - 1.96%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	3,795,091	$ 3,795
Principal Exchange-Traded Funds - 21.18%		
Principal Active High Yield ETF [a]	576,116	12,000
Principal Investment Grade Corporate Active ETF [a]	724,298	19,063
Principal U.S. Mega-Cap ETF [a]	180,407	8,010
Principal U.S. Small-Cap Multi-Factor ETF [a]	42,000	1,992
		$ 41,065
Principal Funds, Inc. Class R-6 - 48.90%		
Blue Chip Fund [a]	241,801	9,924
Core Fixed Income Fund [a]	3,486,506	34,551
Diversified International Fund [a]	339,553	4,873
Diversified Real Asset Fund [a]	953,149	12,601
Global Real Estate Securities Fund [a]	688,463	8,179
High Yield Fund [a]	286,974	2,086
Origin Emerging Markets Fund [a]	131,564	1,718
Small-MidCap Dividend Income Fund [a]	228,456	4,192
Spectrum Preferred and Capital Securities Income Fund [a]	1,613,756	16,670
		$ 94,794
Principal Funds, Inc. Institutional Class - 14.20%		
Finisterre Emerging Markets Total Return Bond Fund [a]	580,745	5,895
LargeCap Value Fund III [a]	175,368	3,442
Principal Capital Appreciation Fund [a]	48,661	3,243
Short-Term Income Fund [a]	1,224,877	14,944
		$ 27,524
Principal Variable Contracts Funds, Inc. Class 1 - 13.71%		
Equity Income Account [a]	158,089	5,414
Government & High Quality Bond Account [a]	2,232,065	21,160
		$ 26,574
TOTAL INVESTMENT COMPANIES		$ 193,752
Total Investments		**$ 193,752**
Other Assets and Liabilities - 0.05%		**100**
TOTAL NET ASSETS - 100.00%		**$ 193,852**

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(b) Non-income producing security
(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Fixed Income Funds	67.70%
Domestic Equity Funds	18.68%
Specialty Funds	6.50%
International Equity Funds	5.11%
Money Market Funds	1.96%
Other Assets and Liabilities	0.05%
TOTAL NET ASSETS	100.00%

Schedule of Investments
SAM Flexible Income Portfolio
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 7,637	$ 3,283	$ 2,402	$ 9,924
Core Fixed Income Fund	19,176	20,825	4,622	34,551
Diversified International Fund	9,697	1,537	6,487	4,873
Diversified Real Asset Fund	—	13,397	1,261	12,601
Edge MidCap Fund	2,368	110	2,708	—
Equity Income Account	15,609	2,052	14,259	5,414
Finisterre Emerging Markets Total Return Bond Fund	—	6,153	70	5,895
Global Real Estate Securities Fund	6,226	5,880	5,687	8,179
Government & High Quality Bond Account	25,806	6,003	9,916	21,160
High Yield Fund	5,376	799	4,104	2,086
Inflation Protection Fund	11,519	451	11,837	—
LargeCap Value Fund III	—	3,483	91	3,442
Origin Emerging Markets Fund	—	2,837	896	1,718
Principal Active High Yield ETF	12,230	—	818	12,000
Principal Capital Appreciation Fund	—	3,491	—	3,243
Principal Government Money Market Fund - Institutional Class 0.00%	559	10,566	7,330	3,795
Principal Investment Grade Corporate Active ETF	19,414	421	—	19,063
Principal U.S. Mega-Cap ETF	7,319	—	1,080	8,010
Principal U.S. Small-Cap Multi-Factor ETF	3,785	714	3,675	1,992
Short-Term Income Fund	22,584	2,928	10,182	14,944
Small-MidCap Dividend Income Fund	—	4,570	681	4,192
Spectrum Preferred and Capital Securities Income Fund	14,891	3,845	1,840	16,670
	$ 184,196	$ 93,345	$ 89,946	$ 193,752

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 89	$ (13)	$ 634	$ 1,419
Core Fixed Income Fund	664	8	—	(836)
Diversified International Fund	183	1,097	420	(971)
Diversified Real Asset Fund	687	3	148	462
Edge MidCap Fund	—	675	—	(445)
Equity Income Account	110	6,535	3	(4,523)
Finisterre Emerging Markets Total Return Bond Fund	110	(3)	—	(185)
Global Real Estate Securities Fund	189	459	11	1,301
Government & High Quality Bond Account	442	(196)	—	(537)
High Yield Fund	159	335	—	(320)
Inflation Protection Fund	—	920	—	(1,053)
LargeCap Value Fund III	93	1	196	49
Origin Emerging Markets Fund	34	(89)	33	(134)
Principal Active High Yield ETF	513	34	—	554
Principal Capital Appreciation Fund	76	—	198	(248)
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
Principal Investment Grade Corporate Active ETF	598	—	—	(772)
Principal U.S. Mega-Cap ETF	135	358	—	1,413
Principal U.S. Small-Cap Multi-Factor ETF	58	1,077	—	91
Short-Term Income Fund	191	101	75	(487)
Small-MidCap Dividend Income Fund	18	39	—	264
Spectrum Preferred and Capital Securities Income Fund	713	(11)	—	(215)
	$ 5,062	$ 11,330	$ 1,718	$ (5,173)

Amounts in thousands.

Schedule of Investments
SAM Strategic Growth Portfolio
December 31, 2021

INVESTMENT COMPANIES - 99.93%	Shares Held	Value (000's)
Money Market Funds - 2.32%		
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c]	9,966,467	$ 9,966
Principal Exchange-Traded Funds - 19.13%		
Principal U.S. Mega-Cap ETF [a]	978,000	43,423
Principal U.S. Small-Cap Multi-Factor ETF [a]	814,100	38,607
		$ 82,030
Principal Funds, Inc. Class R-6 - 50.16%		
Blue Chip Fund [a]	1,491,120	61,196
Diversified International Fund [a]	1,777,062	25,501
Diversified Real Asset Fund [a]	1,470,661	19,442
Edge MidCap Fund [a]	1,114,453	16,427
Global Real Estate Securities Fund [a]	272,593	3,238
International Small Company Fund [a]	834,169	9,801
LargeCap Growth Fund I [a]	2,419,144	53,778
Origin Emerging Markets Fund [a]	1,973,874	25,779
		$ 215,162
Principal Funds, Inc. Institutional Class - 13.64%		
LargeCap Value Fund III [a]	1,713,105	33,629
Overseas Fund [a]	1,470,275	15,482
Principal Capital Appreciation Fund [a]	141,127	9,406
		$ 58,517
Principal Variable Contracts Funds, Inc. Class 1 - 14.68%		
Equity Income Account [a]	1,448,089	49,597
MidCap Account [a]	178,801	13,367
		$ 62,964
TOTAL INVESTMENT COMPANIES		$ 428,639
Total Investments		**$ 428,639**
Other Assets and Liabilities - 0.07%		**308**
TOTAL NET ASSETS - 100.00%		**$ 428,947**

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(b) Non-income producing security

(c) Current yield shown is as of period end.

Portfolio Summary (unaudited)

Fund Type	Percent
Domestic Equity Funds	74.48%
International Equity Funds	12.65%
Fixed Income Funds	5.95%
Specialty Funds	4.53%
Money Market Funds	2.32%
Other Assets and Liabilities	0.07%
TOTAL NET ASSETS	100.00%

Schedule of Investments
SAM Strategic Growth Portfolio
December 31, 2021

Affiliated Securities	December 31, 2020 Value	Purchases Cost	Sales Proceeds	December 31, 2021 Value
Blue Chip Fund	$ 49,500	$ 6,410	$ 3,214	$ 61,196
Diversified International Fund	68,142	5,659	49,566	25,501
Diversified Real Asset Fund	—	20,987	2,306	19,442
Edge MidCap Fund	28,530	7,004	19,654	16,427
Equity Income Account	65,724	6,134	32,662	49,597
Global Real Estate Securities Fund	3,321	768	1,507	3,238
International Small Company Fund	6,854	4,663	1,557	9,801
LargeCap Growth Fund I	30,989	24,564	5,723	53,778
LargeCap Value Fund III	16,752	15,595	936	33,629
MidCap Account	—	12,972	4	13,367
Origin Emerging Markets Fund	18,290	10,360	1,455	25,779
Overseas Fund	—	16,318	33	15,482
Principal Capital Appreciation Fund	—	10,112	—	9,406
Principal Government Money Market Fund - Institutional Class 0.00%	480	39,786	30,300	9,966
Principal U.S. Mega-Cap ETF	39,585	1,928	7,941	43,423
Principal U.S. Small-Cap Multi-Factor ETF	27,296	16,462	14,032	38,607
	$ 355,463	$ 199,722	$ 170,890	$ 428,639

	Income	Realized Gain/Loss on Investments	Realized Gain from Capital Gain Distributions	Change in Unrealized Gain/ Loss
Blue Chip Fund	$ 473	$ 59	$ 3,347	$ 8,441
Diversified International Fund	962	10,767	2,199	(9,501)
Diversified Real Asset Fund	1,070	9	227	752
Edge MidCap Fund	555	3,848	3,446	(3,301)
Equity Income Account	955	4,527	28	5,874
Global Real Estate Securities Fund	70	275	4	381
International Small Company Fund	144	101	712	(260)
LargeCap Growth Fund I	440	274	5,013	3,674
LargeCap Value Fund III	905	(3)	1,912	2,221
MidCap Account	—	—	—	399
Origin Emerging Markets Fund	505	(99)	465	(1,317)
Overseas Fund	1,118	(2)	—	(801)
Principal Capital Appreciation Fund	220	—	566	(706)
Principal Government Money Market Fund - Institutional Class 0.00%	—	—	—	—
Principal U.S. Mega-Cap ETF	745	1,838	—	8,013
Principal U.S. Small-Cap Multi-Factor ETF	639	371	—	8,510
	$ 8,801	$ 21,965	$ 17,919	$ 22,379

Amounts in thousands.

Schedule of Investments
Short-Term Income Account
December 31, 2021

INVESTMENT COMPANIES - 1.63%	Shares Held	Value (000's)
Money Market Funds - 1.63%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	297,000	$ 297
Principal Government Money Market Fund - Institutional Class 0.00%[a],[c],[d]	1,990,631	1,991
		$ 2,288
TOTAL INVESTMENT COMPANIES		$ 2,288

BONDS - 92.12%	Principal Amount (000's)	Value (000's)
Aerospace & Defense - 0.19%		
Raytheon Technologies Corp		
3.20%, 03/15/2024	$ 250	$ 260
Agriculture - 0.26%		
Bunge Ltd Finance Corp		
1.63%, 08/17/2025	100	100
4.35%, 03/15/2024	250	266
		$ 366
Airlines - 0.44%		
Alaska Airlines 2020-1 Class A Pass Through Trust		
4.80%, 02/15/2029[e]	253	277
American Airlines 2013-2 Class A Pass Through Trust		
4.95%, 07/15/2024	93	95
Delta Air Lines Inc / SkyMiles IP Ltd		
4.50%, 10/20/2025[e]	229	241
		$ 613
Automobile Asset Backed Securities - 6.29%		
Americredit Automobile Receivables Trust 2019-1		
2.97%, 11/20/2023	2	2
Americredit Automobile Receivables Trust 2019-2		
2.28%, 01/18/2024	82	82
AmeriCredit Automobile Receivables Trust 2020-2		
0.60%, 12/18/2023	26	26
AmeriCredit Automobile Receivables Trust 2020-3		
0.42%, 03/18/2024	124	124
AmeriCredit Automobile Receivables Trust 2021-1		
0.28%, 06/18/2024	224	224
CPS Auto Receivables Trust 2021-A		
0.35%, 01/16/2024[e]	53	53
0.61%, 02/18/2025[e]	125	125
CPS Auto Receivables Trust 2021-B		
0.37%, 03/17/2025[e]	156	156
CPS Auto Receivables Trust 2021-C		
0.33%, 07/15/2024[e]	202	202
CPS Auto Receivables Trust 2021-D		
0.61%, 10/15/2025[e]	360	360
Ford Credit Auto Owner Trust 2017-REV1		
2.62%, 08/15/2028[e]	500	501
Ford Credit Auto Owner Trust 2018-REV2		
3.47%, 01/15/2030[e]	400	416
Ford Credit Auto Owner Trust 2019-REV1		
3.52%, 07/15/2030[e]	300	315
Ford Credit Auto Owner Trust 2020-REV2		
1.06%, 04/15/2033[e]	475	465
Ford Credit Auto Owner Trust 2021-REV1		
1.37%, 10/17/2033[e]	250	247
GM Financial Consumer Automobile Receivables Trust 2021-1		
0.23%, 11/16/2023	102	102
OneMain Direct Auto Receivables Trust 2018-1		
3.43%, 12/16/2024[e]	15	15
OneMain Direct Auto Receivables Trust 2019-1		
3.63%, 09/14/2027[e]	750	791
OneMain Direct Auto Receivables Trust 2021-1		
0.87%, 07/14/2028[e]	750	740

BONDS (continued)	Principal Amount (000's)	Value (000's)
Automobile Asset Backed Securities (continued)		
Santander Drive Auto Receivables Trust 2021-1		
0.29%, 11/15/2023	$ 26	$ 26
Santander Drive Auto Receivables Trust 2021-2		
0.28%, 04/15/2024	459	459
Santander Drive Auto Receivables Trust 2021-3		
0.29%, 05/15/2024	177	177
0.33%, 03/17/2025	250	249
Toyota Auto Loan Extended Note Trust 2019-1		
2.56%, 11/25/2031[e]	250	258
Toyota Auto Loan Extended Note Trust 2020-1		
1.35%, 05/25/2033[e]	200	199
Westlake Automobile Receivables Trust 2020-3		
0.56%, 05/15/2024[e]	673	673
Westlake Automobile Receivables Trust 2021-1		
0.39%, 10/15/2024[e]	281	281
0.64%, 03/16/2026[e]	250	249
Westlake Automobile Receivables Trust 2021-2		
0.32%, 04/15/2025[e]	947	944
World Omni Auto Receivables Trust 2021-A		
0.17%, 02/15/2024	340	340
World Omni Select Auto Trust 2020-A		
0.47%, 06/17/2024	42	42
		$ 8,843
Automobile Manufacturers - 0.29%		
Toyota Motor Credit Corp		
2.60%, 01/11/2022	400	400
Banks - 17.37%		
Bank of America Corp		
0.98%, 09/25/2025[f]	500	494
Secured Overnight Financing Rate + 0.91%		
1.20%, 10/24/2026[f]	400	392
Secured Overnight Financing Rate + 1.01%		
1.29%, 01/20/2023	350	350
3 Month USD LIBOR + 1.16%		
1.32%, 06/19/2026[f]	600	594
Secured Overnight Financing Rate + 1.15%		
3.00%, 12/20/2023[f]	430	439
3 Month USD LIBOR + 0.79%		
4.20%, 08/26/2024	750	804
Bank of Montreal		
0.95%, 01/22/2027[f]	300	290
Secured Overnight Financing Rate + 0.60%		
Bank of New York Mellon Corp/The		
1.18%, 10/30/2023	500	504
3 Month USD LIBOR + 1.05%		
Bank of Nova Scotia/The		
1.30%, 09/15/2026	307	301
Barclays PLC		
2.28%, 11/24/2027[f]	500	501
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 1.05%		
BNP Paribas SA		
3.50%, 03/01/2023[e]	250	258
Capital One NA		
1.28%, 01/30/2023	600	600
3 Month USD LIBOR + 1.15%		
Citigroup Inc		
0.78%, 10/30/2024[f]	400	398
Secured Overnight Financing Rate + 0.69%		
1.08%, 04/25/2022	200	200
3 Month USD LIBOR + 0.96%		
1.12%, 01/28/2027[f]	400	390
Secured Overnight Financing Rate + 0.77%		
1.60%, 09/01/2023	500	504
3 Month USD LIBOR + 1.43%		
3.50%, 05/15/2023	250	258
4.00%, 08/05/2024	274	292

See accompanying notes.

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Banks (continued)		
Citigroup Inc (continued)		
4.04%, 06/01/2024[f]	$ 250	$ 261
3 Month USD LIBOR + 1.02%		
Credit Suisse Group AG		
4.21%, 06/12/2024[e],[f]	500	520
3 Month USD LIBOR + 1.24%		
Deutsche Bank AG/New York NY		
0.90%, 05/28/2024	175	173
0.96%, 11/08/2023	400	399
Fifth Third Bancorp		
2.60%, 06/15/2022	800	806
3.65%, 01/25/2024	200	209
4.30%, 01/16/2024	400	423
First Republic Bank/CA		
1.91%, 02/12/2024[f]	250	253
Secured Overnight Financing Rate + 0.62%		
Goldman Sachs Group Inc/The		
0.48%, 01/27/2023	300	299
0.59%, 11/17/2023	500	500
Secured Overnight Financing Rate + 0.54%		
0.84%, 12/09/2026	300	302
Secured Overnight Financing Rate + 0.79%		
1.22%, 12/06/2023	500	501
3.20%, 02/23/2023	300	308
HSBC Holdings PLC		
2.63%, 11/07/2025[f]	200	205
Secured Overnight Financing Rate + 1.40%		
ING Groep NV		
3.15%, 03/29/2022	450	453
JPMorgan Chase & Co		
1.02%, 04/25/2023	1,000	1,002
3 Month USD LIBOR + 0.90%		
1.04%, 02/04/2027[f]	200	194
Secured Overnight Financing Rate + 0.70%		
1.05%, 11/19/2026[f]	400	390
Secured Overnight Financing Rate + 0.80%		
1.35%, 10/24/2023	500	503
3 Month USD LIBOR + 1.23%		
1.51%, 06/01/2024[f]	300	302
Secured Overnight Financing Rate + 1.46%		
Morgan Stanley		
0.53%, 01/25/2024[f]	250	249
Secured Overnight Financing Rate + 0.46%		
0.75%, 01/20/2023	368	368
Secured Overnight Financing Rate + 0.70%		
1.52%, 10/24/2023	1,400	1,412
3 Month USD LIBOR + 1.40%		
1.59%, 05/04/2027[f]	250	247
Secured Overnight Financing Rate + 0.88%		
4.10%, 05/22/2023	300	312
NatWest Group PLC		
4.27%, 03/22/2025[f]	250	265
3 Month USD LIBOR + 1.76%		
NatWest Markets PLC		
0.80%, 08/12/2024[e]	200	197
1.60%, 09/29/2026[e]	750	738
Royal Bank of Canada		
0.88%, 01/20/2026	300	292
Societe Generale SA		
2.63%, 01/22/2025[e]	300	308
Toronto-Dominion Bank/The		
0.30%, 06/02/2023	300	298
0.75%, 01/06/2026[g]	300	291
Truist Bank		
2.45%, 08/01/2022	700	707
Truist Financial Corp		
1.27%, 03/02/2027[f]	348	341
Secured Overnight Financing Rate + 0.61%		
UBS AG/London		
1.75%, 04/21/2022[e]	$ 250	$ 251
UBS Group AG		
1.01%, 07/30/2024[e],[f]	250	249
US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 0.83%		
3.49%, 05/23/2023[e]	300	303
Wells Fargo & Co		
1.65%, 06/02/2024[f]	400	403
Secured Overnight Financing Rate + 1.60%		
2.16%, 02/11/2026[f]	200	203
3 Month USD LIBOR + 0.75%		
2.19%, 04/30/2026[f]	400	407
Secured Overnight Financing Rate + 2.00%		
3.07%, 01/24/2023	1,000	1,001
		$ 24,414
Beverages - 0.44%		
Anheuser-Busch InBev Finance Inc		
3.65%, 02/01/2026	300	322
Keurig Dr Pepper Inc		
0.75%, 03/15/2024	300	298
		$ 620
Biotechnology - 1.06%		
Biogen Inc		
3.63%, 09/15/2022	359	367
Gilead Sciences Inc		
0.75%, 09/29/2023	1,124	1,119
		$ 1,486
Building Materials - 0.23%		
Martin Marietta Materials Inc		
4.25%, 07/02/2024	309	329
Chemicals - 0.50%		
Celanese US Holdings LLC		
3.50%, 05/08/2024	200	209
Westlake Chemical Corp		
3.60%, 07/15/2022	200	202
3.60%, 08/15/2026	268	287
		$ 698
Commercial Mortgage Backed Securities - 10.22%		
BX 2021-LBA3 Mortgage Trust		
0.80%, 10/15/2036[e]	250	249
1.00 x 1 Month USD LIBOR + 0.69%		
BX Commercial Mortgage Trust 2021-21M		
0.84%, 10/15/2036[e]	375	372
1.00 x 1 Month USD LIBOR + 0.73%		
BX Commercial Mortgage Trust 2021-ACNT		
0.96%, 11/15/2026[e]	400	399
1.00 x 1 Month USD LIBOR + 0.85%		
BX Commercial Mortgage Trust 2021-SOAR		
0.78%, 06/15/2038[e]	300	298
1.00 x 1 Month USD LIBOR + 0.67%		
BX Commercial Mortgage Trust 2021-VINO		
0.76%, 05/15/2038[e]	200	199
1.00 x 1 Month USD LIBOR + 0.65%		
BX Commercial Mortgage Trust 2021-VOLT		
0.81%, 09/15/2036[e]	1,000	997
1.00 x 1 Month USD LIBOR + 0.70%		
BX Commercial Mortgage Trust 2021-XL2		
0.80%, 10/15/2038[e]	1,000	994
1.00 x 1 Month USD LIBOR + 0.69%		
BX Trust 2021-BXMF		
0.75%, 10/15/2026[e]	375	372
1.00 x 1 Month USD LIBOR + 0.64%		
BX Trust 2021-LGCY		
0.62%, 10/15/2023[e]	750	743
1.00 x 1 Month USD LIBOR + 0.51%		

See accompanying notes.

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Commercial Mortgage Backed Securities (continued)		
Cold Storage Trust 2020-ICE5		
1.01%, 11/15/2037[e]	$ 590	$ 589
1.00 x 1 Month USD LIBOR + 0.90%		
ELP Commercial Mortgage Trust 2021-ELP		
0.81%, 11/15/2038[e]	750	746
1.00 x 1 Month USD LIBOR + 0.70%		
Freddie Mac Multifamily Structured Pass Through Certificates		
0.22%, 09/25/2026	200	200
1.00 x 30 Day Average Secured Overnight Financing Rate + 0.17%		
0.44%, 12/25/2025	130	129
0.52%, 06/25/2025	210	207
0.52%, 11/25/2026	296	289
0.53%, 01/25/2025	173	171
0.57%, 05/25/2026	94	92
0.68%, 06/25/2026	2,776	2,719
0.81%, 10/25/2026	299	294
FRESB 2020-SB79 Mortgage Trust		
0.80%, 07/25/2040[h]	461	453
FRESB 2020-SB81Mortgage Trust		
0.72%, 10/25/2040[h]	141	138
FRESB 2021-SB82 Mortgage Trust		
0.67%, 11/25/2025[h]	272	266
FRESB 2021-SB83 Mortgage Trust		
0.63%, 01/25/2026[h]	239	234
FRESB 2021-SB91 Mortgage Trust		
1.20%, 07/25/2041[h]	200	199
Ginnie Mae		
0.14%, 02/16/2055[h],[i]	2,715	10
0.20%, 10/16/2054[h],[i]	1,719	27
0.29%, 01/16/2054[h],[i]	1,324	13
0.36%, 09/16/2055[h],[i]	1,232	18
0.42%, 01/16/2055[h],[i]	2,790	26
0.89%, 06/16/2045[h],[i]	411	9
1.26%, 12/16/2036[h],[i]	82	4
MHC Commercial Mortgage Trust 2021-MHC		
0.91%, 04/15/2038[e]	700	698
1.00 x 1 Month USD LIBOR + 0.80%		
MHC Trust 2021-MHC2		
0.96%, 05/15/2023[e]	400	398
1.00 x 1 Month USD LIBOR + 0.85%		
MHP 2021-STOR		
0.81%, 07/15/2038[e]	200	199
1.00 x 1 Month USD LIBOR + 0.70%		
OPG Trust 2021-PORT		
0.59%, 10/15/2036[e]	1,000	991
1.00 x 1 Month USD LIBOR + 0.48%		
SREIT Trust 2021-MFP		
0.83%, 11/15/2038[e]	350	348
1.00 x 1 Month USD LIBOR + 0.73%		
TPGI Trust 2021-DGWD		
0.81%, 06/15/2026[e]	275	274
1.00 x 1 Month USD LIBOR + 0.70%		
		$ 14,364
Computers - 1.22%		
Apple Inc		
0.70%, 02/08/2026	300	294
1.13%, 05/11/2025	900	897
3.25%, 02/23/2026	139	149
Dell International LLC / EMC Corp		
5.45%, 06/15/2023	52	55
Hewlett Packard Enterprise Co		
4.45%, 10/02/2023	300	316
		$ 1,711
Consumer Products - 0.33%		
Avery Dennison Corp		
0.85%, 08/15/2024	$ 475	$ 468
Diversified Financial Services - 0.89%		
AerCap Ireland Capital DAC / AerCap Global Aviation Trust		
1.65%, 10/29/2024	500	499
2.45%, 10/29/2026	250	252
Capital One Bank USA NA		
2.01%, 01/27/2023[f]	250	250
Secured Overnight Financing Rate + 0.62%		
Capital One Financial Corp		
3.90%, 01/29/2024	242	255
		$ 1,256
Electric - 7.24%		
AES Corp/The		
1.38%, 01/15/2026	400	388
Alabama Power Co		
2.45%, 03/30/2022	250	251
Alliant Energy Finance LLC		
1.40%, 03/15/2026[e]	150	144
3.75%, 06/15/2023[e]	900	932
American Electric Power Co Inc		
0.61%, 11/01/2023	300	300
3 Month USD LIBOR + 0.48%		
Black Hills Corp		
1.04%, 08/23/2024	250	247
4.25%, 11/30/2023	750	788
Dominion Energy Inc		
0.73%, 09/15/2023	350	350
3 Month USD LIBOR + 0.53%		
3.07%, 08/15/2024[h]	200	207
DTE Energy Co		
1.05%, 06/01/2025	100	98
2.25%, 11/01/2022	250	253
2.53%, 10/01/2024	300	309
Duke Energy Corp		
0.90%, 09/15/2025	250	243
Emera US Finance LP		
0.83%, 06/15/2024	395	388
Entergy Louisiana LLC		
0.62%, 11/17/2023	150	149
0.95%, 10/01/2024	500	494
Evergy Inc		
2.45%, 09/15/2024	200	205
Exelon Corp		
3.50%, 06/01/2022	500	505
Florida Power & Light Co		
0.30%, 05/10/2023	200	199
Secured Overnight Financing Rate + 0.25%		
Fortis Inc/Canada		
3.06%, 10/04/2026	413	430
NextEra Energy Capital Holdings Inc		
0.43%, 02/22/2023	200	200
3 Month USD LIBOR + 0.27%		
0.45%, 11/03/2023	800	800
Secured Overnight Financing Rate + 0.40%		
Public Service Enterprise Group Inc		
0.80%, 08/15/2025	400	389
2.88%, 06/15/2024	100	103
San Diego Gas & Electric Co		
1.91%, 02/01/2022	14	14
Southern California Edison Co		
1.85%, 02/01/2022	30	30
Southwestern Electric Power Co		
1.65%, 03/15/2026	400	397
Tucson Electric Power Co		
3.05%, 03/15/2025	100	104

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Electric (continued)		
Vistra Operations Co LLC		
3.70%, 01/30/2027[e]	$ 500	$ 518
Xcel Energy Inc		
0.50%, 10/15/2023	500	497
1.75%, 03/15/2027	250	248
		$ 10,180
Food - 1.57%		
JBS USA LUX SA / JBS USA Finance Inc		
6.75%, 02/15/2028[e]	362	390
Mars Inc		
0.88%, 07/16/2026[e]	500	485
Nestle Holdings Inc		
0.38%, 01/15/2024[e]	850	840
0.61%, 09/14/2024[e]	500	493
		$ 2,208
Forest Products & Paper - 0.29%		
Georgia-Pacific LLC		
1.75%, 09/30/2025[e]	400	402
Gas - 0.28%		
NiSource Inc		
0.95%, 08/15/2025	400	389
Healthcare - Products - 0.35%		
PerkinElmer Inc		
0.55%, 09/15/2023	500	496
Healthcare - Services - 1.26%		
Centene Corp		
4.25%, 12/15/2027	500	521
HCA Inc		
5.25%, 06/15/2026	662	745
Humana Inc		
0.65%, 08/03/2023	500	497
		$ 1,763
Home Builders - 0.15%		
DR Horton Inc		
2.50%, 10/15/2024	200	206
Home Furnishings - 0.33%		
Panasonic Corp		
2.54%, 07/19/2022[e]	200	202
2.68%, 07/19/2024[e]	250	258
		$ 460
Insurance - 4.31%		
Five Corners Funding Trust		
4.42%, 11/15/2023[e]	750	795
Guardian Life Global Funding		
0.88%, 12/10/2025[e]	500	487
1.10%, 06/23/2025[e]	550	545
MassMutual Global Funding II		
0.85%, 06/09/2023[e]	500	500
2.75%, 06/22/2024[e]	500	518
Metropolitan Life Global Funding I		
0.40%, 01/07/2024[e]	300	296
0.90%, 06/08/2023[e]	350	351
3.60%, 01/11/2024[e]	600	631
New York Life Global Funding		
0.72%, 06/10/2022[e]	1,000	1,002
3 Month USD LIBOR + 0.52%		
2.00%, 01/22/2025[e]	200	204
2.30%, 06/10/2022[e]	238	240
Northwestern Mutual Global Funding		
0.80%, 01/14/2026[e]	500	485
		$ 6,054
Internet - 0.35%		
eBay Inc		
1.40%, 05/10/2026	500	492

BONDS (continued)	Principal Amount (000's)	Value (000's)
Machinery - Diversified - 0.18%		
Otis Worldwide Corp		
0.58%, 04/05/2023	$ 250	$ 250
3 Month USD LIBOR + 0.45%		
Media - 0.96%		
Charter Communications Operating LLC / Charter Communications Operating Capital		
4.91%, 07/23/2025	292	322
Sky Ltd		
3.13%, 11/26/2022[e]	130	133
ViacomCBS Inc		
4.75%, 05/15/2025	450	493
Walt Disney Co/The		
1.75%, 01/13/2026	400	404
		$ 1,352
Mining - 0.49%		
Anglo American Capital PLC		
5.38%, 04/01/2025[e]	400	442
Glencore Funding LLC		
1.63%, 09/01/2025[e]	250	247
		$ 689
Miscellaneous Manufacturers - 0.21%		
Siemens Financieringsmaatschappij NV		
0.48%, 03/11/2024[e]	300	301
Secured Overnight Financing Rate + 0.43%		
Mortgage Backed Securities - 2.98%		
CHL Mortgage Pass-Through Trust 2003-46		
2.24%, 01/19/2034[h]	10	9
Credit Suisse First Boston Mortgage Securities Corp		
5.00%, 09/25/2019	1	1
GS Mortgage-Backed Securities Corp Trust 2020-PJ3		
3.00%, 10/25/2050[e],[h]	12	12
GS Mortgage-Backed Securities Corp Trust 2021-PJ3		
2.50%, 08/25/2051[e],[h]	131	132
JP Morgan Mortgage Trust 2004-A3		
2.07%, 07/25/2034[h]	10	9
JP Morgan Mortgage Trust 2004-S1		
5.00%, 09/25/2034	19	20
JP Morgan Mortgage Trust 2020-5		
3.00%, 12/25/2050[e],[h]	5	5
JP Morgan Mortgage Trust 2021-1		
2.50%, 06/25/2051[e],[h]	388	390
Morgan Stanley Residential Mortgage Loan Trust 2020-1		
2.50%, 12/25/2050[e],[h]	186	187
Oceanview Mortgage Trust 2021-3		
2.50%, 06/25/2051[e],[h]	458	462
PHH Mortgage Trust Series 2008-CIM1		
2.35%, 06/25/2038	33	33
1.00 x 1 Month USD LIBOR + 2.25%		
PSMC 2021-3 Trust		
2.50%, 08/25/2051[e],[h]	960	968
Sequoia Mortgage Trust 2020-1		
3.50%, 02/25/2050[e],[h]	1	1
Sequoia Mortgage Trust 2020-4		
2.50%, 11/25/2050[e],[h]	203	205
Sequoia Mortgage Trust 2021-3		
2.50%, 05/25/2051[e],[h]	456	461
Sequoia Mortgage Trust 2021-4		
2.50%, 06/25/2051[e],[h]	669	676
Wells Fargo Mortgage Backed Securities 2020-1 Trust		
3.00%, 12/25/2049[e],[h]	16	16

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BONDS (continued)	Principal Amount (000's)	Value (000's)
Mortgage Backed Securities (continued)		
Wells Fargo Mortgage Backed Securities 2020-2 Trust		
3.00%, 12/25/2049[e],[h]	$ 62	$ 63
Wells Fargo Mortgage Backed Securities 2020-3 Trust		
3.00%, 06/25/2050[e],[h]	30	30
Wells Fargo Mortgage Backed Securities 2020-4 Trust		
3.00%, 07/25/2050[e],[h]	294	298
Wells Fargo Mortgage Backed Securities 2020-5 Trust		
2.50%, 09/25/2050[e],[h]	122	122
Wells Fargo Mortgage Backed Securities 2021-1 Trust		
2.50%, 12/25/2050[e],[h]	81	82
		$ 4,182
Office & Business Equipment - 0.29%		
CDW LLC / CDW Finance Corp		
2.67%, 12/01/2026	400	410
Oil & Gas - 1.72%		
BP Capital Markets PLC		
3.81%, 02/10/2024	500	527
Chevron USA Inc		
0.43%, 08/11/2023	300	299
0.69%, 08/12/2025	400	391
Coterra Energy Inc		
4.38%, 06/01/2024[e]	250	264
Exxon Mobil Corp		
1.57%, 04/15/2023	150	152
2.99%, 03/19/2025	200	210
Phillips 66		
3.85%, 04/09/2025	150	160
Suncor Energy Inc		
2.80%, 05/15/2023	300	307
3.10%, 05/15/2025	100	105
		$ 2,415
Oil & Gas Services - 0.15%		
Schlumberger Holdings Corp		
3.75%, 05/01/2024[e]	200	210
Other Asset Backed Securities - 10.55%		
AMMC CLO 15 Ltd		
1.24%, 01/15/2032[e]	600	600
1.00 x 3 Month USD LIBOR + 1.12%		
Bardot CLO Ltd		
1.22%, 10/22/2032[e]	500	500
1.00 x 3 Month USD LIBOR + 1.09%		
CCG Receivables Trust		
2.80%, 09/14/2026[e]	57	57
CCG Receivables Trust 2019-2		
2.11%, 03/15/2027[e]	109	110
CCG Receivables Trust 2020-1		
0.54%, 12/14/2027[e]	193	193
CCG Receivables Trust 2021-1		
0.30%, 06/14/2027[e]	512	509
CF Hippolyta LLC		
1.53%, 03/15/2061[e]	482	473
Dewolf Park CLO Ltd		
1.04%, 10/15/2030[e]	1,500	1,498
1.00 x 3 Month USD LIBOR + 0.92%		
GreatAmerica Leasing Receivables Funding LLC Series 2021-1		
0.27%, 06/15/2023[e]	228	228
KKR CLO 18 Ltd		
1.06%, 07/18/2030[e]	1,000	1,000
1.00 x 3 Month USD LIBOR + 0.94%		

BONDS (continued)	Principal Amount (000's)	Value (000's)
Other Asset Backed Securities (continued)		
KKR Lending Partners III Clo LLC		
1.47%, 10/20/2030[e]	$ 400	$ 400
1.00 x 3 Month USD LIBOR + 1.38%		
1.64%, 10/20/2030[e]	400	400
1.00 x 3 Month USD LIBOR + 1.55%		
Lake Shore MM CLO III LLC		
1.60%, 10/17/2031[e]	1,000	997
1.00 x 3 Month USD LIBOR + 1.48%		
Madison Park Funding XVIII Ltd		
1.06%, 10/21/2030[e]	500	498
1.00 x 3 Month USD LIBOR + 0.94%		
Marathon CLO X Ltd		
1.22%, 11/15/2029[e]	250	250
1.00 x 3 Month USD LIBOR + 1.00%		
Marathon CLO XIII Ltd		
1.44%, 04/15/2032[e]	500	500
1.00 x 3 Month USD LIBOR + 1.32%		
MMAF Equipment Finance LLC 2020-A		
0.74%, 04/09/2024[e]	339	339
MMAF Equipment Finance LLC 2020-B		
0.38%, 08/14/2023[e]	286	286
MVW 2021-1W LLC		
1.14%, 01/22/2041[e]	85	83
MVW Owner Trust 2016-1		
2.25%, 12/20/2033[e]	65	65
MVW Owner Trust 2018-1		
3.45%, 01/21/2036[e]	137	141
Oaktree CLO 2019-4 Ltd		
3.04%, 10/20/2032[e]	1,000	1,000
1.00 x 3 Month USD LIBOR + 1.12%		
Parliament Funding II ltd		
1.49%, 10/20/2031[e]	400	400
1.00 x 3 Month USD LIBOR + 1.25%		
PFS Financing Corp		
0.71%, 04/15/2026[e]	250	246
0.93%, 08/15/2024[e]	500	501
0.97%, 02/15/2026[e]	350	348
2.23%, 10/15/2024[e]	750	758
2.86%, 04/15/2024[e]	250	252
Shackleton 2017-X CLO Ltd		
1.01%, 04/20/2029[e]	400	400
1.00 x 3 Month USD LIBOR + 0.89%		
Stratus CLO 2021-2 Ltd		
1.12%, 12/28/2029[e]	250	250
1.00 x 3 Month USD LIBOR + 0.90%		
Trafigura Securitisation Finance PLC 2021-1		
1.08%, 01/15/2025[e]	600	592
Verizon Owner Trust 2018-A		
3.23%, 04/20/2023	2	2
Verizon Owner Trust 2019-A		
2.93%, 09/20/2023	128	129
Verizon Owner Trust 2019-B		
2.33%, 12/20/2023	230	231
Volvo Financial Equipment LLC Series 2019-1		
3.00%, 03/15/2023[e]	31	31
Volvo Financial Equipment LLC Series 2020-1		
0.37%, 04/17/2023[e]	225	225
Voya 2012-4 Ltd		
1.12%, 10/15/2030[e]	250	250
1.00 x 3 Month USD LIBOR + 1.00%		
VSE 2018-A VOI Mortgage LLC		
3.56%, 02/20/2036[e]	86	89
		$ 14,831

Schedule of Investments
Short-Term Income Account
December 31, 2021

BONDS (continued)	Principal Amount (000's)	Value (000's)
Packaging & Containers - 0.35%		
Graphic Packaging International LLC		
0.82%, 04/15/2024[e]	$ 300	$ 295
1.51%, 04/15/2026[e]	200	197
		$ 492
Pharmaceuticals - 1.95%		
AbbVie Inc		
2.60%, 11/21/2024	200	207
AstraZeneca PLC		
0.70%, 04/08/2026	500	484
Bayer US Finance II LLC		
3.88%, 12/15/2023[e]	200	209
Bristol-Myers Squibb Co		
0.54%, 11/13/2023	300	299
0.75%, 11/13/2025	300	292
Cigna Corp		
0.61%, 03/15/2024	150	149
1.25%, 03/15/2026	300	296
GlaxoSmithKline Capital PLC		
0.53%, 10/01/2023	500	498
Novartis Capital Corp		
1.75%, 02/14/2025	300	304
		$ 2,738
Pipelines - 2.06%		
Buckeye Partners LP		
4.15%, 07/01/2023	400	410
Enterprise Products Operating LLC		
3.50%, 02/01/2022	400	401
Florida Gas Transmission Co LLC		
3.88%, 07/15/2022[e]	250	252
Kinder Morgan Inc		
1.40%, 01/15/2023	500	504
3 Month USD LIBOR + 1.28%		
ONEOK Partners LP		
5.00%, 09/15/2023	825	869
Southeast Supply Header LLC		
4.25%, 06/15/2024[e]	200	204
TransCanada PipeLines Ltd		
2.37%, 05/15/2067	305	261
3 Month USD LIBOR + 2.21%		
		$ 2,901
REITs - 3.06%		
American Tower Corp		
2.40%, 03/15/2025	200	205
American Tower Trust #1		
3.07%, 03/15/2048[e]	1,225	1,226
3.65%, 03/15/2048[e]	270	283
Crown Castle International Corp		
1.35%, 07/15/2025	250	247
CubeSmart LP		
4.00%, 11/15/2025	65	70
Omega Healthcare Investors Inc		
4.50%, 01/15/2025	269	287
4.95%, 04/01/2024	250	267
SBA Tower Trust		
1.63%, 05/15/2051[e]	500	492
1.88%, 07/15/2050[e]	125	125
2.33%, 07/15/2052[e]	653	666
2.84%, 01/15/2050[e]	225	231
Ventas Realty LP		
3.50%, 04/15/2024	198	207
		$ 4,306
Semiconductors - 0.44%		
Microchip Technology Inc		
4.33%, 06/01/2023	200	208
NXP BV / NXP Funding LLC		
4.63%, 06/01/2023[e]	200	209

BONDS (continued)	Principal Amount (000's)	Value (000's)
Semiconductors (continued)		
NXP BV / NXP Funding LLC / NXP USA Inc		
2.70%, 05/01/2025[e]	$ 200	$ 207
		$ 624
Software - 0.77%		
Oracle Corp		
1.65%, 03/25/2026	300	298
Roper Technologies Inc		
1.00%, 09/15/2025	300	293
VMware Inc		
0.60%, 08/15/2023	500	496
		$ 1,087
Student Loan Asset Backed Securities - 6.79%		
Commonbond Student Loan Trust 2018-BGS		
3.56%, 09/25/2045[e]	101	104
Commonbond Student Loan Trust 2018-C-GS		
3.87%, 02/25/2046[e]	121	124
Commonbond Student Loan Trust 2019-A-GS		
2.54%, 01/25/2047[e]	195	198
Commonbond Student Loan Trust 2020-A-GS		
1.98%, 08/25/2050[e]	92	92
Commonbond Student Loan Trust 2021-A-GS		
1.20%, 03/25/2052[e]	373	370
Commonbond Student Loan Trust 2021-B-GS		
1.17%, 09/25/2051[e]	469	460
EDvestinU Private Education Loan Issue No 3 LLC		
1.80%, 11/25/2045[e]	210	207
Keycorp Student Loan Trust 2000-b		
0.43%, 07/25/2029	102	101
1.00 x 3 Month USD LIBOR + 0.31%		
KeyCorp Student Loan Trust 2003-A		
0.65%, 01/25/2037	228	228
1.00 x 3 Month USD LIBOR + 0.53%		
Laurel Road Prime Student Loan Trust 2019-A		
2.34%, 10/25/2048[e]	18	19
Navient Private Education Refi Loan Trust 2019-A		
3.42%, 01/15/2043[e]	45	46
Navient Private Education Refi Loan Trust 2019-G		
2.40%, 10/15/2068[e]	131	133
Navient Private Education Refi Loan Trust 2020-D		
1.69%, 05/15/2069[e]	205	206
Navient Private Education Refi Loan Trust 2020-F		
1.22%, 07/15/2069[e]	210	209
Navient Private Education Refi Loan Trust 2020-G		
1.17%, 09/16/2069[e]	239	238
Navient Private Education Refi Loan Trust 2020-H		
1.31%, 01/15/2069[e]	168	167
Navient Private Education Refi Loan Trust 2021-A		
0.84%, 05/15/2069[e]	158	156
Navient Private Education Refi Loan Trust 2021-B		
0.94%, 07/15/2069[e]	338	334
Navient Private Education Refi Loan Trust 2021-c		
1.06%, 10/15/2069[e]	186	183
Navient Private Education Refi Loan Trust 2021-E		
0.97%, 12/16/2069[e]	457	449
Navient Private Education Refi Loan Trust 2021-F		
1.11%, 02/18/2070[e]	482	473
Nelnet Student Loan Trust 2021-A		
1.36%, 04/20/2062[e]	853	838

Schedule of Investments
Short-Term Income Account
December 31, 2021

BONDS (continued)	Principal Amount (000's)	Value (000's)
Student Loan Asset Backed Securities (continued)		
Nelnet Student Loan Trust 2021-C		
1.32%, 04/20/2062[e]	$ 276	$ 272
Nelnet Student Loan Trust 2021-D		
1.63%, 04/20/2062[e]	534	531
SLM Private Credit Student Loan Trust 2004-A		
0.60%, 06/15/2033	66	65
1.00 x 3 Month USD LIBOR + 0.40%		
SLM Private Credit Student Loan Trust 2004-B		
0.53%, 03/15/2024	114	114
1.00 x 3 Month USD LIBOR + 0.33%		
SLM Private Credit Student Loan Trust 2006-A		
0.49%, 06/15/2039	485	473
1.00 x 3 Month USD LIBOR + 0.29%		
SLM Private Credit Student Loan Trust 2006-B		
0.40%, 12/15/2039	193	189
1.00 x 3 Month USD LIBOR + 0.20%		
SMB Private Education Loan Trust 2021-A		
0.61%, 01/15/2053[e]	41	41
1.00 x 1 Month USD LIBOR + 0.50%		
1.07%, 01/15/2053[e]	247	240
SMB Private Education Loan Trust 2021-B		
1.31%, 07/17/2051[e]	560	555
SMB Private Education Loan Trust 2021-D		
1.34%, 03/17/2053[e]	1,000	984
SMB Private Education Loan Trust 2021-E		
1.68%, 02/15/2051[e]	750	744
		$ 9,543
Telecommunications - 2.63%		
AT&T Inc		
1.05%, 02/15/2023	250	252
3 Month USD LIBOR + 0.89%		
1.70%, 03/25/2026	600	597
Crown Castle Towers LLC		
3.66%, 05/15/2045[e]	100	104
4.24%, 07/15/2048[e]	290	316
NTT Finance Corp		
0.37%, 03/03/2023[e]	200	199
0.58%, 03/01/2024[e]	400	395
Sprint Spectrum Co LLC / Sprint Spectrum Co II LLC / Sprint Spectrum Co III LLC		
4.74%, 03/20/2025[e]	934	978
5.15%, 03/20/2028[e]	500	551
Verizon Communications Inc		
0.84%, 03/20/2026	300	304
Secured Overnight Financing Rate + 0.79%		
		$ 3,696
Transportation - 0.53%		
Canadian Pacific Railway Co		
1.35%, 12/02/2024	350	351
Ryder System Inc		
1.75%, 09/01/2026	400	397
		$ 748
Trucking & Leasing - 0.15%		
Penske Truck Leasing Co Lp / PTL Finance Corp		
3.45%, 07/01/2024[e]	200	210
TOTAL BONDS		$ 129,463

U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS - 5.02%	Principal Amount (000's)	Value (000's)
Federal Home Loan Mortgage Corporation (FHLMC) - 0.01%		
2.34%, 09/01/2035	$ 6	$ 6
1.00 x US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 2.25%		
Federal National Mortgage Association (FNMA) - 0.03%		
1.64%, 04/01/2033	11	11
1.00 x 6 Month USD LIBOR + 1.51%		
1.87%, 08/01/2034	3	4
1.00 x 12 Month USD LIBOR + 1.63%		
2.02%, 12/01/2032	3	3
1.00 x 12 Month USD LIBOR + 1.64%		
2.13%, 01/01/2035	4	4
1.00 x 12 Month USD LIBOR + 1.75%		
2.18%, 02/01/2037	11	12
1.00 x US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 2.08%		
2.21%, 02/01/2035	2	2
1.00 x 6 Month USD LIBOR + 2.06%		
2.41%, 11/01/2032	1	1
1.00 x US Treasury Yield Curve Rate T Note Constant Maturity 1 Year + 2.29%		
8.00%, 05/01/2027	2	2
		$ 46
U.S. Treasury - 2.13%		
0.13%, 10/15/2023	250	248
0.25%, 03/15/2024	400	395
0.38%, 10/31/2023	150	149
0.38%, 09/15/2024	650	641
1.25%, 08/31/2024	800	807
1.50%, 09/15/2022	750	756
		$ 2,996
U.S. Treasury Bill - 2.85%		
0.03%, 01/13/2022[j]	600	600
0.04%, 02/22/2022[j]	600	600
0.04%, 03/10/2022[j]	2,800	2,800
		$ 4,000
TOTAL U.S. GOVERNMENT & GOVERNMENT AGENCY OBLIGATIONS		$ 7,048
Total Investments		**$ 138,799**
Other Assets and Liabilities - 1.23%		**1,733**
TOTAL NET ASSETS - 100.00%		**$ 140,532**

(a) Current yield shown is as of period end.
(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $297 or 0.21% of net assets.
(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(d) Non-income producing security
(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities totaled $65,814 or 46.83% of net assets.
(f) Rate shown is as of period end. The rate may be a variable or floating rate or a fixed rate which may convert to a variable or floating rate in the future.
(g) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $288 or 0.20% of net assets.
(h) Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description. Rate shown is the rate in effect as of period end.
(i) Security is an Interest Only Strip.
(j) Rate shown is the discount rate of the original purchase.

See accompanying notes.

Schedule of Investments
Short-Term Income Account
December 31, 2021

Portfolio Summary (unaudited)

Sector	Percent
Financial	25.63%
Asset Backed Securities	23.63%
Mortgage Securities	13.24%
Utilities	7.52%
Consumer, Non-cyclical	7.22%
Government	4.98%
Communications	3.94%
Energy	3.93%
Technology	2.72%
Industrial	1.84%
Money Market Funds	1.63%
Basic Materials	1.28%
Consumer, Cyclical	1.21%
Other Assets and Liabilities	1.23%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 2,196	$ 85,174	$ 85,379	$ 1,991
	$ 2,196	$ 85,174	$ 85,379	$ 1,991

	Income[a]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —	$ —	$ —	$ —
	$ —	$ —	$ —	$ —

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Futures Contracts

Description and Expiration Date	Type	Contracts	Notional Amount	Value and Unrealized Appreciation/(Depreciation)
US 5 Year Note; March 2022	Short	15	$ 1,815	$ 4
Total				$ 4

Amounts in thousands except contracts.

Schedule of Investments
SmallCap Account
December 31, 2021

INVESTMENT COMPANIES - 5.18%	Shares Held	Value (000's)
Money Market Funds - 5.18%		
BlackRock Liquidity FedFund - Institutional Class 0.03%[a],[b]	3,619,728	$ 3,619
Principal Government Money Market Fund - Institutional Class 0.00%[a],[b],[c],[d]	7,997,778	7,998
		$ 11,617
TOTAL INVESTMENT COMPANIES		$ 11,617

COMMON STOCKS - 98.06%	Shares Held	Value (000's)
Aerospace & Defense - 0.70%		
AAR Corp [d]	40,300	$ 1,573
Agriculture - 1.64%		
Darling Ingredients Inc [d]	44,100	3,056
Vital Farms Inc [d]	34,800	628
		$ 3,684
Airlines - 0.28%		
Sun Country Airlines Holdings Inc [d]	23,300	635
Apparel - 0.44%		
Allbirds Inc [d],[e]	9,900	149
Crocs Inc [d]	6,500	834
		$ 983
Automobile Parts & Equipment - 0.79%		
Modine Manufacturing Co [d]	57,500	580
Visteon Corp [d]	10,800	1,200
		$ 1,780
Banks - 6.02%		
Ameris Bancorp	44,900	2,231
BancFirst Corp	10,600	748
Bancorp Inc/The [d]	56,800	1,438
First Foundation Inc	32,200	800
First Interstate BancSystem Inc	35,900	1,460
First Merchants Corp	31,900	1,336
Independent Bank Corp	4,702	383
Independent Bank Corp/MI	21,000	501
Lakeland Bancorp Inc	26,200	498
Umpqua Holdings Corp	69,000	1,328
United Community Banks Inc/GA	77,420	2,782
		$ 13,505
Biotechnology - 5.00%		
2seventy bio Inc [d]	7,466	191
ADC Therapeutics SA [d]	14,600	295
Allogene Therapeutics Inc [d]	23,600	352
Bluebird Bio Inc [d]	20,600	206
Cellectis SA ADR[d]	33,200	269
ChemoCentryx Inc [d]	12,000	437
Denali Therapeutics Inc [d]	26,100	1,164
Design Therapeutics Inc [d],[e]	24,300	520
Horizon Therapeutics Plc [d]	27,700	2,985
Immunocore Holdings PLC ADR[d]	13,600	466
Insmed Inc [d]	37,000	1,008
Iovance Biotherapeutics Inc [d]	28,100	536
MacroGenics Inc [d]	28,700	461
Magenta Therapeutics Inc [d]	60,000	266
Olink Holding AB ADR[d],[e]	34,400	626
Precision BioSciences Inc [d]	72,800	539
Seagen Inc [d]	5,800	897
		$ 11,218
Building Materials - 1.78%		
Builders FirstSource Inc [d]	26,400	2,263
Masonite International Corp [d]	14,600	1,722
		$ 3,985
Chemicals - 1.92%		
Atotech Ltd [d]	80,300	2,049
Diversey Holdings Ltd [d]	124,800	1,661
Koppers Holdings Inc [d]	19,000	595
		$ 4,305
Commercial Services - 4.09%		
ABM Industries Inc	45,600	1,863
AMN Healthcare Services Inc [d]	19,500	2,385
Coursera Inc [d]	12,900	315

COMMON STOCKS (continued)	Shares Held	Value (000's)
Commercial Services (continued)		
First Advantage Corp [d]	20,300	$ 386
Heidrick & Struggles International Inc	17,400	761
Huron Consulting Group Inc [d]	24,600	1,228
ICF International Inc	10,100	1,036
Medifast Inc	5,700	1,194
		$ 9,168
Computers - 2.16%		
ExlService Holdings Inc [d]	16,600	2,403
KnowBe4 Inc [d]	74,979	1,720
Sterling Check Corp [d],[e]	35,667	732
		$ 4,855
Consumer Products - 0.53%		
Central Garden & Pet Co - A Shares [d]	24,720	1,183
Cosmetics & Personal Care - 1.26%		
Beauty Health Co/The [d]	82,100	1,983
Honest Co Inc/The [d]	105,300	852
		$ 2,835
Distribution & Wholesale - 2.23%		
Core & Main Inc [d]	46,711	1,417
ThredUp Inc [d],[e]	36,457	465
Titan Machinery Inc [d]	28,000	943
WESCO International Inc [d]	16,600	2,185
		$ 5,010
Diversified Financial Services - 5.99%		
Encore Capital Group Inc [d]	38,800	2,410
Flywire Corp [d]	26,500	1,009
Focus Financial Partners Inc [d]	43,100	2,574
Janus Henderson Group PLC	36,500	1,531
Lazard Ltd	16,500	720
Moelis & Co	10,100	631
Piper Sandler Cos	14,270	2,547
Stifel Financial Corp	28,600	2,014
		$ 13,436
Electric - 1.87%		
Brookfield Renewable Corp	45,800	1,687
Portland General Electric Co	47,200	2,498
		$ 4,185
Electrical Components & Equipment - 0.94%		
EnerSys	22,000	1,739
nLight Inc [d]	15,890	381
		$ 2,120
Electronics - 3.66%		
Advanced Energy Industries Inc	20,100	1,830
Atkore Inc [d]	21,500	2,391
Mirion Technologies Inc [d],[e]	75,800	794
Mirion Technologies Inc - Warrants [d]	45,150	113
TD SYNNEX Corp	13,600	1,555
Vishay Intertechnology Inc	69,600	1,522
		$ 8,205
Energy - Alternate Sources - 0.29%		
Array Technologies Inc [d]	40,800	640
Engineering & Construction - 2.19%		
Dycom Industries Inc [d]	27,800	2,607
MYR Group Inc [d]	14,000	1,548
Tutor Perini Corp [d]	61,386	759
		$ 4,914
Entertainment - 2.88%		
Caesars Entertainment Inc [d]	24,700	2,310
Golden Entertainment Inc [d]	44,500	2,249
Vail Resorts Inc	5,800	1,902
		$ 6,461
Food - 0.79%		
Performance Food Group Co [d]	38,618	1,772
Gas - 0.75%		
Southwest Gas Holdings Inc	24,100	1,688
Hand & Machine Tools - 1.11%		
Regal Rexnord Corp	14,587	2,482

See accompanying notes.

Schedule of Investments
SmallCap Account
December 31, 2021

COMMON STOCKS (continued)	Shares Held	Value (000's)
Healthcare - Products - 2.86%		
Adaptive Biotechnologies Corp [(d)]	21,800	$ 612
Castle Biosciences Inc [(d)]	16,500	707
Natera Inc [(d)]	29,100	2,717
Nevro Corp [(d)]	17,600	1,427
STAAR Surgical Co [(d)]	10,500	959
		$ 6,422
Healthcare - Services - 3.78%		
Accolade Inc [(d)]	15,000	395
Addus HomeCare Corp [(d)]	19,300	1,805
Amedisys Inc [(d)]	7,800	1,262
Aveanna Healthcare Holdings Inc [(d)]	93,900	695
LifeStance Health Group Inc [(d),(e)]	91,400	870
Syneos Health Inc [(d)]	28,300	2,906
Teladoc Health Inc [(d)]	5,900	542
		$ 8,475
Holding Companies - Diversified - 0.01%		
Cazoo Group Ltd - Warrants [(d)]	21,550	19
Home Builders - 1.45%		
Taylor Morrison Home Corp [(d)]	92,900	3,248
Home Furnishings - 0.24%		
Purple Innovation Inc [(d)]	40,434	537
Insurance - 1.67%		
CNO Financial Group Inc	53,100	1,266
Hanover Insurance Group Inc/The	16,100	2,110
Reinsurance Group of America Inc	3,300	361
		$ 3,737
Internet - 1.58%		
Eventbrite Inc [(d)]	80,200	1,399
Lulu's Fashion Lounge Holdings Inc [(d)]	63,500	650
Revolve Group Inc [(d)]	26,900	1,507
		$ 3,556
Iron & Steel - 0.96%		
Cleveland-Cliffs Inc [(d)]	98,500	2,144
Leisure Products & Services - 1.22%		
Life Time Group Holdings Inc [(d),(e)]	122,000	2,100
Lindblad Expeditions Holdings Inc [(d)]	41,000	639
		$ 2,739
Machinery - Diversified - 0.68%		
Zurn Water Solutions Corp	42,200	1,536
Media - 0.46%		
World Wrestling Entertainment Inc	21,000	1,036
Metal Fabrication & Hardware - 0.21%		
Xometry Inc [(d),(e)]	9,327	478
Mining - 0.93%		
Alcoa Corp	27,420	1,634
Piedmont Lithium Inc [(d),(e)]	8,600	451
		$ 2,085
Miscellaneous Manufacturers - 0.67%		
Hillenbrand Inc	29,000	1,508
Office Furnishings - 0.39%		
HNI Corp	21,000	883
Oil & Gas - 1.65%		
PDC Energy Inc	42,655	2,081
Pioneer Natural Resources Co	8,953	1,628
		$ 3,709
Oil & Gas Services - 1.10%		
Bristow Group Inc [(d)]	20,494	649
ChampionX Corp [(d)]	90,100	1,821
		$ 2,470
Packaging & Containers - 0.46%		
Graphic Packaging Holding Co	52,500	1,024
Pharmaceuticals - 1.16%		
Collegium Pharmaceutical Inc [(d)]	47,400	886
Dexcom Inc [(d)]	2,000	1,074
PMV Pharmaceuticals Inc [(d)]	28,200	651
		$ 2,611

COMMON STOCKS (continued)	Shares Held	Value (000's)
REITs - 6.56%		
Agree Realty Corp	38,800	$ 2,769
Cousins Properties Inc	63,401	2,554
First Industrial Realty Trust Inc	46,900	3,105
Ladder Capital Corp	79,000	947
Pebblebrook Hotel Trust	104,420	2,336
Rexford Industrial Realty Inc	37,200	3,017
		$ 14,728
Retail - 5.56%		
BJ's Wholesale Club Holdings Inc [(d)]	29,000	1,942
Bloomin' Brands Inc [(d)]	51,500	1,080
Brinker International Inc [(d)]	10,600	388
Caleres Inc	97,300	2,207
Cazoo Group Ltd [(d),(e)]	55,600	335
Petco Health & Wellness Co Inc [(d)]	52,150	1,032
Portillo's Inc [(d),(e)]	37,000	1,389
Rush Enterprises Inc - Class A	30,600	1,703
Sally Beauty Holdings Inc [(d)]	76,200	1,407
Vroom Inc [(d)]	39,600	427
World Fuel Services Corp	21,300	564
		$ 12,474
Savings & Loans - 1.85%		
Provident Financial Services Inc	48,300	1,170
Sterling Bancorp/DE	116,000	2,991
		$ 4,161
Semiconductors - 3.49%		
Allegro MicroSystems Inc [(d)]	76,800	2,779
Entegris Inc	17,000	2,356
SiTime Corp [(d)]	9,200	2,691
		$ 7,826
Software - 8.32%		
Aspen Technology Inc [(d)]	8,200	1,248
AvidXchange Holdings Inc [(d)]	20,900	315
Bentley Systems Inc	9,900	478
BigCommerce Holdings Inc [(d)]	8,800	311
Clear Secure Inc [(d)]	12,858	403
Concentrix Corp	13,800	2,465
DigitalOcean Holdings Inc [(d)]	27,900	2,241
DoubleVerify Holdings Inc [(d)]	17,356	578
Doximity Inc [(d)]	12,200	612
Duck Creek Technologies Inc [(d)]	7,200	217
Enfusion Inc [(d)]	25,100	526
Freshworks Inc [(d),(e)]	12,300	323
Jamf Holding Corp [(d)]	22,200	844
Manhattan Associates Inc [(d)]	15,900	2,472
Paymentus Holdings Inc [(d),(e)]	29,100	1,018
Privia Health Group Inc [(d)]	46,100	1,193
SentinelOne Inc [(d),(e)]	10,700	540
Signify Health Inc [(d)]	27,100	385
Sophia Genetics SA [(d),(e)]	25,101	354
Sprout Social Inc [(d)]	23,700	2,149
		$ 18,672
Telecommunications - 0.24%		
Switch Inc	18,600	533
Transportation - 1.25%		
Atlas Air Worldwide Holdings Inc [(d)]	11,975	1,127
Hub Group Inc [(d)]	19,900	1,676
		$ 2,803
TOTAL COMMON STOCKS		$ 220,036
Total Investments		**$ 231,653**
Other Assets and Liabilities - (3.24)%		**(7,266)**
TOTAL NET ASSETS - 100.00%		**$ 224,387**

See accompanying notes.

Schedule of Investments
SmallCap Account
December 31, 2021

(a) Current yield shown is as of period end.
(b) Security or a portion of the security was received as collateral for securities lending. At the end of the period, the value of these securities totaled $7,640 or 3.40% of net assets.
(c) Affiliated Security. Security is either an affiliate (and registered under the Investment Company Act of 1940, as amended, (the "1940 Act")) or an affiliate as defined by the 1940 act (controls 5.00% or more of the outstanding voting shares of the security). Please see Affiliated Securities sub-schedule for transactional information.
(d) Non-income producing security
(e) Security or a portion of the security was on loan. At the end of the period, the value of these securities totaled $7,397 or 3.30% of net assets.

Portfolio Summary (unaudited)

Sector	Percent
Financial	22.09%
Consumer, Non-cyclical	21.11%
Consumer, Cyclical	15.48%
Technology	13.97%
Industrial	13.65%
Money Market Funds	5.18%
Basic Materials	3.81%
Energy	3.04%
Utilities	2.62%
Communications	2.28%
Diversified	0.01%
Other Assets and Liabilities	(3.24)%
TOTAL NET ASSETS	100.00%

Affiliated Securities	**December 31, 2020 Value**	**Purchases Cost**	**Sales Proceeds**	**December 31, 2021 Value**
Principal Government Money Market Fund - Institutional Class 0.00%	$ 1,177	$ 174,814	$ 167,993	$ 7,998
	$ 1,177	$ 174,814	$ 167,993	$ 7,998

	Income[a]	**Realized Gain/Loss on Investments**	**Realized Gain from Capital Gain Distributions**	**Change in Unrealized Gain/ Loss**
Principal Government Money Market Fund - Institutional Class 0.00%	$ —$	—$	—$	—
	$ —$	—$	—$	—

Amounts in thousands.

(a) Amount excludes earnings from securities lending collateral.

Glossary to the Schedule of Investments

December 31, 2021

Currency Abbreviations	
USD/$	United States Dollar

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
BLUE CHIP ACCOUNT								
Class 3 shares								
2021	$10.34	($0.08)	$2.64	$2.56	$–	($0.09)	($0.09)	$12.81
2020(d)	10.00	–	0.34	0.34	–	–	–	10.34
BOND MARKET INDEX ACCOUNT								
Class 1 shares								
2021	11.21	0.17	(0.37)	(0.20)	(0.22)	(0.03)	(0.25)	10.76
2020	10.72	0.23	0.55	0.78	(0.29)	–	(0.29)	11.21
2019	10.15	0.28	0.58	0.86	(0.29)	–	(0.29)	10.72
2018	10.39	0.26	(0.28)	(0.02)	(0.22)	–	(0.22)	10.15
2017	10.25	0.22	0.11	0.33	(0.19)	–	(0.19)	10.39
CORE PLUS BOND ACCOUNT								
Class 1 shares								
2021	12.15	0.25	(0.30)	(0.05)	(0.32)	(0.30)	(0.62)	11.48
2020	11.50	0.23	0.86	1.09	(0.44)	–	(0.44)	12.15
2019	10.81	0.34	0.72	1.06	(0.37)	–	(0.37)	11.50
2018	11.35	0.36	(0.52)	(0.16)	(0.38)	–	(0.38)	10.81
2017	11.15	0.35	0.18	0.53	(0.33)	–	(0.33)	11.35
DIVERSIFIED BALANCED ACCOUNT								
Class 1 shares								
2021	17.58	0.36	1.55	1.91	(0.40)	(0.98)	(1.38)	18.11
2020	16.52	0.36	1.70	2.06	(0.40)	(0.60)	(1.00)	17.58
2019	14.87	0.36	2.34	2.70	(0.35)	(0.70)	(1.05)	16.52
2018	15.98	0.31	(0.78)	(0.47)	(0.43)	(0.21)	(0.64)	14.87
2017(g)	15.36	0.45	0.65	1.10	(0.26)	(0.22)	(0.48)	15.98
Class 2 shares								
2021	17.61	0.31	1.57	1.88	(0.36)	(0.98)	(1.34)	18.15
2020	16.55	0.32	1.70	2.02	(0.36)	(0.60)	(0.96)	17.61
2019	14.88	0.32	2.36	2.68	(0.31)	(0.70)	(1.01)	16.55
2018	15.99	0.27	(0.78)	(0.51)	(0.39)	(0.21)	(0.60)	14.88
2017	14.76	0.35	1.32	1.67	(0.22)	(0.22)	(0.44)	15.99
Class 3 shares								
2021	17.58	0.68	1.16	1.84	(0.40)	(0.98)	(1.38)	18.04
2020(d)	17.32	0.05	0.21	0.26	–	–	–	17.58

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Gross Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
24.72%	$13,515	1.05%(c)	–%	(0.63)%	12.5%
3.40 (e)	5,170	1.05 (c),(f)	–	(0.66) (f)	54.6 (f)
(1.83)	2,900,608	0.14	–	1.58	130.5
7.29	2,735,259	0.14	–	2.04	104.0
8.47	2,539,460	0.15 (c)	–	2.60	93.6
(0.19)	2,213,355	0.15 (c)	–	2.52	123.1
3.27	2,448,068	0.23 (c)	–	2.10	108.9
(0.45)	236,382	0.47	–	2.12	150.8
9.55	255,956	0.47	–	1.92	210.3
9.81	252,874	0.47	–	2.99	152.4
(1.41)	280,760	0.47	–	3.27	127.5
4.81	293,662	0.46	–	3.08	123.5
11.06	41,982	0.05	–	2.00	14.3
12.96	40,515	0.05	–	2.18	23.6
18.43	40,694	0.05	–	2.25	16.9
(3.14)	36,763	0.05	–	1.95	15.7
7.27 (e)	42,702	0.05 (f)	–	4.27 (f)	13.9
10.83	962,935	0.30	–	1.72	14.3
12.63	979,751	0.30	–	1.95	23.6
18.23	988,264	0.30 (h)	0.30 (i)	1.96	16.9
(3.40)	968,449	0.30 (h)	0.30 (i)	1.69	15.7
11.43	1,131,373	0.30 (h)	0.30 (i)	2.27	13.9
10.65	327	0.45	–	3.79	14.3
1.50 (e)	10	0.45 (f)	–	4.31 (f)	23.6

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

(d) Period from December 9, 2020 date operations commenced, through December 31, 2020.

(e) Total return amounts have not been annualized.

(f) Computed on an annualized basis.

(g) Period from May 1, 2017 date operations commenced, through December 31, 2017.

(h) Reflects Manager's voluntary expense limit.

(i) Excludes expense reimbursement from Manager.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
DIVERSIFIED BALANCED MANAGED VOLATILITY ACCOUNT								
Class 2 shares								
2021	$13.65	$0.32	$1.03	$1.35	($0.25)	($0.32)	($0.57)	$14.43
2020	12.91	0.24	1.26	1.50	(0.25)	(0.51)	(0.76)	13.65
2019	11.34	0.23	1.74	1.97	(0.21)	(0.19)	(0.40)	12.91
2018	12.25	0.19	(0.55)	(0.36)	(0.46)	(0.09)	(0.55)	11.34
2017	11.27	0.43	0.78	1.21	(0.15)	(0.08)	(0.23)	12.25
Class 3 shares								
2021	13.65	0.31	1.02	1.33	(0.28)	(0.32)	(0.60)	14.38
2020(d)	13.46	0.04	0.15	0.19	–	–	–	13.65
DIVERSIFIED BALANCED VOLATILITY CONTROL ACCOUNT								
Class 2 shares								
2021	12.40	0.22	1.02	1.24	(0.17)	(0.20)	(0.37)	13.27
2020	11.71	0.20	0.81	1.01	(0.18)	(0.14)	(0.32)	12.40
2019	10.31	0.28	1.30	1.58	(0.09)	(0.09)	(0.18)	11.71
2018	10.80	0.20	(0.58)	(0.38)	(0.08)	(0.03)	(0.11)	10.31
2017(h)	10.00	0.27	0.53	0.80	–	–	–	10.80
Class 3 shares								
2021	12.40	0.19	1.03	1.22	(0.19)	(0.20)	(0.39)	13.23
2020(d)	12.22	0.04	0.14	0.18	–	–	–	12.40
DIVERSIFIED GROWTH ACCOUNT								
Class 2 shares								
2021	20.15	0.37	2.56	2.93	(0.38)	(1.02)	(1.40)	21.68
2020	18.69	0.35	2.12	2.47	(0.37)	(0.64)	(1.01)	20.15
2019	16.29	0.34	3.06	3.40	(0.33)	(0.67)	(1.00)	18.69
2018	17.66	0.30	(1.03)	(0.73)	(0.45)	(0.19)	(0.64)	16.29
2017	15.93	0.43	1.79	2.22	(0.23)	(0.26)	(0.49)	17.66
Class 3 shares								
2021	20.15	0.42	2.48	2.90	(0.43)	(1.02)	(1.45)	21.60
2020(d)	19.80	0.07	0.28	0.35	–	–	–	20.15

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Gross Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
9.94%	$184,060	0.31%(c)	–%	2.24%	18.7%
12.03	185,139	0.31 (c)	–	1.84	25.0
17.48	176,235	0.31 (c)	–	1.90	21.3
(3.20)	162,166	0.31 (c)	–	1.59	16.2
10.90	181,005	0.31 (c)	–	3.65	13.6
9.81	11	0.46	–	2.17	18.7
1.41 (e)	10	0.46 (f)	–	4.31 (f)	25.0
10.08	229,787	0.38	–	1.67	47.6
8.82	184,469	0.38 (c)	–	1.73	83.5
15.47	145,371	0.38 (c)	–	2.47	33.1
(3.71) (g)	66,983	0.38 (c)	–	1.90	99.6
8.10 (e),(g)	36,522	0.39 (c),(f)	–	3.36 (f)	8.0 (f)
9.94	11	0.53	–	1.48	47.6
1.47 (e)	10	0.53 (f)	–	5.62 (f)	83.5
14.79	3,974,179	0.30	–	1.74	14.7
13.76	3,853,082	0.30	–	1.89	23.0
21.20	3,772,145	0.30 (i)	0.30 (j)	1.89	16.0
(4.51) (g)	3,488,312	0.30 (i)	0.30 (j)	1.69	15.5
14.21 (g)	3,945,713	0.30 (i)	0.30 (j)	2.52	10.9
14.63	277	0.45	–	2.00	14.7
1.77 (e)	10	0.45 (f)	–	5.91 (f)	23.0

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

(d) Period from December 9, 2020 date operations commenced, through December 31, 2020.

(e) Total return amounts have not been annualized.

(f) Computed on an annualized basis.

(g) Total return is calculated using the traded net asset value which may differ from the reported net asset value. The traded net asset value is the net asset value which a shareholder would have paid or received from a subscription or redemption.

(h) Period from March 30, 2017 date operations commenced, through December 31, 2017.

(i) Reflects Manager's voluntary expense limit.

(j) Excludes expense reimbursement from Manager.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
DIVERSIFIED GROWTH MANAGED VOLATILITY ACCOUNT								
Class 2 shares								
2021	$14.33	$0.36	$1.58	$1.94	($0.24)	($0.37)	($0.61)	$15.66
2020	13.53	0.23	1.46	1.69	(0.25)	(0.64)	(0.89)	14.33
2019	11.61	0.23	2.09	2.32	(0.20)	(0.20)	(0.40)	13.53
2018	12.72	0.19	(0.66)	(0.47)	(0.54)	(0.10)	(0.64)	11.61
2017	11.46	0.52	0.99	1.51	(0.15)	(0.10)	(0.25)	12.72
Class 3 shares								
2021	14.33	0.35	1.56	1.91	(0.28)	(0.37)	(0.65)	15.59
2020(d)	14.09	0.05	0.19	0.24	–	–	–	14.33
DIVERSIFIED GROWTH VOLATILITY CONTROL ACCOUNT								
Class 2 shares								
2021	12.68	0.23	1.52	1.75	(0.16)	(0.20)	(0.36)	14.07
2020	12.00	0.19	0.86	1.05	(0.18)	(0.19)	(0.37)	12.68
2019	10.37	0.26	1.55	1.81	(0.10)	(0.08)	(0.18)	12.00
2018	10.97	0.21	(0.71)	(0.50)	(0.07)	(0.03)	(0.10)	10.37
2017(g)	10.00	0.30	0.67	0.97	–	–	–	10.97
Class 3 shares								
2021	12.68	0.20	1.53	1.73	(0.18)	(0.20)	(0.38)	14.03
2020(d)	12.47	0.05	0.16	0.21	–	–	–	12.68
DIVERSIFIED INCOME ACCOUNT								
Class 2 shares								
2021	14.82	0.26	0.77	1.03	(0.29)	(0.35)	(0.64)	15.21
2020	13.82	0.30	1.23	1.53	(0.28)	(0.25)	(0.53)	14.82
2019	12.46	0.29	1.58	1.87	(0.22)	(0.29)	(0.51)	13.82
2018	13.12	0.22	(0.51)	(0.29)	(0.28)	(0.09)	(0.37)	12.46
2017	12.34	0.26	0.82	1.08	(0.18)	(0.12)	(0.30)	13.12
Class 3 shares								
2021	14.82	0.58	0.42	1.00	(0.32)	(0.35)	(0.67)	15.15
2020(d)	14.65	0.02	0.15	0.17	–	–	–	14.82

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Gross Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
13.70%	$388,912	0.30%	–%	2.39%	17.4%
13.06	378,238	0.30 (c)	–	1.74	22.3
20.18	353,687	0.31 (c)	–	1.80	18.8
(4.07)	325,228	0.30 (c)	–	1.53	16.3
13.34	355,062	0.30 (c)	–	4.30	12.5
13.44	12	0.45	–	2.31	17.4
1.70 (e)	10	0.45 (f)	–	5.91 (f)	22.3
13.89	1,277,128	0.37	–	1.69	57.4
8.98	995,575	0.37	–	1.63	85.9
17.57	765,417	0.37 (c)	–	2.32	36.2
(4.60)	384,706	0.37 (c)	–	1.96	103.6
9.70 (e)	171,769	0.38 (c),(f)	–	3.80 (f)	0.9 (f)
13.74	12	0.52	–	1.46	57.4
1.68 (e)	10	0.52 (f)	–	7.20 (f)	85.9
6.96	325,983	0.30 (h)	0.30 (i)	1.75	24.8
11.27	323,525	0.30 (h)	0.30 (i)	2.10	31.2
15.16	279,888	0.31 (h)	0.31 (i)	2.16	25.6
(2.38)	241,331	0.30 (h)	0.30 (i)	1.72	22.8
8.81	268,135	0.30 (h)	0.30 (i)	2.06	21.2
6.78	781	0.45	–	3.83	24.8
1.16 (e)	10	0.45 (f)	–	2.69 (f)	31.2

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

(d) Period from December 9, 2020 date operations commenced, through December 31, 2020.

(e) Total return amounts have not been annualized.

(f) Computed on an annualized basis.

(g) Period from March 30, 2017 date operations commenced, through December 31, 2017.

(h) Reflects Manager's voluntary expense limit.

(i) Excludes expense reimbursement from Manager.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
DIVERSIFIED INTERNATIONAL ACCOUNT								
Class 1 shares								
2021	$17.77	$0.28	$1.46	$1.74	($0.25)	($0.09)	($0.34)	$19.17
2020	15.71	0.18	2.29	2.47	(0.41)	–	(0.41)	17.77
2019	13.72	0.28	2.75	3.03	(0.26)	(0.78)	(1.04)	15.71
2018	17.01	0.31	(3.25)	(2.94)	(0.35)	–	(0.35)	13.72
2017	13.42	0.21	3.67	3.88	(0.29)	–	(0.29)	17.01
EQUITY INCOME ACCOUNT								
Class 1 shares								
2021	28.54	0.55	5.82	6.37	(0.64)	(0.02)	(0.66)	34.25
2020	28.19	0.55	1.08	1.63	(0.52)	(0.76)	(1.28)	28.54
2019	22.86	0.56	6.00	6.56	(0.51)	(0.72)	(1.23)	28.19
2018	26.08	0.64	(1.72)	(1.08)	(0.52)	(1.62)	(2.14)	22.86
2017	23.20	0.56	4.14	4.70	(0.58)	(1.24)	(1.82)	26.08
Class 2 shares								
2021	28.26	0.47	5.75	6.22	(0.59)	(0.02)	(0.61)	33.87
2020	27.93	0.48	1.06	1.54	(0.45)	(0.76)	(1.21)	28.26
2019	22.66	0.49	5.95	6.44	(0.45)	(0.72)	(1.17)	27.93
2018	25.87	0.57	(1.70)	(1.13)	(0.46)	(1.62)	(2.08)	22.66
2017	23.03	0.49	4.11	4.60	(0.52)	(1.24)	(1.76)	25.87
Class 3 shares								
2021	28.53	0.47	5.76	6.23	(0.64)	(0.02)	(0.66)	34.10
2020(c)	27.94	0.03	0.56	0.59	–	–	–	28.53
GOVERNMENT & HIGH QUALITY BOND ACCOUNT								
Class 1 shares								
2021	9.83	0.04	(0.17)	(0.13)	(0.22)	–	(0.22)	9.48
2020	9.81	0.12	0.16	0.28	(0.26)	–	(0.26)	9.83
2019	9.47	0.22	0.39	0.61	(0.27)	–	(0.27)	9.81
2018	9.76	0.23	(0.15)	0.08	(0.37)	–	(0.37)	9.47
2017	9.98	0.31	(0.12)	0.19	(0.41)	–	(0.41)	9.76
INTERNATIONAL EMERGING MARKETS ACCOUNT								
Class 1 shares								
2021	19.94	0.21	(0.08)	0.13	(0.09)	(0.31)	(0.40)	19.67
2020	17.13	0.12	3.10	3.22	(0.41)	–	(0.41)	19.94
2019	15.12	0.40	2.20	2.60	(0.15)	(0.44)	(0.59)	17.13
2018	19.40	0.19	(4.25)	(4.06)	(0.22)	–	(0.22)	15.12
2017	13.94	0.15	5.53	5.68	(0.22)	–	(0.22)	19.40

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
9.75%	$299,426	0.90%	1.49%	36.6%
16.16	291,726	0.92	1.19	47.1
22.69	266,768	0.93	1.86	43.7
(17.54)	233,612	0.91	1.91	59.3
29.06	292,975	0.91	1.37	42.8
22.47	701,625	0.47	1.73	9.6
6.43	755,882	0.48	2.18	21.0
29.09	741,311	0.47	2.16	17.9
(5.01)	636,177	0.49	2.47	13.2
21.08	572,629	0.50	2.26	15.9
22.15	53,723	0.72	1.48	9.6
6.15	33,951	0.73	1.93	21.0
28.78	31,874	0.72	1.91	17.9
(5.24)	25,207	0.74	2.23	13.2
20.77	27,469	0.75	2.00	15.9
21.97	148	0.87	1.43	9.6
2.11 (d)	10	0.88 (e)	1.88 (e)	21.0
(1.32)	197,777	0.50	0.40	360.7
2.87	227,996	0.51	1.22	124.6
6.45	241,332	0.51	2.26	22.5
0.91	219,612	0.51	2.43	17.4
1.88	241,839	0.51	3.09	24.3
0.58	90,815	1.18 (f)	1.01	35.7
19.23	93,839	1.21 (f),(g)	0.71	57.6
17.60	89,729	1.20 (f)	2.46	112.5
(21.02)	83,366	1.35 (f)	1.05	121.8
40.84	114,735	1.35 (f)	0.91	98.6

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Period from December 9, 2020 date operations commenced, through December 31, 2020.

(d) Total return amounts have not been annualized.

(e) Computed on an annualized basis.

(f) Reflects Manager's contractual expense limit.

(g) Includes .01% of expenses associated with the reclaim of foreign taxes paid. The expense is not subject to the Manager's contractual expense limit.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
LARGECAP GROWTH ACCOUNT I								
Class 1 shares								
2021	$48.46	($0.14)	$10.65	$10.51	$–	($6.49)	($6.49)	$52.48
2020	37.64	(0.06)	13.36	13.30	(0.01)	(2.47)	(2.48)	48.46
2019	30.10	0.01	10.27	10.28	(0.02)	(2.72)	(2.74)	37.64
2018	31.18	0.03	1.41	1.44	(0.01)	(2.51)	(2.52)	30.10
2017	24.55	0.01	8.13	8.14	(0.01)	(1.50)	(1.51)	31.18
LARGECAP S&P 500 INDEX ACCOUNT								
Class 1 shares								
2021	21.94	0.27	5.77	6.04	(0.35)	(2.10)	(2.45)	25.53
2020	20.19	0.31	3.12	3.43	(0.37)	(1.31)	(1.68)	21.94
2019	16.39	0.34	4.66	5.00	(0.37)	(0.83)	(1.20)	20.19
2018	18.06	0.36	(1.06)	(0.70)	(0.32)	(0.65)	(0.97)	16.39
2017	15.44	0.29	2.97	3.26	(0.29)	(0.35)	(0.64)	18.06
Class 2 shares								
2021	21.65	0.21	5.69	5.90	(0.32)	(2.10)	(2.42)	25.13
2020	19.97	0.26	3.07	3.33	(0.34)	(1.31)	(1.65)	21.65
2019	16.24	0.29	4.62	4.91	(0.35)	(0.83)	(1.18)	19.97
2018	17.95	0.32	(1.07)	(0.75)	(0.31)	(0.65)	(0.96)	16.24
2017	15.38	0.25	2.95	3.20	(0.28)	(0.35)	(0.63)	17.95
LARGECAP S&P 500 MANAGED VOLATILITY INDEX ACCOUNT								
Class 1 shares								
2021	16.90	0.15	4.02	4.17	(0.23)	(1.98)	(2.21)	18.86
2020	15.06	0.20	2.24	2.44	(0.25)	(0.35)	(0.60)	16.90
2019	12.74	0.23	3.36	3.59	(0.24)	(1.03)	(1.27)	15.06
2018	13.42	0.23	(0.71)	(0.48)	(0.20)	–	(0.20)	12.74
2017	12.15	0.18	2.11	2.29	(0.18)	(0.84)	(1.02)	13.42

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
21.89%	$706,656	0.66%(c)	(0.26)%	22.1%
36.20	612,357	0.69 (c)	(0.14)	42.2
34.92	502,653	0.71 (c)	0.03	30.4
3.60	296,139	0.74 (c)	0.08	36.9
33.71	302,147	0.75 (c)	0.03	36.2
28.33	3,162,615	0.25	1.11	2.6
18.08	2,892,842	0.25	1.60	11.1
31.10	2,693,344	0.25	1.80	3.5
(4.58)	2,378,088	0.25	1.94	8.7
21.49	2,563,986	0.25	1.71	3.0
28.05	46,634	0.50	0.86	2.6
17.77	27,801	0.50	1.35	11.1
30.82	15,834	0.50	1.56	3.5
(4.90)	7,081	0.50	1.77	8.7
21.20	3,234	0.50	1.46	3.0
25.55	239,895	0.46	0.84	2.6
16.67	235,112	0.46	1.31	8.9
28.92	217,779	0.47	1.59	3.8
(3.73)	205,655	0.46	1.64	11.2
19.55	222,026	0.46 (c)	1.40	3.0

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
MIDCAP ACCOUNT								
Class 1 shares								
2021	$63.69	$–	$15.93	$15.93	($0.09)	($4.77)	($4.86)	$74.76
2020	59.93	0.08	9.93	10.01	(0.44)	(5.81)	(6.25)	63.69
2019	48.53	0.43	19.93	20.36	(0.17)	(8.79)	(8.96)	59.93
2018	59.42	0.17	(2.93)	(2.76)	(0.17)	(7.96)	(8.13)	48.53
2017	50.96	0.19	12.48	12.67	(0.32)	(3.89)	(4.21)	59.42
Class 2 shares								
2021	63.08	(0.18)	15.76	15.58	–	(4.77)	(4.77)	73.89
2020	59.42	(0.07)	9.84	9.77	(0.30)	(5.81)	(6.11)	63.08
2019	48.19	0.28	19.77	20.05	(0.03)	(8.79)	(8.82)	59.42
2018	59.05	0.02	(2.89)	(2.87)	(0.03)	(7.96)	(7.99)	48.19
2017	50.69	0.05	12.39	12.44	(0.19)	(3.89)	(4.08)	59.05
PRINCIPAL CAPITAL APPRECIATION ACCOUNT								
Class 1 shares								
2021	34.30	0.28	9.13	9.41	(0.33)	(1.51)	(1.84)	41.87
2020	30.72	0.31	5.21	5.52	(0.41)	(1.53)	(1.94)	34.30
2019	25.86	0.38	7.77	8.15	(0.50)	(2.79)	(3.29)	30.72
2018	28.54	0.44	(1.19)	(0.75)	(0.34)	(1.59)	(1.93)	25.86
2017	23.94	0.28	4.66	4.94	(0.34)	–	(0.34)	28.54
Class 2 shares								
2021	33.81	0.18	8.99	9.17	(0.28)	(1.51)	(1.79)	41.19
2020	30.32	0.24	5.13	5.37	(0.35)	(1.53)	(1.88)	33.81
2019	25.58	0.30	7.67	7.97	(0.44)	(2.79)	(3.23)	30.32
2018	28.25	0.37	(1.17)	(0.80)	(0.28)	(1.59)	(1.87)	25.58
2017	23.71	0.22	4.60	4.82	(0.28)	–	(0.28)	28.25
PRINCIPAL LIFETIME 2010 ACCOUNT								
Class 1 shares								
2021	13.59	0.38	0.43	0.81	(0.24)	(0.75)	(0.99)	13.41
2020	12.75	0.25	1.17	1.42	(0.33)	(0.25)	(0.58)	13.59
2019	12.18	0.32	1.37	1.69	(0.39)	(0.73)	(1.12)	12.75
2018	13.41	0.32	(0.80)	(0.48)	(0.41)	(0.34)	(0.75)	12.18
2017	12.48	0.34	1.07	1.41	(0.29)	(0.19)	(0.48)	13.41

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
25.53%	$711,126	0.53%	(0.01)%	17.1%
18.33 (c)	604,094	0.54	0.14	12.2
43.10 (c)	587,854	0.55	0.72	10.5
(6.55)	474,365	0.54	0.29	24.6
25.51	575,104	0.54	0.34	13.4
25.20	38,773	0.78	(0.26)	17.1
18.07	25,643	0.79	(0.12)	12.2
42.72 (c)	20,808	0.80	0.48	10.5
(6.79) (c)	15,710	0.79	0.04	24.6
25.19 (c)	17,792	0.79	0.09	13.4
27.82	163,159	0.63	0.73	30.6
18.72	147,026	0.63	1.03	36.5
32.49	143,227	0.64	1.27	29.5
(3.41)	128,547	0.63	1.52	44.9
20.75	154,472	0.63	1.07	28.5
27.50	31,088	0.88	0.47	30.6
18.44	18,688	0.88	0.79	36.5
32.10	13,536	0.89	1.03	29.5
(3.64) (c)	8,757	0.88	1.28	44.9
20.46 (c)	8,526	0.88	0.83	28.5
5.94	37,297	0.02	2.79	26.4
11.40	35,824	0.02	1.94	71.6
14.10	31,499	0.04	2.51	60.8
(3.87)	31,890	0.02	2.43	29.0
11.42	41,836	0.01	2.57	21.7

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Total return is calculated using the traded net asset value which may differ from the reported net asset value. The traded net asset value is the net asset value which a shareholder would have paid or received from a subscription or redemption.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
PRINCIPAL LIFETIME 2020 ACCOUNT								
Class 1 shares								
2021	$14.99	$0.42	$0.94	$1.36	($0.26)	($0.90)	($1.16)	$15.19
2020	13.90	0.25	1.49	1.74	(0.38)	(0.27)	(0.65)	14.99
2019	12.60	0.34	1.90	2.24	(0.34)	(0.60)	(0.94)	13.90
2018	14.11	0.33	(1.04)	(0.71)	(0.38)	(0.42)	(0.80)	12.60
2017	12.66	0.36	1.52	1.88	(0.27)	(0.16)	(0.43)	14.11
PRINCIPAL LIFETIME 2030 ACCOUNT								
Class 1 shares								
2021	14.51	0.43	1.41	1.84	(0.21)	(0.54)	(0.75)	15.60
2020	13.12	0.23	1.67	1.90	(0.28)	(0.23)	(0.51)	14.51
2019	11.58	0.32	2.18	2.50	(0.27)	(0.69)	(0.96)	13.12
2018	13.17	0.29	(1.15)	(0.86)	(0.32)	(0.41)	(0.73)	11.58
2017	11.45	0.34	1.73	2.07	(0.20)	(0.15)	(0.35)	13.17
PRINCIPAL LIFETIME 2040 ACCOUNT								
Class 1 shares								
2021	18.09	0.62	2.13	2.75	(0.25)	(0.65)	(0.90)	19.94
2020	16.22	0.29	2.23	2.52	(0.32)	(0.33)	(0.65)	18.09
2019	13.94	0.37	3.01	3.38	(0.30)	(0.80)	(1.10)	16.22
2018	15.97	0.34	(1.50)	(1.16)	(0.33)	(0.54)	(0.87)	13.94
2017	13.52	0.36	2.41	2.77	(0.20)	(0.12)	(0.32)	15.97
PRINCIPAL LIFETIME 2050 ACCOUNT								
Class 1 shares								
2021	17.47	0.64	2.32	2.96	(0.22)	(0.61)	(0.83)	19.60
2020	15.59	0.27	2.24	2.51	(0.28)	(0.35)	(0.63)	17.47
2019	13.37	0.32	3.12	3.44	(0.29)	(0.93)	(1.22)	15.59
2018	15.62	0.31	(1.53)	(1.22)	(0.33)	(0.70)	(1.03)	13.37
2017	13.06	0.32	2.55	2.87	(0.19)	(0.12)	(0.31)	15.62

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
9.17%	$196,334	0.00%	2.72%	23.3%
12.89	194,167	0.01	1.81	53.4
18.12	190,475	0.01	2.47	52.7
(5.40)	172,173	0.01	2.37	28.7
15.00	197,935	0.00	2.64	23.6
12.79	262,864	0.00	2.78	26.8
14.89	228,291	0.01	1.77	52.3
22.01	182,172	0.01	2.47	35.8
(7.06)	140,617	0.01	2.21	28.6
18.26	152,469	0.01	2.77	31.0
15.29	134,172	0.01	3.18	19.9
16.11	107,137	0.01	1.82	38.9
24.74	85,405	0.02	2.36	28.8
(7.85)	62,741	0.01	2.17	14.5
20.68	63,759	0.01	2.43	28.3
17.02	68,527	0.01	3.37	28.1
16.68	49,779	0.02	1.75	32.8
26.39	38,881	0.04	2.11	24.9
(8.64)	30,354	0.02	2.03	22.6
22.14	31,610	0.02	2.23	36.5

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
PRINCIPAL LIFETIME 2060 ACCOUNT								
Class 1 shares								
2021	$16.49	$0.61	$2.33	$2.94	($0.18)	($0.44)	($0.62)	$18.81
2020	14.68	0.25	2.10	2.35	(0.22)	(0.32)	(0.54)	16.49
2019	12.32	0.30	2.99	3.29	(0.20)	(0.73)	(0.93)	14.68
2018	14.38	0.25	(1.47)	(1.22)	(0.31)	(0.53)	(0.84)	12.32
2017	11.88	0.40	2.29	2.69	(0.12)	(0.07)	(0.19)	14.38
PRINCIPAL LIFETIME STRATEGIC INCOME ACCOUNT								
Class 1 shares								
2021	12.84	0.37	0.21	0.58	(0.25)	(0.55)	(0.80)	12.62
2020	11.92	0.25	0.96	1.21	(0.28)	(0.01)	(0.29)	12.84
2019	11.30	0.33	1.06	1.39	(0.29)	(0.48)	(0.77)	11.92
2018	12.11	0.31	(0.66)	(0.35)	(0.33)	(0.13)	(0.46)	11.30
2017	11.40	0.30	0.69	0.99	(0.28)	–	(0.28)	12.11
REAL ESTATE SECURITIES ACCOUNT								
Class 1 shares								
2021	19.11	0.28	7.26	7.54	(0.33)	(1.50)	(1.83)	24.82
2020	21.50	0.36	(1.21)	(0.85)	(0.39)	(1.15)	(1.54)	19.11
2019	17.86	0.34	5.18	5.52	(0.40)	(1.48)	(1.88)	21.50
2018	20.62	0.37	(1.09)	(0.72)	(0.37)	(1.67)	(2.04)	17.86
2017	21.30	0.25	1.62	1.87	(0.39)	(2.16)	(2.55)	20.62
Class 2 shares								
2021	19.16	0.23	7.26	7.49	(0.29)	(1.50)	(1.79)	24.86
2020	21.56	0.34	(1.24)	(0.90)	(0.35)	(1.15)	(1.50)	19.16
2019	17.92	0.30	5.18	5.48	(0.36)	(1.48)	(1.84)	21.56
2018	20.70	0.34	(1.12)	(0.78)	(0.33)	(1.67)	(2.00)	17.92
2017	21.36	0.19	1.64	1.83	(0.33)	(2.16)	(2.49)	20.70

See accompanying notes.

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
17.96%	$17,280	0.03%(c)	3.38%	25.3%
16.58	11,468	0.07 (c)	1.73	58.8
27.24	8,131	0.10 (c)	2.15	38.6
(9.25)	4,649	0.10 (c)	1.71	84.9
22.74	5,712	0.10 (c)	2.98	33.1
4.53	30,129	0.02	2.85	35.6
10.30	31,025	0.03	2.07	68.6
12.46	26,279	0.06	2.79	69.0
(3.00)	20,664	0.03	2.61	31.2
8.76	24,630	0.02	2.56	20.0
40.44	174,922	0.82	1.25	23.1
(3.42)	129,617	0.83	1.89	35.4
31.26	155,569	0.88 (c)	1.62	19.3
(4.21)	133,429	0.89	1.89	17.3
9.19	154,615	0.89	1.19	19.6
40.04	11,650	1.07	1.02	23.1
(3.65)	6,965	1.08	1.80	35.4
30.94	6,361	1.13 (c)	1.43	19.3
(4.47)	3,493	1.14	1.73	17.3
8.94	2,830	1.14	0.89	19.6

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
SAM BALANCED PORTFOLIO								
Class 1 shares								
2021	$16.51	$0.35	$1.91	$2.26	($0.28)	($0.38)	($0.66)	$18.11
2020	15.67	0.26	1.43	1.69	(0.35)	(0.50)	(0.85)	16.51
2019	13.90	0.31	2.43	2.74	(0.40)	(0.57)	(0.97)	15.67
2018	15.89	0.36	(1.07)	(0.71)	(0.50)	(0.78)	(1.28)	13.90
2017	14.44	0.45	1.71	2.16	(0.34)	(0.37)	(0.71)	15.89
Class 2 shares								
2021	16.29	0.32	1.85	2.17	(0.24)	(0.38)	(0.62)	17.84
2020	15.48	0.23	1.39	1.62	(0.31)	(0.50)	(0.81)	16.29
2019	13.74	0.28	2.39	2.67	(0.36)	(0.57)	(0.93)	15.48
2018	15.72	0.32	(1.06)	(0.74)	(0.46)	(0.78)	(1.24)	13.74
2017	14.30	0.42	1.67	2.09	(0.30)	(0.37)	(0.67)	15.72
SAM CONSERVATIVE BALANCED PORTFOLIO								
Class 1 shares								
2021	12.80	0.29	0.95	1.24	(0.25)	(0.18)	(0.43)	13.61
2020	12.19	0.24	0.89	1.13	(0.29)	(0.23)	(0.52)	12.80
2019	11.05	0.28	1.45	1.73	(0.35)	(0.24)	(0.59)	12.19
2018	12.33	0.34	(0.73)	(0.39)	(0.42)	(0.47)	(0.89)	11.05
2017	11.50	0.38	0.92	1.30	(0.34)	(0.13)	(0.47)	12.33
Class 2 shares								
2021	12.61	0.26	0.93	1.19	(0.22)	(0.18)	(0.40)	13.40
2020	12.03	0.22	0.86	1.08	(0.27)	(0.23)	(0.50)	12.61
2019	10.91	0.25	1.43	1.68	(0.32)	(0.24)	(0.56)	12.03
2018	12.19	0.31	(0.73)	(0.42)	(0.39)	(0.47)	(0.86)	10.91
2017	11.38	0.36	0.89	1.25	(0.31)	(0.13)	(0.44)	12.19
SAM CONSERVATIVE GROWTH PORTFOLIO								
Class 1 shares								
2021	21.75	0.44	3.40	3.84	(0.29)	(0.48)	(0.77)	24.82
2020	19.94	0.28	2.22	2.50	(0.37)	(0.32)	(0.69)	21.75
2019	17.16	0.36	3.68	4.04	(0.36)	(0.90)	(1.26)	19.94
2018	19.86	0.35	(1.51)	(1.16)	(0.56)	(0.98)	(1.54)	17.16
2017	17.22	0.54	2.82	3.36	(0.30)	(0.42)	(0.72)	19.86
Class 2 shares								
2021	21.40	0.39	3.32	3.71	(0.24)	(0.48)	(0.72)	24.39
2020	19.63	0.24	2.17	2.41	(0.32)	(0.32)	(0.64)	21.40
2019	16.92	0.32	3.61	3.93	(0.32)	(0.90)	(1.22)	19.63
2018	19.60	0.31	(1.50)	(1.19)	(0.51)	(0.98)	(1.49)	16.92
2017	17.01	0.49	2.78	3.27	(0.26)	(0.42)	(0.68)	19.60

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
13.74%	$588,703	0.23%	2.00%	38.9%
11.28	568,806	0.23	1.74	18.9
20.01	574,960	0.24 (c)	2.06	23.0
(5.04)	561,162	0.23 (c)	2.29	18.2
15.21	678,409	0.23	2.92	27.4
13.39	156,241	0.48	1.83	38.9
10.96	134,181	0.48	1.56	18.9
19.74	123,870	0.49 (c)	1.89	23.0
(5.25)	104,051	0.48 (c)	2.10	18.2
14.88	110,129	0.48	2.77	27.4
9.71	169,338	0.23	2.13	41.2
9.60	164,411	0.24	2.03	23.4
15.88	164,095	0.24 (c)	2.32	30.8
(3.49)	154,297	0.22 (c)	2.79	19.5
11.46	178,523	0.23	3.16	26.3
9.48	34,318	0.48	1.95	41.2
9.25	30,178	0.49	1.85	23.4
15.66	25,380	0.49 (c)	2.15	30.8
(3.75)	20,449	0.47 (c)	2.59	19.5
11.14	20,541	0.48	3.06	26.3
17.75	242,713	0.23	1.85	43.6
12.95	226,009	0.23	1.46	20.7
24.06	213,346	0.24 (c)	1.89	16.2
(6.62)	189,654	0.23 (c)	1.81	27.0
19.78	220,054	0.23	2.88	35.1
17.44	192,114	0.48	1.67	43.6
12.68	158,606	0.48	1.28	20.7
23.68	143,501	0.49 (c)	1.68	16.2
(6.82)	118,307	0.48 (c)	1.60	27.0
19.46	127,079	0.48	2.68	35.1

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

Selected data for a share of Capital Stock outstanding throughout each year ended December 31 (except as noted):

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total From Investment Operations	Dividends from Net Investment Income	Distributions from Realized Gains	Total Dividends and Distributions	Net Asset Value, End of Period
SAM FLEXIBLE INCOME PORTFOLIO								
Class 1 shares								
2021	$12.81	$0.32	$0.55	$0.87	($0.31)	($0.20)	($0.51)	$13.17
2020	12.58	0.31	0.57	0.88	(0.36)	(0.29)	(0.65)	12.81
2019	11.86	0.33	1.22	1.55	(0.46)	(0.37)	(0.83)	12.58
2018	12.95	0.40	(0.63)	(0.23)	(0.53)	(0.33)	(0.86)	11.86
2017	12.45	0.47	0.56	1.03	(0.44)	(0.09)	(0.53)	12.95
Class 2 shares								
2021	12.66	0.30	0.53	0.83	(0.29)	(0.20)	(0.49)	13.00
2020	12.44	0.28	0.56	0.84	(0.33)	(0.29)	(0.62)	12.66
2019	11.74	0.31	1.19	1.50	(0.43)	(0.37)	(0.80)	12.44
2018	12.83	0.38	(0.63)	(0.25)	(0.51)	(0.33)	(0.84)	11.74
2017	12.34	0.45	0.54	0.99	(0.41)	(0.09)	(0.50)	12.83
SAM STRATEGIC GROWTH PORTFOLIO								
Class 1 shares								
2021	24.17	0.53	4.24	4.77	(0.26)	(0.59)	(0.85)	28.09
2020	21.85	0.26	2.96	3.22	(0.38)	(0.52)	(0.90)	24.17
2019	18.36	0.39	4.54	4.93	(0.33)	(1.11)	(1.44)	21.85
2018	21.72	0.33	(2.01)	(1.68)	(0.52)	(1.16)	(1.68)	18.36
2017	18.54	0.51	3.54	4.05	(0.30)	(0.57)	(0.87)	21.72
Class 2 shares								
2021	23.80	0.46	4.16	4.62	(0.21)	(0.59)	(0.80)	27.62
2020	21.53	0.22	2.91	3.13	(0.34)	(0.52)	(0.86)	23.80
2019	18.11	0.34	4.47	4.81	(0.28)	(1.11)	(1.39)	21.53
2018	21.46	0.28	(2.00)	(1.72)	(0.47)	(1.16)	(1.63)	18.11
2017	18.33	0.47	3.48	3.95	(0.25)	(0.57)	(0.82)	21.46
SHORT-TERM INCOME ACCOUNT								
Class 1 shares								
2021	2.60	0.03	(0.05)	(0.02)	(0.04)	(0.01)	(0.05)	2.53
2020	2.57	0.04	0.05	0.09	(0.06)	–	(0.06)	2.60
2019	2.52	0.06	0.06	0.12	(0.07)	–	(0.07)	2.57
2018	2.55	0.06	(0.03)	0.03	(0.06)	–	(0.06)	2.52
2017	2.54	0.05	0.01	0.06	(0.05)	–	(0.05)	2.55
SMALLCAP ACCOUNT								
Class 1 shares								
2021	17.26	(0.01)	3.48	3.47	(0.06)	(0.62)	(0.68)	20.05
2020	15.33	0.03	3.03	3.06	(0.07)	(1.06)	(1.13)	17.26
2019	14.30	0.08	3.67	3.75	(0.06)	(2.66)	(2.72)	15.33
2018	17.10	0.03	(1.62)	(1.59)	(0.06)	(1.15)	(1.21)	14.30
2017	15.21	0.06	1.89	1.95	(0.06)	–	(0.06)	17.10
Class 2 shares								
2021	17.17	(0.06)	3.47	3.41	(0.03)	(0.62)	(0.65)	19.93
2020	15.26	–	3.01	3.01	(0.04)	(1.06)	(1.10)	17.17
2019	14.24	0.04	3.66	3.70	(0.02)	(2.66)	(2.68)	15.26
2018	17.04	(0.01)	(1.62)	(1.63)	(0.02)	(1.15)	(1.17)	14.24
2017	15.17	0.02	1.87	1.89	(0.02)	–	(0.02)	17.04

Total Return(b)	Net Assets, End of Period (in thousands)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
6.89%	$148,266	0.23%	2.41%	44.0%
7.27	149,396	0.24	2.51	38.6
13.25	157,922	0.24	2.65	37.4
(1.97)	157,019	0.23	3.19	19.9
8.41	194,742	0.23	3.69	29.3
6.61	45,586	0.48	2.31	44.0
7.03	34,866	0.49	2.31	38.6
12.97	30,663	0.49	2.46	37.4
(2.20)	25,656	0.48	3.07	19.9
8.13	23,003	0.48	3.57	29.3
19.86	223,578	0.23	1.97	35.9
15.40	187,904	0.23	1.24	22.3
27.44	169,489	0.24 (c)	1.89	20.3
(8.60)	140,247	0.23 (c)	1.56	37.8
22.22	163,861	0.23	2.50	37.7
19.54	205,369	0.48	1.76	35.9
15.13	167,706	0.48	1.09	22.3
27.13	145,924	0.49 (c)	1.67	20.3
(8.87)	114,902	0.48 (c)	1.34	37.8
21.95	126,632	0.48	2.33	37.7
(0.72)	140,532	0.47	1.09	56.7
3.36	157,019	0.51 (c)	1.61	73.7
4.70	130,852	0.51 (c)	2.31	54.2
1.02	149,075	0.50 (c)	2.19	49.9
2.39	158,446	0.50 (c)	2.01	67.3
20.12	213,890	0.82	(0.04)	36.6
22.20	195,848	0.84	0.24	38.8
27.40	184,434	0.84	0.53	34.7
(10.89)	163,243	0.83	0.20	45.0
12.87	208,669	0.83	0.37	64.1
19.86	10,497	1.07	(0.29)	36.6
21.87	8,414	1.09	(0.01)	38.8
27.12	6,829	1.09	0.28	34.7
(11.17) (d)	4,874	1.08	(0.05)	45.0
12.57 (d)	5,371	1.08	0.12	64.1

(a) Calculated based on average shares outstanding during the period.

(b) Total return does not reflect charges attributable to separate accounts. Inclusion of these charges would reduce the amounts shown.

(c) Reflects Manager's contractual expense limit.

(d) Total return is calculated using the traded net asset value which may differ from the reported net asset value. The traded net asset value is the net asset value which a shareholder would have paid or received from a subscription or redemption.

To the Shareholders and the Board of Directors of
Principal Variable Contracts Funds, Inc.

Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of Principal Variable Contracts Funds, Inc. (the "Fund") (comprising Blue Chip Account, Bond Market Index Account, Core Plus Bond Account, Diversified Balanced Account, Diversified Balanced Managed Volatility Account, Diversified Balanced Volatility Control Account, Diversified Growth Account, Diversified Growth Managed Volatility Account, Diversified Growth Volatility Control Account, Diversified Income Account, Diversified International Account, Equity Income Account, Government & High Quality Bond Account, International Emerging Markets Account, LargeCap Growth Account I, LargeCap S&P 500 Index Account, LargeCap S&P 500 Managed Volatility Index Account, MidCap Account, Principal Capital Appreciation Account, Principal LifeTime 2010 Account, Principal LifeTime 2020 Account, Principal LifeTime 2030 Account, Principal LifeTime 2040 Account, Principal LifeTime 2050 Account, Principal LifeTime 2060 Account, Principal LifeTime Strategic Income Account, Real Estate Securities Account, SAM Balanced Portfolio, SAM Conservative Balanced Portfolio, SAM Conservative Growth Portfolio, SAM Flexible Income Portfolio, SAM Strategic Growth Portfolio, Short-Term Income Account, and SmallCap Account (collectively referred to as the "Funds"), including the schedules of investments, as of December 31, 2021, and the related statements of operations and changes in net assets, and the financial highlights for each of the periods indicated in the table below and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds comprising the Fund at December 31, 2021, the results of their operations, changes in net assets and financial highlights for each of the periods indicated in the table below, in conformity with U.S. generally accepted accounting principles.

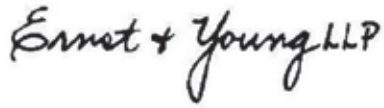
Accounts comprising the Fund	Statement of operations	Statements of changes in net assets	Financial highlights
Bond Market Index Account Core Plus Bond Account Diversified Balanced Account Diversified Balanced Managed Volatility Account Diversified Growth Account Diversified Growth Managed Volatility Account Diversified Income Account Diversified International Account Equity Income Account Government & High Quality Bond Account International Emerging Markets Account LargeCap Growth Account I LargeCap S&P 500 Index Account LargeCap S&P 500 Managed Volatility Index Account MidCap Account Principal Capital Appreciation Account Principal LifeTime 2010 Account Principal LifeTime 2020 Account Principal LifeTime 2030 Account Principal LifeTime 2040 Account Principal LifeTime 2050 Account Principal LifeTime 2060 Account Principal LifeTime Strategic Income Account Real Estate Securities Account SAM Balanced Portfolio SAM Conservative Balanced Portfolio SAM Conservative Growth Portfolio SAM Flexible Income Portfolio SAM Strategic Growth Portfolio Short-Term Income Account SmallCap Account	For the year ended December 31, 2021	For each of the two years in the period ended December 31, 2021	For each of the five years in the period ended December 31, 2021
Diversified Balanced Volatility Control Account Diversified Growth Volatility Control Account	For the year ended December 31, 2021	For each of the two years in the period ended December 31, 2021	For each of the three years ended December 31, 2021 and the period from March 30, 2017, date operations commenced, through December 31, 2017
Blue Chip Account	For the year ended December 31, 2021	For the year ended December 31, 2021 and the period from December 9, 2020, date operations commenced, through December 31, 2020	

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on each of the Funds' financial statements 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 are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund's internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian, transfer agent, agent banks, and brokers or by other appropriate auditing procedures where replies from agent banks and brokers were not received. 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. We believe that our audits provide a reasonable basis for our opinion.



We have served as the auditor of one or more Principal investment companies since 1969.

Minneapolis, Minnesota
February 21, 2022

As a shareholder of Principal Variable Contracts Funds, Inc. you incur ongoing costs, including management fees; distribution fees; and other fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in Principal Variable Contracts Funds, Inc. and to compare these costs with the ongoing costs of investing in other mutual funds. In addition to the expenses the Funds bear directly, each of the Funds may indirectly bear its pro rata share of the expenses incurred by the investment companies in which the Funds invest. These expenses are not included in the fund's annualized expense ratio used to calculate the expenses paid in this example. If they were, the expenses paid would be higher. Expenses shown below and on the following pages do not account for fees, expenses and charges of any variable insurance contract or retirement plan. If these fees had been reflected, expenses would have been higher.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021), unless otherwise noted.

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on each fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the fund's 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 Principal Variable Contracts Funds, Inc. and other funds. To do so, compare this 5% hypothetical example 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. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total cost of owning different funds.

	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period July 1, 2021 to December 31, 2021[a]	Annualized Expense Ratio
Blue Chip Account Class 3				
Actual	$1,000.00	$1,069.33	$5.48	1.05%
Hypothetical	1,000.00	1,019.91	5.35	1.05
Bond Market Index Account Class 1				
Actual	1,000.00	998.60	0.71	0.14
Hypothetical	1,000.00	1,024.50	0.71	0.14
Core Plus Bond Account Class 1				
Actual	1,000.00	1,002.10	2.42	0.48
Hypothetical	1,000.00	1,022.79	2.45	0.48
Diversified Balanced Account Class 1				
Actual	1,000.00	1,043.54	0.26	0.05
Hypothetical	1,000.00	1,024.95	0.26	0.05
Diversified Balanced Account Class 2				
Actual	1,000.00	1,042.62	1.54	0.30
Hypothetical	1,000.00	1,023.69	1.53	0.30
Diversified Balanced Account Class 3				
Actual	1,000.00	1,041.92	2.32	0.45
Hypothetical	1,000.00	1,022.94	2.29	0.45
Diversified Balanced Managed Volatility Account Class 2				
Actual	1,000.00	1,038.57	1.54	0.30
Hypothetical	1,000.00	1,023.69	1.53	0.30
Diversified Balanced Managed Volatility Account Class 3				
Actual	1,000.00	1,038.00	2.31	0.45
Hypothetical	1,000.00	1,022.94	2.29	0.45

	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period July 1, 2021 to December 31, 2021[a]	Annualized Expense Ratio
Diversified Balanced Volatility Control Account Class 2				
Actual	$1,000.00	$1,041.22	$1.96	0.38%
Hypothetical	1,000.00	1,023.29	1.94	0.38
Diversified Balanced Volatility Control Account Class 3				
Actual	1,000.00	1,039.82	2.72	0.53
Hypothetical	1,000.00	1,022.53	2.70	0.53
Diversified Growth Account Class 2				
Actual	1,000.00	1,055.23	1.55	0.30
Hypothetical	1,000.00	1,023.69	1.53	0.30
Diversified Growth Account Class 3				
Actual	1,000.00	1,054.67	2.33	0.45
Hypothetical	1,000.00	1,022.94	2.29	0.45
Diversified Growth Managed Volatility Account Class 2				
Actual	1,000.00	1,050.52	1.55	0.30
Hypothetical	1,000.00	1,023.69	1.53	0.30
Diversified Growth Managed Volatility Account Class 3				
Actual	1,000.00	1,049.41	2.32	0.45
Hypothetical	1,000.00	1,022.94	2.29	0.45
Diversified Growth Volatility Control Account Class 2				
Actual	1,000.00	1,054.06	1.92	0.37
Hypothetical	1,000.00	1,023.34	1.89	0.37
Diversified Growth Volatility Control Account Class 3				
Actual	1,000.00	1,052.74	2.69	0.52
Hypothetical	1,000.00	1,022.58	2.65	0.52
Diversified Income Account Class 2				
Actual	1,000.00	1,029.30	1.53	0.30
Hypothetical	1,000.00	1,023.69	1.53	0.30
Diversified Income Account Class 3				
Actual	1,000.00	1,028.24	2.30	0.45
Hypothetical	1,000.00	1,022.94	2.29	0.45
Diversified International Account Class 1				
Actual	1,000.00	1,014.72	4.57	0.90
Hypothetical	1,000.00	1,020.67	4.58	0.90
Equity Income Account Class 1				
Actual	1,000.00	1,077.09	2.46	0.47
Hypothetical	1,000.00	1,022.84	2.40	0.47
Equity Income Account Class 2				
Actual	1,000.00	1,075.68	3.77	0.72
Hypothetical	1,000.00	1,021.58	3.67	0.72
Equity Income Account Class 3				
Actual	1,000.00	1,075.02	4.55	0.87
Hypothetical	1,000.00	1,020.82	4.43	0.87
Government & High Quality Bond Account Class 1				
Actual	1,000.00	991.82	2.51	0.50
Hypothetical	1,000.00	1,022.68	2.55	0.50
International Emerging Markets Account Class 1				
Actual	1,000.00	910.38	5.63	1.17
Hypothetical	1,000.00	1,019.31	5.96	1.17
LargeCap Growth Account I Class 1				
Actual	1,000.00	1,064.90	3.44	0.66
Hypothetical	1,000.00	1,021.88	3.36	0.66
LargeCap S&P 500 Index Account Class 1				
Actual	1,000.00	1,115.10	1.33	0.25
Hypothetical	1,000.00	1,023.95	1.28	0.25

	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period July 1, 2021 to December 31, 2021[a]	Annualized Expense Ratio
LargeCap S&P 500 Index Account Class 2				
Actual	$1,000.00	$1,113.77	$2.66	0.50%
Hypothetical	1,000.00	1,022.68	2.55	0.50
LargeCap S&P 500 Managed Volatility Index Account Class 1				
Actual	1,000.00	1,103.94	2.44	0.46
Hypothetical	1,000.00	1,022.89	2.35	0.46
MidCap Account Class 1				
Actual	1,000.00	1,108.84	2.76	0.52
Hypothetical	1,000.00	1,022.58	2.65	0.52
MidCap Account Class 2				
Actual	1,000.00	1,107.46	4.09	0.77
Hypothetical	1,000.00	1,021.32	3.92	0.77
Principal Capital Appreciation Account Class 1				
Actual	1,000.00	1,119.29	3.37	0.63
Hypothetical	1,000.00	1,022.03	3.21	0.63
Principal Capital Appreciation Account Class 2				
Actual	1,000.00	1,117.62	4.70	0.88
Hypothetical	1,000.00	1,020.77	4.48	0.88
Principal LifeTime 2010 Account Class 1				
Actual	1,000.00	1,018.16	0.05	0.01
Hypothetical	1,000.00	1,025.16	0.05	0.01
Principal LifeTime 2020 Account Class 1				
Actual	1,000.00	1,026.66	0.00	0.00
Hypothetical	1,000.00	1,025.21	0.00	0.00
Principal LifeTime 2030 Account Class 1				
Actual	1,000.00	1,036.51	0.00	0.00
Hypothetical	1,000.00	1,025.21	0.00	0.00
Principal LifeTime 2040 Account Class 1				
Actual	1,000.00	1,041.79	0.05	0.01
Hypothetical	1,000.00	1,025.16	0.05	0.01
Principal LifeTime 2050 Account Class 1				
Actual	1,000.00	1,045.72	0.05	0.01
Hypothetical	1,000.00	1,025.16	0.05	0.01
Principal LifeTime 2060 Account Class 1				
Actual	1,000.00	1,048.05	0.15	0.03
Hypothetical	1,000.00	1,025.05	0.15	0.03
Principal LifeTime Strategic Income Account Class 1				
Actual	1,000.00	1,014.53	0.05	0.01
Hypothetical	1,000.00	1,025.16	0.05	0.01
Real Estate Securities Account Class 1				
Actual	1,000.00	1,167.39	4.43	0.81
Hypothetical	1,000.00	1,021.12	4.13	0.81
Real Estate Securities Account Class 2				
Actual	1,000.00	1,166.11	5.79	1.06
Hypothetical	1,000.00	1,019.86	5.40	1.06
SAM Balanced Portfolio Class 1				
Actual	1,000.00	1,036.35	1.18	0.23
Hypothetical	1,000.00	1,024.05	1.17	0.23
SAM Balanced Portfolio Class 2				
Actual	1,000.00	1,034.80	2.46	0.48
Hypothetical	1,000.00	1,022.79	2.45	0.48

Shareholder Expense Example
Principal Variable Contracts Funds, Inc.
December 31, 2021 (unaudited)

	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period July 1, 2021 to December 31, 2021[a]	Annualized Expense Ratio
SAM Conservative Balanced Portfolio Class 1				
Actual	$1,000.00	$1,025.03	$1.17	0.23%
Hypothetical	1,000.00	1,024.05	1.17	0.23
SAM Conservative Balanced Portfolio Class 2				
Actual	1,000.00	1,024.11	2.45	0.48
Hypothetical	1,000.00	1,022.79	2.45	0.48
SAM Conservative Growth Portfolio Class 1				
Actual	1,000.00	1,047.02	1.19	0.23
Hypothetical	1,000.00	1,024.05	1.17	0.23
SAM Conservative Growth Portfolio Class 2				
Actual	1,000.00	1,045.90	2.48	0.48
Hypothetical	1,000.00	1,022.79	2.45	0.48
SAM Flexible Income Portfolio Class 1				
Actual	1,000.00	1,021.04	1.17	0.23
Hypothetical	1,000.00	1,024.05	1.17	0.23
SAM Flexible Income Portfolio Class 2				
Actual	1,000.00	1,019.44	2.44	0.48
Hypothetical	1,000.00	1,022.79	2.45	0.48
SAM Strategic Growth Portfolio Class 1				
Actual	1,000.00	1,050.80	1.19	0.23
Hypothetical	1,000.00	1,024.05	1.17	0.23
SAM Strategic Growth Portfolio Class 2				
Actual	1,000.00	1,049.41	2.48	0.48
Hypothetical	1,000.00	1,022.79	2.45	0.48
Short-Term Income Account Class 1				
Actual	1,000.00	992.84	2.36	0.47
Hypothetical	1,000.00	1,022.84	2.40	0.47
SmallCap Account Class 1				
Actual	1,000.00	1,001.12	4.14	0.82
Hypothetical	1,000.00	1,021.07	4.18	0.82
SmallCap Account Class 2				
Actual	1,000.00	999.51	5.39	1.07
Hypothetical	1,000.00	1,019.81	5.45	1.07

[a] Expenses are equal to a fund's annualized expense ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

FUND BOARD OF DIRECTORS AND OFFICERS

The Board of Directors (the "Board") has overall responsibility for overseeing the Fund's operations in accordance with the Investment Act of 1940, as amended (the "1940 Act"), other applicable laws, and the Fund's charter. Each member of the Board ("Board Member") serves on the Board of the following investment companies sponsored by Principal Life Insurance Company: Principal Funds, Inc., Principal Variable Contracts Funds, Inc., Principal Exchange-Traded Funds, and Principal Diversified Select Real Asset Fund which are collectively referred to as the "Fund Complex". Board Members that are affiliated persons of any investment advisor, the principal distributor, or the principal underwriter of the Fund Complex are considered "interested persons" of the Fund (as defined in the 1940 Act) and are shown below as "Interested Board Members". Board Members who are not Interested Board Members are shown below as "Independent Board Members".

Each Board Member generally serves until the next annual meeting of stockholders or until such Board Member's earlier death, resignation, or removal. Independent Board Members have a 72-year age limit and, for Independent Board Members elected on or after September 14, 2021, a 72-year age limit or a 15-year term limit, whichever occurs first. The Board may waive the age or term limits in the Board's discretion. Officers serve at the pleasure of the Board, and each officer has the same position with each investment company in the Fund Complex.

INDEPENDENT BOARD MEMBERS

Name, Position Held with the Fund Complex, Year of Birth	**Principal Occupation(s) During past 5 years**	**Number of Portfolios in Fund Complex Overseen by Board Member**	**Other Directorships Held by Board Member During Past 5 Years**
Leroy T. Barnes, Jr. Board Member since 2012 Member, Audit Committee 1951	Retired	125	McClatchy Newspapers, Inc.; Frontier Communications, Inc.; formerly, Herbalife Ltd.
Craig Damos Lead Independent Board Member since 2020 Board Member since 2008 Member, Nominating and Governance Committee Member, Executive Committee 1954	President, C.P. Damos Consulting LLC	125	None
Fritz S. Hirsch Board Member since 2005 Member, Nominating and Governance Committee Chair, 15(c) Committee 1951	Interim CEO, MAM USA: February 2020 to October 2020	125	MAM USA
Victor Hymes Board Member since 2020 Chair, Audit Committee Member, Nominating and Governance Committee 1957	Founder and Managing Member of Legato Capital Management, LLC	125	Formerly, Montgomery Street Income Securities Inc.
Padelford ("Padel") L. Lattimer Board Member since 2020 Member, Operations Committee Member, 15(c) Committee 1961	TBA Management Consulting LLC	125	None
Karen ("Karrie") McMillan Board Member since 2014 Chair, Operations Committee 1961	Founder/Owner, Tyche Consulting LLC Formerly, Managing Director, Patomak Global Partners, LLC	125	None

Name, Position Held with the Fund Complex, Year of Birth	Principal Occupation(s) During past 5 years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During Past 5 Years
Elizabeth A. Nickels Board Member since 2015 Member, Audit Committee Chair, Nominating and Governance Committee 1962	Retired	125	SpartanNash; Formerly: Charlotte Russe; Follet Corporation; PetSmart; Spectrum Health Systems
Mary M. (“Meg”) VanDeWeghe Board Member since 2018 Member, Audit Committee Member, 15(c) Committee 1959	CEO and President, Forte Consulting, Inc.	125	Helmerich & Payne; Formerly: B/E Aerospace; Brown Advisory; Denbury Resources Inc.; Nalco (and its successor Ecolab); and WP Carey

INTERESTED BOARD MEMBERS

Name, Position Held with the Fund Complex, Year of Birth	Principal Occupation(s) During past 5 years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held by Board Member During Past 5 Years
Timothy M. Dunbar Chair and Board Member since 2019 Chair, Executive Committee 1957	President-Principal Global Asset Management (“PGAM”), Principal Global Investors, LLC (“PGI”) (2018-2021) Director, PGI (2018-2020) Division President, Principal Financial Services, Inc. (“PFSI) and Principal Life Insurance Company (“PLIC”) (2020–2021) Executive Vice President and Chief Investment Officer, PFSI and PLIC (2014-2018) President – PGAM, PFSI and PLIC (2018-2020) Director, Post Advisory Group, LLC (“Post”) (2018-2020) Chair and Executive Vice President, RobustWealth, Inc. (2018-2020)	125	None
Patrick G. Halter Board Member since 2017 Member, Executive Committee 1959	Chair, PGI since 2018 Chief Executive Officer and President, PGI and Principal Real Estate Investors, LLC (“PREI”) since 2018 Chief Operating Officer, PGI (2017-2018) Director, PGI (2003-2018) Director, Origin Asset Management LLP (2018-2019) President, PGAM, PFSI, and PLIC since 2020 Chief Executive Officer and President, PLIC (2018-2020) Chair, Post (2017-2020) Director, Post since 2017 Chair, “PREI” since 2004 Chief Executive Officer, PREI (2005-2018) Chair, Spectrum Asset Management, Inc. (“Spectrum”) since 2017	125	None

Correspondence intended for each Board Member who is other than an Interested Board Member may be sent to 655 9th Street, Des Moines, IA 50392.

FUND COMPLEX OFFICERS

Name, Position Held with the Fund Complex, Address, and Year of Birth	Principal Occupation(s) During past 5 years
Kamal Bhatia President and Chief Executive Officer Des Moines, IA 50392 1972	Director, PGI since 2019 President-Principal Funds, PGI since 2019 Principal Executive Officer, OPC Private Capital (2017-2019) Senior Vice President, OppenheimerFunds (2011-2019) Director, Principal Funds Distributor, Inc. ("PFD") since 2019 Senior Executive Director and Chief Operating Officer, PFSI and PLIC since 2020 President, Principal Funds, PFSI, and PLIC (2019-2020) Director, Post since 2020 Director, PREI since 2020 Chair and Executive Vice President, (Principal Shareholder Services, Inc. ("PSS') since 2019
Randy D. Bolin Assistant Tax Counsel Des Moines, IA 50392 1961	Vice President/Associate General Counsel, PGI since 2016 Vice President/Associate General Counsel, PFSI since 2013 Vice President/Associate General Counsel, PLIC since 2013
Beth Graff Vice President and Assistant Controller Des Moines, IA 50392 1968	Director – Fund Accounting, PLIC since 2016
Gina L. Graham Treasurer Des Moines, IA 50392 1965	Vice President and Treasurer, PGI since 2016 Vice President and Treasurer, PFD since 2016 Vice President and Treasurer, PFSI since 2016 Vice President and Treasurer, PLIC since 2016 Vice President and Treasurer, PREI since 2017 Vice President and Treasurer, Principal Securities, Inc. ("PSI") since 2016 Vice President and Treasurer, PSS since 2016 Vice President and Treasurer, RobustWealth, Inc. since 2018
Megan Hoffmann Vice President and Controller Des Moines, IA 50392 1979	Director – Accounting, PLIC since 2020 Assistant Director – Accounting, PLIC (2017-2020) Prior thereto, Senior Accounting Analyst, PLIC
Laura B. Latham Assistant Counsel and Assistant Secretary Des Moines, IA 50392 1986	Counsel, PGI since 2018 Counsel, PLIC since 2018 Prior thereto, Attorney in Private Practice
Diane K. Nelson AML Officer Des Moines, IA 50392 1965	Chief Compliance Officer/AML Officer, PSS since 2015
Tara Parks Vice President and Assistant Controller Des Moines, IA 50392 1983	Director – Accounting, PLIC since 2019 Tax Manager – ALPS Fund Services (2011-2019)
Sara L. Reece Vice President and Chief Operating Officer Des Moines, IA 50392 1975	Vice President and Controller (2016-2021) Managing Director – Global Funds Ops, PLIC since 2021 Managing Director – Financial Analysis/ Planning, PLIC (2021) Director - Accounting, PLIC (2015-2021)

Name, Position Held with the Fund Complex, Address, and Year of Birth	Principal Occupation(s) During past 5 years
Teri R. Root Chief Compliance Officer Des Moines, IA 50392 1979	Interim Chief Compliance Officer - Funds (2018) Deputy Chief Compliance Officer - Funds (2015-2018) Chief Compliance Officer – Funds, PGI since 2018 Deputy Chief Compliance Officer, PGI (2017-2018) Vice President and Chief Compliance Officer, Principal Management Corporation (“PMC”) (2015–2017) Vice President, PSS since 2015
Britney L. Schnathorst Assistant Counsel and Assistant Secretary Des Moines, IA 50392 1981	Counsel, PGI since 2018 Counsel, PLIC since 2013
Michael Scholten Chief Financial Officer Des Moines, IA 50392 1979	Chief Financial Officer – PFD since 2016 Assistant Vice President and Actuary, PLIC since 2021 Chief Financial Officer – Funds/Platforms, PLIC since 2015 Chief Financial Officer, PSS since 2015
Adam U. Shaikh Assistant Counsel Des Moines, IA 50392 1972	Assistant General Counsel, PGI since 2018 Counsel, PGI (2017-2018) Counsel, PLIC since 2006 Counsel, PMC (2007-2017)
John L. Sullivan Assistant Counsel and Assistant Secretary Des Moines, IA 50392 1970	Counsel, PGI since 2020 Counsel, PLIC since 2019 Prior thereto, Attorney in Private Practice
Dan L. Westholm Assistant Treasurer Des Moines, IA 50392 1966	Assistant Vice President-Treasury, PGI since 2013 Assistant Vice President-Treasury, PFD since 2013 Assistant Vice President-Treasury, PLIC since 2014 Assistant Vice President-Treasury, PSI since 2013 Assistant Vice President-Treasury, PSS since 2013
Beth C. Wilson Vice President and Secretary Des Moines, IA 50392 1956	Director and Secretary – Funds, PLIC since 2007

Name, Position Held with the Fund Complex, Address, and Year of Birth	Principal Occupation(s) During past 5 years
Clint L. Woods Counsel, Vice President, and Assistant Secretary Des Moines, IA 50392 1961	Of Counsel (2017-2018) Vice President (2016-2017) Counsel (2015-2017) Vice President, Associate General Counsel and Assistant Secretary, PGI since 2021 Vice President, Associate General Counsel, and Secretary, PGI (2020-2021) PREI since 2020 PSI since 2021 PSS since 2021 Vice President, Associate General Counsel, Governance Officer and Assistant Corporate Secretary, PGI (2018-2020) PFSI since 2015 PLIC since 2015 PREI (2020) Vice President, Associate General Counsel and Assistant Corporate Secretary, PFD since 2019 PSI (2019-2021) PSS (2019-2021) RobustWealth, Inc. since 2019 Secretary, Post (2020-2021) Spectrum (2020-2021) Assistant Secretary, Post since 2021 Spectrum since 2021
Jared A. Yepsen Assistant Tax Counsel Des Moines, IA 50392 1981	Counsel, PGI (2017-2019) Counsel, PLIC since 2015

The 15(c) Committee's primary purpose is to assist the Board in performing the annual review of the Fund's advisory and sub-advisory agreements pursuant to Section 15(c) of the 1940 Act. The Committee responsibilities include requesting and reviewing related materials.

The Audit Committee's primary purpose is to assist the Board by serving as an independent and objective party to monitor the Fund Complex's accounting policies, financial reporting and internal control system, as well as the work of the independent registered public accountants. The Audit Committee assists Board oversight of 1) the integrity of the Fund Complex's financial statements; 2) the Fund Complex's compliance with certain legal and regulatory requirements; 3) the independent registered public accountants' qualifications and independence; and 4) the performance of the Fund Complex's independent registered public accountants. The Audit Committee also provides an open avenue of communication among the independent registered public accountants, the Manager's internal auditors, Fund Complex management, and the Board.

The Executive Committee's primary purpose is to exercise certain powers of the Board when the Board is not in session. When the Board is not in session, the Committee may exercise all powers of the Board in the management of the Fund Complex's business except the power to 1) issue stock, except as permitted by law; 2) recommend to the stockholders any action which requires stockholder approval; 3) amend the bylaws; or 4) approve any merger or share exchange which does not require stockholder approval.

The Nominating and Governance Committee's primary purpose is to oversee the structure and efficiency of the Board and the committees. The Committee is responsible for evaluating Board membership and functions, committee membership and functions, insurance coverage, and legal matters. The Committee's nominating functions include selecting and nominating Independent Board Member candidates for election to the Board. Generally, the Committee requests nominee suggestions from Board Members and management. In addition, the Committee considers candidates recommended by shareholders of the Fund Complex. Recommendations should be submitted in writing to the Principal Funds Complex Secretary, in care of the Principal Funds Complex, 711 High Street, Des Moines, IA 50392. Such recommendations must include all information specified in the Committee's charter and must conform with the procedures set forth in Appendix A thereto, which can be found at https://www.principalglobal.com/documentdownload/160950. Examples of such information include the nominee's biographical information; relevant educational and professional background of the nominee; the number of shares of each Fund owned of record and

beneficially by the nominee and by the recommending shareholder; any other information regarding the nominee that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies for the election of board members; whether the nominee is an "interested person" of the Fund as defined in the 1940 Act; and the written consent of the nominee to be named as a nominee and serve as a board member if elected.

When evaluating a potential nominee for Independent Board Member, the Committee may consider, among other factors: educational background; relevant business and industry experience; whether the person is an "interested person" of the Fund as defined in the 1940 Act; and whether the person is willing to serve, and willing and able to commit the time necessary to attend meetings and perform the duties of an Independent Board Member. In addition, the Committee may consider whether a candidate's background, experience, skills and views would complement the background, experience, skills and views of other Board Members and would contribute to the diversity of the Board. The Committee meets with nominees and conducts a reference check. The final decision is based on a combination of factors, including the strengths and the experience an individual may bring to the Board. The Board does not regularly use the services of professional search firms to identify or evaluate potential candidates or nominees.

The Operations Committee's primary purpose is to oversee the provision of administrative and distribution services to the Fund Complex, communications with the Fund Complex's shareholders, and review and oversight of the Fund Complex's operations.

Additional information about the Fund is available in the Prospectuses and the Statement of Additional Information dated May 31, 2021 and as supplemented. These documents may be obtained free of charge by writing Principal Funds, Inc., P.O. Box 8024, Boston, MA 02266-8024 or telephoning 1-800-222-5852. The prospectus may be viewed at www.PrincipalFunds.com/prospectuses-pvc.

PROXY VOTING POLICIES

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities and the results of the proxy votes for the most recent twelve months ended June 30 may be obtained free of charge by telephoning 1-800-222-5852, or on the SEC website at www.sec.gov.

SCHEDULES OF INVESTMENTS

The Fund files complete schedules of investments with the Securities and Exchange Commission for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT reports are available on the Commission's website at www.sec.gov.

BOARD CONSIDERATION OF INVESTMENT ADVISORY CONTRACTS

During the period covered by this report, the Board of Directors of Principal Variable Contracts Funds, Inc. ("PVC") approved the renewal of the Management Agreement and various subadvisory agreements for all Funds.

Annual Review and Renewal of Management Agreement and SubAdvisory Agreements

At its September 14, 2021 meeting, the Board performed its annual review and renewal process relating to the Management Agreement and the Subadvisory Agreements for all Funds.

Section 15(c) of the Investment Company Act of 1940 (the "1940 Act") requires the Board, including a majority of the Directors who have no direct or indirect interest in the investment advisory agreements and who are not "interested persons" of PVC, as defined in the 1940 Act (the "Independent Directors"), annually to review and to consider the continuation of: (1) the Management Agreement between the Principal Global Investors, LLC (the "Manager") and PVC, on behalf of each of the thirty-four (34) series of PVC (each series is referred to as a "Fund"); and (2) the Subadvisory Agreements between the Manager and each of Brown Advisory, LLC; Principal Real Estate Investors, LLC ("Principal-REI"); Spectrum Asset Management Inc. ("Spectrum") and T. Rowe Price Associates, Inc. (collectively, the "Subadvisors"). The Management Agreement and the Subadvisory Agreements are collectively referred to as the "Advisory Agreements."

The Board considered the factors and reached the conclusions described below relating to the continuation of the Advisory Agreements. In evaluating the Advisory Agreements, the Board, reviewed a broad range of information including, among other information, information regarding performance, advisory fees, total expenses, profitability from the Advisory Agreements to the Manager and information about economies of scale. The Board reviewed the materials provided and concluded that it was provided all information reasonably necessary to evaluate the Advisory Agreements.

Management Agreement

With respect to the Management Agreement for each Fund, the Board considered, among other factors, that the Manager and its affiliates have demonstrated a long-term commitment to support the Funds, including undertakings to cap Fund expenses and/or waive management fees for certain Funds. In addition, the Board considered various factors, including the following, and made certain findings and conclusions with respect thereto, for each of the Funds. The Board concluded that a relationship with a capable and conscientious adviser is in the best interests of each Fund.

Nature, Quality and Extent of Services

The Board considered the nature, quality and extent of the services provided under the Management Agreements, including accounting and administrative services. The Board considered the experience and skills of senior management leading Fund operations, the experience and skills of the personnel performing the functions under the Management Agreements and the resources made available to such personnel, the ability of the Manager to attract and retain high-quality personnel and the organizational depth and stability of the Manager. The Board concluded that appropriate resources were provided under the Management Agreement. The Board also considered that, during the periods reviewed, the Manager had delegated day-to-day portfolio management responsibility for certain Funds to the Subadvisors. The Board noted that the Manager's process for the selection of subadvisors emphasizes the selection of Principal-affiliated subadvisors that are determined to be qualified under the Manager's due diligence process, but that the Manager will select an unaffiliated subadvisor to manage all or a portion of a Fund's investment portfolio when deemed necessary or appropriate based upon a consideration of the Fund's investment mandate and available expertise and resources within the Principal organization. With respect to Funds with unaffiliated Subadvisors, the Board considered the due diligence process developed by the Manager for purposes of selecting a qualified unaffiliated subadvisor for a Fund. The Board considered the Manager's due diligence process for monitoring and replacing Subadvisors and for monitoring the investment performance of the Manager. The Board also considered the compliance program established by the Manager for the Funds, the quality of that program and the level of compliance attained by the Funds. The Board noted that they had previously reviewed the annual best execution and soft dollar reports and information regarding the research payment accounts for applicable Funds and included those findings in their consideration of the renewal of the Advisory Agreements. Based upon all relevant factors, the Board concluded that the nature, quality and extent of the services provided by the Manager to the Funds under each Management Agreement were satisfactory.

Investment Performance

The Board reviewed each Fund's investment performance over longer-term periods, reviewing both the investment return during the three-year period ended March 31, 2021 and the blended investment return (50%/50%) of the three- and five-year periods ended March 31, 2021, and compared those returns to various agreed-upon performance measures, including peer-group data based upon a broad-based, industry category determined by Morningstar Direct data.

For Funds or Subadvisors that did not have a three-year or five-year performance history, the Board reviewed performance for a one-year or three-year period ended March 31, 2021, respectively, if available. The Board also compared each Fund's investment performance over the one-, three- and five-year periods ended March 31, 2021, as available, to one or more relevant benchmark indices. The Board noted that

certain Funds had commenced operations recently and, accordingly, no or limited performance information was considered. The Board also considered whether investment results were consistent with a Fund's investment objective(s) and policies. For most Funds, the Board concluded that the Fund's investment returns met acceptable levels of investment performance. There were certain Funds, and certain Subadvisors for multi-manager Funds, that had not attained during the relevant period(s) a level of investment performance considered satisfactory by the Board. For such Funds, the Board also considered other factors, such as the longer-term performance of each such Fund or Subadvisor, remedial efforts being taken to improve performance and/or the Manager's explanation for the performance of such Fund or Subadvisor. The Board considered the Manager's due diligence process for evaluating the performance of all Funds and all Subadvisors, for which they received regular reporting, and concluded that the Manager has in place an effective due diligence process to monitor investment performance, to encourage remedial action and to make changes in the Subadvisors at the appropriate time, if necessary.

Investment Management Fees

The Board considered each Fund's contractual and effective management fee rates. For each Fund, the Board received certain information from Broadridge. For Funds the Board received information comparing each Fund's (1) contractual management fee rate at current asset levels and at theoretical asset levels, (2) effective net management fee rate (after any fee waivers) at average fiscal-year asset levels, (3) actual non-management expense rate at average fiscal-year asset levels, and (4) total net expense ratio (including, as applicable, acquired fund fees and expenses and after any expense caps or fee waivers) at average fiscal-year asset levels for Class 1 shares of the Funds, in each case as available, to investment advisory fee rates, non-management expense rates and expense ratios of funds in a peer group selected by Broadridge ("Expense Group"), and, if available, a broad-based, industry category defined by Broadridge ("Expense Universe"). For Funds that did not offer Class 1 shares, the information provided was based upon Class 2 shares (or Class 3 shares if the Fund does not issue Class 2 shares).

In evaluating the contractual and effective management fee rates, the Board considered a variety of factors, including the contractual and effective fee rates, breakpoints, comparison to fee rates of peer group funds and other funds and non-fund accounts managed by the Manager, subadvisory fee rates paid, services provided, investment performance, total net expense ratios, profitability, the existence and sharing of economies of scale, fall-out benefits and expense caps and fee waivers. The Board considered that certain PVC funds with similar investment strategies and policies have different management fee schedules and noted the reasons cited by the Manager for the differing fee rates. In reviewing the fees of other accounts managed by the Manager, the Board considered information provided by the Manager regarding differences between the services provided to the Funds and the services provided to such other accounts. For most Funds, effective net management fee rates were within the third quartile or better when compared to their Expense Group. For some Funds, although effective net management fee rates were higher than the third quartile, total net expense ratios were within the third quartile or better.

With respect to the PVC Principal LifeTime Accounts, the Board noted that the Funds pay no Fund-level management fees. The Board also reviewed the actual non-management expenses of the Funds, which the Board concluded were reasonable. The Board reviewed the total net expense ratios of the Funds, including acquired fund fees and expenses.

With regard to PVC LargeCap S&P 500 Managed Volatility Index Account, the Board noted that the effective net management fee rate and the total net expense ratio on the basis of Class 1 shares were higher than third quartile (both were at the 99th percentile) in the Expense Group. Considering all relevant factors, including that the other funds in the Expense Group did not include the additional feature of a volatility management strategy and that the Fund's performance was in the third quartile of its Performance Universe for the three-year and blended three- and five-year periods ended March 31, 2021 (53rd and 57th percentiles, respectively), the Board concluded that the Management Agreement should be renewed.

The Board also considered the expense caps and fee waivers that would be in place with respect to certain Funds and share classes. The list of agreed upon expense caps and fee waivers is the result of the Manager's proposals to extend the expense caps and fee waivers for certain Funds and share classes and to terminate the expense caps and fee waivers for certain Funds and share classes that are both currently operating and projected to operate below current applicable expense caps.

With regard to each of Real Estate Securities Account, LargeCap S&P 500 Index Account, and International Emerging Markets Account, the Board accepted management's proposal to amend the management fee schedule for the Fund to reduce the effective management fee rate payable at all asset levels and considered this fee reduction in concluding that the Management Agreement, as amended, should be renewed.

With regard to the Diversified Balanced Volatility Control Account and Diversified Growth Volatility Control Account, both of which are permitted to invest in unaffiliated exchange-traded funds in excess of the limits set forth in Section 12(d)(1) of the Investment Company Act of 1940, as amended, in accordance with exemptive orders issued to such exchange-traded funds and procedures previously adopted by the Board, the Board considered information provided by the Manager relating to the non-duplicative nature of the Fund's management fees and found that the management fees charged by the Manager under the Management Agreement for the Fund are for services provided in addition to, and are not duplicative of, services provided under the investment advisory contract(s) of the exchange-traded funds in which the Fund may invest.

Profitability

The Board reviewed detailed information regarding revenues the Manager, received under the Management Agreements and the estimated direct and indirect costs incurred in providing to each Fund the services described in the applicable Management Agreements for the year ended December 31, 2020. The Board also considered the returns on revenue generated in connection with the payment of subadvisory fees to affiliated Subadvisors (Principal-REI and Spectrum) and the aggregated return on revenue to the Manager and its affiliates for the year ended December 31, 2020. The Board concluded that the management fee for each Fund was reasonable, taking into account the profitability information presented by the Manager.

Economies of Scale

The Board considered whether there are economies of scale with respect to the management of each Fund and whether the Funds benefit from any such economies of scale. The Board considered the Manager's biennial breakpoint study that was received by the Board in March 2020 and the Manager's representation that Funds are initially priced as though the Fund had reached scale, reflecting a sharing of economies of scale. The Board then reviewed the levels at which breakpoints occur, the incremental declines in management fee rates at each breakpoint and the amount of fee reductions that had been provided to shareholders as a result of these breakpoints. The Board considered cost saving passed along to the Funds as a result of certain expense caps and fee waivers. The Board considered whether the effective management fee rate for each Fund under the applicable Management Agreement is reasonable in relation to the asset size of such Fund. The Board also noted management's explanation of efficiencies in the Manager's cost structure. The Board concluded that the fee schedule for each Fund reflects an appropriate level of sharing of any economies of scale.

The Board noted that the Principal LifeTime Accounts do not directly pay management fees, although shareholders bear a portion of the cost of the management fees at the underlying fund level as reflected in the acquired fund fees and expenses.

The Board also noted that the management fees for the Bond Market Index Account, Diversified Balanced Account, the Diversified Balanced Managed Volatility Account, the Diversified Balanced Volatility Control Account, the Diversified Growth Account, the Diversified Growth Managed Volatility Account, the Diversified Growth Volatility Control Account, and the Diversified Income Account do not include breakpoints, but each such Fund has a relatively low management fee rate (25 basis points or less) on all Fund assets. Considering all relevant factors, including the level of the fee, the Board determined that no breakpoints were necessary at this time. The Board further determined that no breakpoints are necessary at this time for the LargeCap S&P 500 Managed Volatility Index Account due, among other factors, to their current asset levels and taking into account levels of profitability to the Manager.

Subadvisory Fees, Economies of Scale and Profitability

For each subadvised Fund, the Board considered the subadvisory fees, noting that the Manager compensates each Subadvisor from its own management fee, so that shareholders pay only the management fee.

Nature, Quality and Extent of Services

The Board considered the nature, quality and extent of the services provided under each Subadvisory Agreement. The Board considered the reputation, qualifications and background of the Subadvisor, the investment approach of the Subadvisor, the experience and skills of investment personnel responsible for the day-to-day management of each Fund and the resources made available to such personnel. The Board also considered the Subadvisors' compliance with investment policies and general legal compliance. Based upon all relevant factors, the Board concluded that the nature, quality and extent of the services provided by the Subadvisors to the subadvised Funds under the Subadvisory Agreements are satisfactory.

Investment Performance

As to each subadvised Fund, the Manager had advised the Board that the investment services delivered by each Subadvisor to the Fund were reasonable. Based upon all relevant factors, the Board concluded that each Subadvisor is qualified and that either: (1) the investment performance of the Subadvisor met acceptable levels of investment performance; or (2) although the Fund experienced underperformance from the applicable Subadvisor, based upon that Fund's particular circumstances or in light of remedial efforts being taken to improve performance, as applicable, it was in the best interests of the Fund to continue to closely monitor performance and to renew the Subadvisory Agreement. In each case involving underperformance, the Board concluded that the Manager was providing effective monitoring.

Fees, Economies of Scale and Profitability

For each subadvised Fund, the Board considered the subadvisory fee rates, noting that the Manager compensates each Subadvisor from its own management fee, so that shareholders pay only the management fee. For each subadvised Fund, the Board received certain information from Broadridge comparing each such Fund's subadvisory fee rate at current asset levels and at theoretical asset levels to subadvisory fee rates of subadvised funds in the Expense Group and, if available, the Expense Universe.

With regard to the Real Estate Securities Account, the Board accepted management's proposal to amend the Subadvisory Agreement for the Fund with Principal Real Estate Investors, LLC to amend the subadvisory fee schedule for the Fund to reduce the effective subadvisory fee rate payable at all asset levels, and the Board considered the amended subadvisory fee schedule and the pro forma ranking of the reduced effective subadvisory fee rate in concluding that the Subadvisory Agreement, as amended, should be renewed for the Fund.

The Board considered whether there are economies of scale with respect to the subadvisory services provided to each subadvised Fund and, if so, whether the subadvisory fees reflect such economies of scale through breakpoints in fees or whether the subadvisory fee schedule is otherwise appropriate at current asset levels. In addition, in evaluating the subadvisory fees and the factor of profitability, with respect to unaffiliated Subadvisors, the Board considered that the subadvisory fee rate was negotiated at arm's length between the Manager and the Subadvisor. The Board considered the profitability of the affiliated Subadvisors in conjunction with their review of the profitability of the Manager. On the basis of the information provided, the Board concluded that the subadvisory fees were reasonable.

Other Benefits to SubAdvisors

The Board also considered the character and amount of other incidental benefits received by each Subadvisor when evaluating the subadvisory fees. The Board considered as a part of this analysis each Subadvisor's brokerage practices, soft dollar practices and use of research payment accounts. The Board concluded that, on the basis of the information provided, the subadvisory fees were reasonable.

Overall Conclusions

Based upon all of the information considered and the conclusions reached, the Board determined that the terms of each Advisory Agreement continue to be fair and reasonable and that the continuation of each Advisory Agreement, with the actions proposed by the Manager, is in the best interests of each Fund.

Long-Term Capital Gain Dividends. Certain funds distributed long-term capital gain dividends during the fiscal year ended December 31, 2021. Details of designated long-term capital gain dividends for federal income tax purposes are shown in the notes to financial statements. To the extent necessary to distribute such capital gains, certain funds may also utilize, and hereby designate, earnings and profits distributed to shareholders on redemptions of shares as part of the Dividends Paid Deduction.

Dividends Received Deduction ("DRD"). For corporate shareholders, the percentage of ordinary income distributions (dividend income and short-term gains, if any) for the year ended December 31, 2021, that qualifies for the DRD are as follows:

	DRD		DRD
Blue Chip Account	23.03%	MidCap Account	100.00%
Bond Market Index Account	0.00	Principal Capital Appreciation Account	100.00
Core Plus Bond Account	0.58	Principal LifeTime 2010 Account	7.64
Diversified Balanced Account	24.93	Principal LifeTime 2020 Account	17.41
Diversified Balanced Managed Volatility Account	23.94	Principal LifeTime 2030 Account	20.19
Diversified Balanced Volatility Control Account	15.11	Principal LifeTime 2040 Account	25.27
Diversified Growth Account	34.76	Principal LifeTime 2050 Account	28.40
Diversified Growth Managed Volatility Account	33.01	Principal LifeTime 2060 Account	26.26
Diversified Growth Volatility Control Account	23.90	Principal LifeTime Strategic Income Account	8.13
Diversified Income Account	19.00	Real Estate Securities Account	0.09
Diversified International Account	0.00	SAM Balanced Portfolio	47.05
Equity Income Account	98.04	SAM Conservative Balanced Portfolio	31.43
Government & High Quality Bond Account	0.00	SAM Conservative Growth Portfolio	72.82
International Emerging Markets Account	0.00	SAM Flexible Income Portfolio	19.40
LargeCap Growth Account I	32.16	SAM Strategic Growth Portfolio	87.84
LargeCap S&P 500 Index Account	88.79	Short-Term Income Account	0.00
LargeCap S&P 500 Managed Volatility Index Account	46.85	SmallCap Account	26.69

Foreign Taxes Paid. The following funds elect under the Internal Revenue Code Section ("IRC") 853 to pass through foreign taxes paid to their shareholders. The total amounts of foreign taxes reported on a per share basis in the year ended December 31, 2021, are as follows:

	Foreign Taxes Per Share	Foreign Source Income		Foreign Taxes Per Share	Foreign Source Income
Diversified Balanced Account	$ 0.0022	5.68%	Principal LifeTime 2030 Account	$ 0.0057	13.89%
Diversified Balanced Managed Volatility Account	0.0017	6.17	Principal LifeTime 2040 Account	0.0083	17.71
Diversified Balanced Volatility Control Account	0.0013	5.14	Principal LifeTime 2050 Account	0.0082	20.11
Diversified Growth Account	0.0036	8.86	Principal LifeTime 2060 Account	0.0077	19.30
Diversified Growth Managed Volatility Account	0.0025	9.48	Principal LifeTime Strategic Income Account	0.0019	4.19
Diversified Growth Volatility Control Account	0.0019	8.59	SAM Balanced Portfolio	0.0046	15.41
Diversified Income Account	0.0010	3.57	SAM Conservative Balanced Portfolio	0.0022	8.64
Diversified International Account	0.0306	89.93	SAM Conservative Growth Portfolio	0.0074	24.06
International Emerging Markets Account	0.0406	100.00	SAM Flexible Income Portfolio	0.0017	5.19
Principal LifeTime 2010 Account	0.0023	4.45	SAM Strategic Growth Portfolio	0.0107	34.78
Principal LifeTime 2020 Account	0.0044	10.69			

The funds may receive a refund of taxes that can result in a redetermination of historical foreign taxes paid in accordance with IRC Section 905(c). The Funds will provide by February 28th annually, when applicable, any foreign tax redetermination on Principal's Tax Center website under the Principal Variable Contracts Funds, Inc.'s Foreign Tax Redetermination Notices.

The latest Federal Income Tax Information is available on Principal's Tax Center website.

Website: https://www.principalfunds.com/individual-investor/customer-support/tax-center

Please consult your tax advisor if you have any questions.

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This report must be preceded or accompanied by a current prospectus for the Principal Variable Contracts Funds, Inc.

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