ALGER

THE ALGER PORTFOLIOS

Alger Capital Appreciation Portfolio

ANNUAL REPORT

DECEMBER 31, 2020

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ALGER CAPITAL APPRECIATION PORTFOLIO

Dear Shareholders,

The New Normal Provides Reason for Optimism

As I write this letter, I reflect upon how we have recently experienced some of the most significant events in many years. The presidential election was highly emotional and drew a record number of voters, and Covid-19 continued to create economic challenges and losses that will likely impact us for years to come–even as we begin to see vaccination programs ramp up. During the past 12 months, our healthcare system was challenged by Covid-19 while social justice issues became front and center in America. These issues are daunting and Alger has responded by supporting frontline healthcare workers and social justice organizations such as the Brooklyn NAACP and the New Jersey Institute for Social Justice.

I am proud to say our employees quickly adjusted to remote work and achieved notable and attractive investment performance. As sobering as the past year has been, we remain hopeful for our future, notwithstanding the challenges that lie ahead.

We believe the following points are essential:

- Investors may want to consider seeking companies that are benefiting from dramatic changes occurring throughout the economy, including innovation, rather than align portfolios to which political parties control Washington, D.C.
- A "New Normal" may continue after the pandemic, which has dramatically accelerated the speed at which digitization and other forms of innovation are occurring in our personal lives and the business world.
- The rapid transformation occurring across industries, we believe, will continue after the pandemic and potentially create attractive opportunities for well-managed, innovative companies to generate strong earnings growth with new products that disrupt entire industries.

A Challenging Time

For calendar year 2020, the S&P 500 Index generated an 18.40% return. Corporate fundamentals initially supported investor sentiment and drove the index to a record high by the middle of February 2020. The global spread of the novel coronavirus, however, caused investor sentiment to plummet and from the February peak to March 23, the S&P 500 Index dropped 33.79% as investors grew increasingly concerned that efforts to slow the growth of the virus, such as stay-at-home orders and economic shutdowns, would trigger a global recession.

Sentiment quickly reversed when the Federal Reserve ("the Fed") responded aggressively with two rate cuts totaling 150 basis points, bringing the fed funds target rate to 0.0% - 0.25%. The Fed also unveiled a round of quantitative easing while U.S. legislators began creating programs initially valued at more than $2 trillion to support businesses, increase unemployment benefits and provide one-time payments to certain individuals. Equities once again rallied despite the U.S. reporting that second quarter gross domestic product (GDP) contracted at an annual rate of 31.4%. Yet, other economic data was encouraging. After peaking in May at approximately 25 million, U.S. continuing unemployment claims decreased while monthly retail sales (ex. food services) began strengthening in June and were above pre-Covid-19 levels by the end of the year. Housing starts and the median sale price for existing homes also strengthened. Investors also remained optimistic that reopening the economy would support renewed GDP growth.

In the late summer, however, stimulus debates in Congress lost traction and the pandemic appeared to strengthen, causing the S&P 500 to drop 6.36% in September and October. Those fears quickly took backstage with the October announcement that third quarter annualized GDP grew 33.1%. The return of economic growth, optimism regarding vaccines and the potential for additional stimulus helped spark a market rally in the final months of the year and a strong rotation into cyclical stocks. Additionally, legislative gridlock appeared to be a possibility. President-elect Joe Biden's party saw its majority in the House of Representatives narrow but will be able to have his vice president cast tie breaking votes in the Senate. Despite the late value rally, growth stocks led for the year with the Russell 3000 Growth Index generating a 38.26% return compared to the 2.87% return of the Russell 3000 Value Index.

International Markets Provide a Glimmer of Hope

Foreign equity markets also exhibited considerable volatility, but the MSCI ACWI ex USA Index generated an 11.13% return for the year and the MSCI Emerging Markets Index generated a positive 18.69% return over the same time period. Much of the positive performance of emerging markets was attributable to China and a handful of other Asian countries that implemented early and aggressive measures to curtail the pandemic and therefore minimized the impact of the virus on their economies.

The Beneficiaries of Change

The pandemic is accelerating the already rapid pace at which new products and services disrupt their industries and capture market share. Many of these changes, we believe, will continue even after the pandemic.

- Remote working: The widespread implementation of work from home has created strong demand for new technologies that support online collaboration, videoconferencing, business process management, network capacity and security. As remote working has grown, firms such as CrowdStrike Holdings, Inc. that provide end-point protection against viruses, malware and other digital threats are experiencing increased demand for cloud-based security systems. We believe this trend may continue after the pandemic. In a study by Gartner, Inc., 82% of executives said they plan on letting employees work remotely some of the time and 47% said they will allow employees to work remotely all of the time (executives could select more than one answer).
- Communications: In both government and commercial firms, the need for real-time communication with the public or their employees has driven the adoption of new communications platforms to manage dialogues. Everbridge, for example, announced during its second quarter earnings call that it has processed more than 700 million messages related to the pandemic.
- E-commerce: Online shopping has seen near exponential acceleration while people have been under stay-at-home orders. In the first nine months of

2020, U.S. e-commerce sales grew 33% year-over-year, while traditional retail sales, excluding auto, gas and food services, grew a little more than 1% year-over-year. E-commerce package volumes are expected to more than triple to 111 million packages per day by 2026, up from 35 million in 2019. This trend benefits large online retailers such as Amazon.com, Inc., but it is also helping smaller retailers who had the foresight to adopt and even primarily build their businesses online, often using technology from companies such as Shopify, Square and HubSpot.

- Healthcare: The adoption of telemedicine has accelerated as healthcare consumers and medical professionals embrace the technology to practice social distancing. In addition to convenience for patients, telemedicine is helping healthcare providers reduce their reliance on costly offices within hospitals or other facilities. We believe the adoption of this technology will continue after the pandemic. Separately, the rapid speed of developing Covid-19 vaccines has validated the groundbreaking power of genetic sciences, including mRNA technology, which instructs a patient's cells to produce proteins that could prevent or treat a variety of diseases. We have identified at least 13 companies that are using mRNA to develop treatments for oncology, infectious diseases and cardiovascular and pulmonary disorders. The healthcare sector currently is in a robust period of additional forms of innovation, with significant acceleration in new fields like immunology-oncology, which engages the immune system to fight cancer, and gene therapy, which uses new genetic editing techniques to attempt to directly address diseases caused by genetic disorders. In the field of diagnostics, the development of a new generation of blood-based tests seeks to increase the sensitivity and accuracy of cancer detection and monitoring for cancer survivors; more detailed understanding of the pathology of a patient's cancer, it is hoped, will also improve the design of cancer treatments for patients. If successful, these new blood-based diagnostic tools will likely supplement or, in some cases, substantially reduce the use of traditional biopsies in cancer treatment.

Going Forward

Rather than align our portfolios with the priorities of the U.S. president, or rotate into value or cyclical stocks in anticipation of stronger economic growth, we are focusing on finding attractive opportunities among companies that we believe have the potential for generating durable earnings growth with innovation that disrupts existing business models and even entire industries. In the past, value rallies have tended to be short lived and we believe structural challenges, such as accounting practices for valuing intangible assets, have made traditional methods for classifying stocks outdated and can potentially contribute to the underperformance of value stocks. At the same time, certain companies that are benefiting from secular growth and have potential to generate earnings expansion also have exposure to end markets, such as travel and leisure, that can benefit from economic re-openings. We believe that by pursuing such opportunities, we may not have to sacrifice quality and long-term growth potential when anticipating a rebound in depressed areas of the economy.

Portfolio Matters

Alger Capital Appreciation Portfolio

The Alger Capital Appreciation Portfolio generated a 41.75% return for the fiscal 12-month period ended December 31, 2020, compared to the 38.49% return of its benchmark, the Russell 1000 Growth Index.

Contributors to Performance

During the reporting period, the largest sector weightings were Information Technology and Consumer Discretionary. The largest sector overweight was Consumer Discretionary and the largest underweight was Consumer Staples. The Consumer Discretionary and Industrials sectors provided the largest contributions to relative performance.

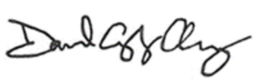
Regarding individual positions, Amazon.com, Inc.; Apple, Inc.; Microsoft Corp.; NVIDIA Corp.; and PayPal Holdings, Inc. were among the top contributors to performance. Microsoft created the world's leading desktop operating system. The company is transitioning its products to the cloud under the guidance of CEO Satya Nadella. Microsoft also owns LinkedIn, the Xbox brand and the video chat and voice call platform, Skype. Additionally, Microsoft is building artificial intelligence services and an enterprise cloud offering called Azure. The company has been generating very strong free cash flow that it is returning to shareholders as dividends and share repurchases. At the same time, investors are cheering the positive life cycle change as the company reports strong success in moving its products to the cloud and in growing its enterprise cloud service. Additionally, even though Microsoft's subscription-based software offerings and cloud computing services are not entirely immune to economic slowdowns, they are proving resilient because, in our opinion, they enhance customers' growth initiatives and help them to diminish costs.

Detractors from Performance

The Healthcare and Consumer Staples sectors were among the sectors that detracted from relative performance. Regarding individual positions, Raytheon Co.; Aptiv PLC; Boston Scientific Corp.; Boeing Co.; and Western Digital Corp. were among the top detractors from performance. Raytheon is experiencing positive life cycle change resulting from its merger with United Technologies. Raytheon provides diversified products for some of the fastest-growing segments of the U.S. defense budget while United Technologies is a leader in commercial aerospace. We believe the merger offers scale advantages that create revenue and cost synergies. Unfortunately, diminished air travel activity driven by Covid-19 has caused a deterioration in Raytheon's growth outlook, which caused its stock to underperform.

As always, we strive to deliver consistently superior investment results to you, our shareholders, and we thank you for your continued confidence in Alger.

Sincerely,



Daniel C. Chung, CFA
Chief Investment Officer
Fred Alger Management, LLC

Investors cannot invest directly in an index. Index performance does not reflect the deduction for fees, expenses, or taxes.

This report and the financial statements contained herein are submitted for the general information of shareholders of the Alger Capital Appreciation Portfolio. This report is not authorized for distribution to prospective investors in the Portfolio unless preceded or accompanied by an effective prospectus for the Portfolio. The Portfolio's returns represent the fiscal 12-month period return of Class I-2 shares. Returns include reinvestment of dividends and distributions.

The performance data quoted in these materials represent past performance, which is not an indication or guarantee of future results.

Standard performance results can be found on the following pages. The investment return and principal value of an investment in the Portfolio will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For performance data current to the most recent month-end, visit us at www.alger.com, or call us at (800) 992-3863.

The views and opinions of the Portfolio's management in this report are as of the date of the Shareholders' Letter and are subject to change at any time subsequent to this date. There is no guarantee that any of the assumptions that formed the basis for the opinions stated herein are accurate or that they will materialize. Moreover, the information forming the basis for such assumptions is from sources believed to be reliable; however, there is no guarantee that such information is accurate. Any securities mentioned, whether owned in the Portfolio or otherwise, are considered in the context of the construction of an overall portfolio of securities and therefore reference to them should not be construed as a recommendation or offer to purchase or sell any such security. Inclusion of such securities in the Portfolio and transactions in such securities, if any, may be for a variety of reasons, including without limitation, in response to cash flows, inclusion in a benchmark, and risk control. The reference to a specific security should also be understood in such context and not viewed as a statement that the security is a significant holding in the Portfolio. Please refer to the Schedule of Investments for the Portfolio which is included in this report for a complete list of Portfolio holdings as of December 31, 2020. Securities mentioned in the Shareholders' Letter, if not found in the Schedule of Investments, may have been held by the Portfolio during the 12-month fiscal period.

Risk Disclosure

Investing in the stock market involves risks, including the potential loss of principal. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. A significant portion of assets will be invested in technology companies, which may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies. Investments in the Consumer Discretionary sector may be affected by domestic and international economies, consumer's disposable income, consumer preferences and social trends. Foreign securities involve special risks including currency fluctuations, inefficient trading, political and economic instability, and increased volatility.

For a more detailed discussion of the risks associated with the Portfolio, please see the Portfolio's Prospectus.

Before investing, carefully consider the Portfolio's investment objective, risks, charges, and expenses.

For a prospectus containing this and other information about the Alger Portfolios, call us at (800) 992-3863 or visit us at www.alger.com. Read it carefully before investing.

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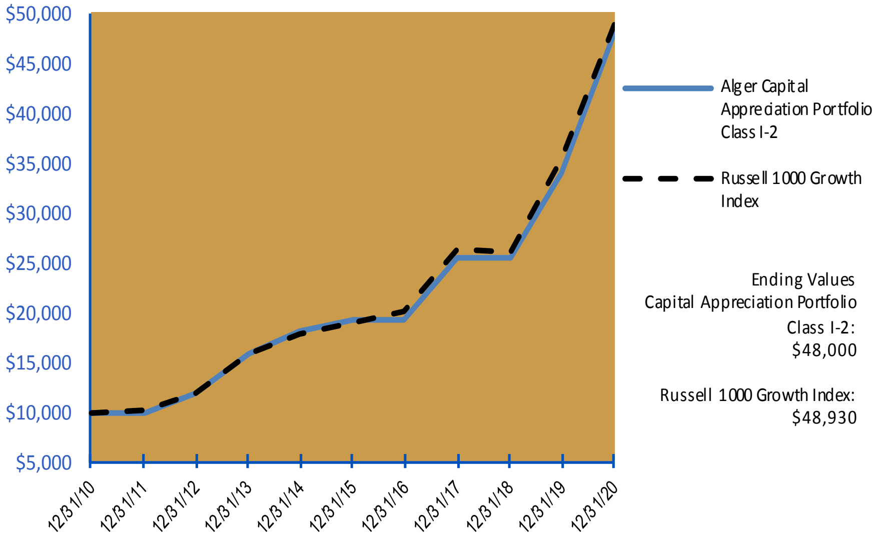
NOT FDIC INSURED. NOT BANK GUARANTEED. MAY LOSE VALUE.

Definitions:

- The S&P 500 Index: An index of large company stocks considered to be representative of the U.S. stock market.
- The MSCI ACWI ex USA Index (gross) captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the U.S.) and 26 Emerging Markets (EM) countries. The index covers approximately 85% of the global equity opportunity set outside the U.S.
- The Russell 3000 Growth Index combines the large-cap Russell 1000 Growth, the small-cap Russell 2000 Growth and the Russell Microcap Growth Index. It includes companies that are considered more growth oriented relative to the overall market as defined by Russell's leading style methodology. The Russell 3000 Growth Index is constructed to provide a comprehensive, unbiased, and stable barometer of the growth opportunities within the broad market.
- The Russell 3000 Value Index measures the performance of the broad value segment of the U.S. equity value universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 3000 Value Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad value market.
- The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher growth earning potential as defined by Russell's leading style methodology. The Russell 1000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment.
- The Morgan Stanley Capital International (MSCI) Emerging Markets Index (gross) is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

HYPOTHETICAL $10,000 INVESTMENT IN CLASS I-2

— 10 years ended 12/31/20



The chart above illustrates the change in value of a hypothetical $10,000 investment made in Alger Capital Appreciation Portfolio Class I-2 shares and the Russell 1000 Growth Index (an unmanaged index of common stocks) for the ten years ended December 31, 2020. Figures for each of the Alger Capital Appreciation Portfolio Class I-2 shares and the Russell 1000 Growth Index include reinvestment of dividends. Figures for the Alger Capital Appreciation Portfolio Class I-2 shares also include reinvestment of capital gains. Performance for Alger Capital Appreciation Portfolio Class S shares will be lower than the results shown above due to the higher expenses that class bears.

PERFORMANCE COMPARISON AS OF 12/31/20

AVERAGE ANNUAL TOTAL RETURNS

	1 YEAR	5 YEARS	10 YEARS	Since 1/25/1995
Class I-2 (Inception 1/25/95)	41.75%	20.04%	16.98%	14.44%
Class S (Inception 5/1/02)(i)	41.41%	19.72%	16.65%	14.16%
Russell 1000 Growth Index	38.49%	21.00%	17.21%	10.85%

The performance data quoted represents past performance, which is not an indication or a guarantee of future results. Investment return and principal will fluctuate and the Portfolio's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. For performance current to the most recent month end, visit us at www.alger.com or call us at (800) 992-3863.

Returns indicated assume reinvestment of all distributions, no transaction costs or taxes, and are net of management fees and fund operating expenses only. Total return does not include deductions at the Portfolio or contract level for cost of the insurance charges, premium load, administrative charges, mortality and expense risk charges or other charges that may be incurred under the variable annuity contract, variable life insurance plan or retirement plan for which the Portfolio serves as an underlying investment vehicle. If these charges were deducted, the total return figures would be lower. Please refer to the variable insurance product or retirement plan disclosure documents for any additional applicable expenses. Investing in the stock market involves gains and losses and may not be suitable for all investors.

(i) Since inception returns are calculated from the Class I-2 shares inception date. Class S shares returns prior to their commencement of operations are those of Class I-2 shares adjusted to reflect the higher expenses of Class S shares.

PORTFOLIO SUMMARY†
December 31, 2020 (Unaudited)

SECTORS/SECURITY TYPES	Alger Capital Appreciation Portfolio
Communication Services	12.0%
Consumer Discretionary	20.4
Consumer Staples	0.9
Financials	2.9
Healthcare	8.1
Industrials	6.5
Information Technology	46.6
Materials	1.6
Real Estate	0.2
Total Equity Securities	99.2
Short-Term Investments and Net Other Assets	0.8
	100.0%

† *Based on net assets for the Portfolio.*

COMMON STOCKS—98.9%	SHARES		VALUE
AEROSPACE & DEFENSE—1.6%			
Raytheon Technologies Corp.	43,890	$	3,138,574
TransDigm Group, Inc.*	11,583		7,168,139
			10,306,713
AIR FREIGHT & LOGISTICS—0.5%			
XPO Logistics, Inc.*	27,312		**3,255,590**
APPAREL ACCESSORIES & LUXURY GOODS—1.2%			
Lululemon Athletica, Inc.*	2,506		872,163
LVMH Moet Hennessy Louis Vuitton SE	10,734		6,718,674
			7,590,837
APPLICATION SOFTWARE—9.5%			
Adobe, Inc.*	45,946		22,978,514
Autodesk, Inc.*	2,616		798,769
Cadence Design Systems, Inc.*	2,561		349,397
Coupa Software, Inc.*	1,639		555,474
Intuit, Inc.	19,130		7,266,531
Palantir Technologies, Inc., Cl. A*,(a)	185,276		3,648,436
RingCentral, Inc., Cl. A*	15,147		5,740,259
salesforce.com, Inc.*	82,510		18,360,950
			59,698,330
AUTOMOBILE MANUFACTURERS—1.4%			
Tesla, Inc.*	12,664		**8,936,605**
AUTOMOTIVE RETAIL—0.4%			
Lithia Motors, Inc., Cl. A	7,995		**2,339,897**
BIOTECHNOLOGY—1.7%			
AbbVie, Inc.	35,020		3,752,393
BioMarin Pharmaceutical, Inc.*	18,940		1,660,848
Genmab AS#,*	13,424		545,820
Vertex Pharmaceuticals, Inc.*	20,352		4,809,992
			10,769,053
CASINOS & GAMING—1.7%			
DraftKings, Inc., Cl. A*	98,356		4,579,455
Las Vegas Sands Corp.	99,471		5,928,472
			10,507,927
CONSTRUCTION MACHINERY & HEAVY TRUCKS—0.4%			
PACCAR, Inc.	26,583		**2,293,581**
DATA PROCESSING & OUTSOURCED SERVICES—9.4%			
Fidelity National Information Services, Inc.	23,341		3,301,818
Fiserv, Inc.*	73,631		8,383,626
PayPal Holdings, Inc.*	65,478		15,334,947
Square, Inc., Cl. A*	2,364		514,501
Visa, Inc., Cl. A	145,107		31,739,254
			59,274,146
DIVERSIFIED BANKS—0.4%			
JPMorgan Chase & Co.	20,231		**2,570,753**

COMMON STOCKS—98.9% (CONT.)	SHARES		VALUE
DIVERSIFIED SUPPORT SERVICES—0.7%			
Cintas Corp.	9,820	$	3,470,977
Copart, Inc.*	5,127		652,411
			4,123,388
ELECTRICAL COMPONENTS & EQUIPMENT—0.2%			
AMETEK, Inc.	12,190		**1,474,259**
ENVIRONMENTAL & FACILITIES SERVICES—0.4%			
Waste Management, Inc.	23,056		**2,718,994**
FINANCIAL EXCHANGES & DATA—1.7%			
CME Group, Inc., Cl. A	30,768		5,601,315
S&P Global, Inc.	16,351		5,375,064
			10,976,379
FOOD DISTRIBUTORS—0.9%			
Sysco Corp.	78,265		**5,811,959**
FOOTWEAR—1.2%			
NIKE, Inc., Cl. B	53,028		**7,501,871**
GENERAL MERCHANDISE STORES—0.2%			
Target Corp.	8,493		**1,499,269**
HEALTHCARE EQUIPMENT—3.6%			
Boston Scientific Corp.*	21,503		773,033
Danaher Corp.	74,077		16,455,464
DexCom, Inc.*	4,365		1,613,828
Intuitive Surgical, Inc.*	4,608		3,769,805
			22,612,130
HEALTHCARE SERVICES—0.4%			
Guardant Health, Inc.*	21,410		**2,759,321**
HEALTHCARE SUPPLIES—0.6%			
Align Technology, Inc.*	6,674		**3,566,452**
HOME IMPROVEMENT RETAIL—1.0%			
Lowe's Cos., Inc.	37,570		**6,030,361**
INDUSTRIAL CONGLOMERATES—0.3%			
General Electric Co.	153,680		**1,659,744**
INDUSTRIAL GASES—0.3%			
Air Products & Chemicals, Inc.	8,017		**2,190,405**
INTERACTIVE MEDIA & SERVICES—7.8%			
Alphabet, Inc., Cl. C*	12,437		21,788,132
Facebook, Inc., Cl. A*	79,093		21,605,044
Pinterest, Inc., Cl. A*	86,158		5,677,812
			49,070,988
INTERNET & DIRECT MARKETING RETAIL—11.9%			
Alibaba Group Holding Ltd.#,*	44,877		10,444,224
Amazon.com, Inc.*	16,946		55,191,936
Booking Holdings, Inc.*	2,381		5,303,130
MercadoLibre, Inc.*	2,473		4,142,819
			75,082,109

COMMON STOCKS—98.9% (CONT.)	SHARES		VALUE
INTERNET SERVICES & INFRASTRUCTURE—1.4%			
Shopify, Inc., Cl. A*	2,976	$	3,368,683
Twilio, Inc., Cl. A*	17,083		5,782,596
			9,151,279
INVESTMENT BANKING & BROKERAGE—0.8%			
Morgan Stanley	72,029		**4,936,147**
MANAGED HEALTHCARE—1.5%			
UnitedHealth Group, Inc.	27,316		**9,579,175**
METAL & GLASS CONTAINERS—0.2%			
Ball Corp.	14,729		**1,372,448**
MOVIES & ENTERTAINMENT—1.5%			
Live Nation Entertainment, Inc.*	30,589		2,247,680
Netflix, Inc.*	11,026		5,962,089
The Walt Disney Co.*	8,452		1,531,333
			9,741,102
PHARMACEUTICALS—0.3%			
Horizon Therapeutics PLC*	27,489		**2,010,820**
RAILROADS—1.0%			
Union Pacific Corp.	30,124		**6,272,419**
RESEARCH & CONSULTING SERVICES—0.6%			
CoStar Group, Inc.*	3,799		**3,511,340**
RESTAURANTS—1.4%			
Chipotle Mexican Grill, Inc., Cl. A*	2,387		3,310,077
Starbucks Corp.	50,380		5,389,652
			8,699,729
SEMICONDUCTOR EQUIPMENT—1.4%			
Applied Materials, Inc.	105,427		**9,098,350**
SEMICONDUCTORS—9.2%			
Advanced Micro Devices, Inc.*	87,188		7,996,011
Microchip Technology, Inc.	12,150		1,678,037
Micron Technology, Inc.*	73,180		5,501,672
NVIDIA Corp.	16,669		8,704,552
NXP Semiconductors NV	59,453		9,453,622
QUALCOMM, Inc.	107,286		16,343,949
Taiwan Semiconductor Manufacturing Co., Ltd.#	77,934		8,497,923
			58,175,766
SPECIALTY CHEMICALS—1.1%			
The Sherwin-Williams Co.	9,661		**7,099,966**
SYSTEMS SOFTWARE—8.3%			
Microsoft Corp.	220,475		49,038,049
ServiceNow, Inc.*	5,593		3,078,555
			52,116,604
TECHNOLOGY HARDWARE STORAGE & PERIPHERALS—7.3%			
Apple, Inc.	348,295		**46,215,264**
TRUCKING—0.8%			
Uber Technologies, Inc.*	103,349		**5,270,799**

COMMON STOCKS—98.9% (CONT.)	SHARES		VALUE
WIRELESS TELECOMMUNICATION SERVICES—2.7%			
T-Mobile US, Inc.*	124,456	$	**16,782,892**
TOTAL COMMON STOCKS			
(Cost $363,728,735)			**624,655,161**
REAL ESTATE INVESTMENT TRUST—0.2%	SHARES		VALUE
RETAIL—0.2%			
Simon Property Group, Inc.	15,949		**1,360,131**
(Cost $1,444,945)			**1,360,131**
SPECIAL PURPOSE VEHICLE—0.1%	SHARES		VALUE
DATA PROCESSING & OUTSOURCED SERVICES—0.1%			
Crosslink Ventures Capital LLC, Cl. A*,@,(b),(c)	19		**475,000**
(Cost $475,000)			**475,000**
Total Investments			
(Cost $365,648,680)	99.2%	$	**626,490,292**
Affiliated Securities (Cost $475,000)			475,000
Unaffiliated Securities (Cost $365,173,680)			626,015,292
Other Assets in Excess of Liabilities	0.8%		5,243,092
NET ASSETS	100.0%	$	**631,733,384**

American Depositary Receipts.
* *Non-income producing security.*
(a) *Restricted security – Security restricted from resale until the public disclosure of the company's financial results for the year ended December 31, 2020.*
(b) *Security is valued in good faith at fair value determined using significant unobservable inputs pursuant to procedures established by the Board.*
(c) *Deemed an affiliate of the Portfolio in accordance with Section 2(a)(3) of the Investment Company Act of 1940. See Note 11 - Affiliated Securities.*
@ *Restricted security - Investment in security not registered under the Securities Act of 1933. Sales or transfers of the investment may be restricted only to qualified buyers.*

Security	*Acquisition Date(s)*	*Acquisition Cost*	*% of net assets (Acquisition Date)*	*Market Value*	*% of net assets as of 12/31/2020*
Crosslink Ventures Capital LLC, Cl. A	*10/2/20*	*$475,000*	*0.08%*	*$475,000*	*0.08%*
Palantir Technologies, Inc., Cl. A	*10/1/20*	*1,220,262*	*0.21%*	*3,648,436*	*0.58%*
Total				*$4,123,436*	*0.66%*

See Notes to Financial Statements.

Statement of Assets and Liabilities December 31, 2020

		Alger Capital Appreciation Portfolio
ASSETS:		
Investments in unaffiliated securities, at value (Identified cost below)* see accompanying schedule of investments	$	626,015,292
Investments in affiliated securities, at value (Identified cost below)** see accompanying schedule of investments		475,000
Cash and cash equivalents		4,717,860
Receivable for investment securities sold		6,329,877
Receivable for shares of beneficial interest sold		560,267
Dividends and interest receivable		215,141
Prepaid expenses		39,655
Total Assets		638,353,092
LIABILITIES:		
Payable for investment securities purchased		1,868,444
Payable for shares of beneficial interest redeemed		4,188,857
Accrued investment advisory fees		430,829
Accrued printing fees		37,273
Accrued professional fees		13,815
Accrued transfer agent fees		7,298
Accrued distribution fees		12,250
Accrued administrative fees		14,627
Accrued shareholder administrative fees		5,319
Accrued other expenses		40,996
Total Liabilities		6,619,708
NET ASSETS	**$**	**631,733,384**
NET ASSETS CONSIST OF:		
Paid in capital (par value of $.001 per share)		352,256,107
Distributable earnings		279,477,277
NET ASSETS	**$**	**631,733,384**
* Identified cost	$	365,173,680[(a)]
** Identified cost	$	475,000[(a)]

See Notes to Financial Statements.

[(a)] *At December 31, 2020, the net unrealized appreciation on investments, based on cost for federal income tax purposes of $371,333,456, amounted to $255,156,836, which consisted of aggregate gross unrealized appreciation of $261,289,426 and aggregate gross unrealized depreciation of $6,132,590.*

		Alger Capital Appreciation Portfolio
NET ASSETS BY CLASS:		
Class I-2	$	573,297,294
Class S	$	58,436,090
SHARES OF BENEFICIAL INTEREST OUTSTANDING — NOTE 6:		
Class I-2		5,735,292
Class S		631,840
NET ASSET VALUE PER SHARE:		
Class I-2	$	99.96
Class S	$	92.49

See Notes to Financial Statements.

		Alger Capital Appreciation Portfolio
INCOME:		
Dividends (net of foreign withholding taxes*)	$	3,553,697
Interest		5,552
Total Income		3,559,249
EXPENSES:		
Investment advisory fees — Note 3(a)		4,372,317
Distribution fees — Note 3(c)		
Class S		129,878
Shareholder administrative fees — Note 3(f)		53,979
Administration fees — Note 3(b)		148,443
Custodian fees		43,805
Interest expenses		4,073
Transfer agent fees — Note 3(f)		35,147
Printing fees		84,012
Professional fees		87,093
Registration fees		34,720
Trustee fees — Note 3(g)		16,558
Fund accounting fees		125,452
Other expenses		26,529
Total Expenses		5,162,006
NET INVESTMENT LOSS		(1,602,757)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:		
Net realized gain on unaffiliated investments		96,538,178
Net realized loss on foreign currency transactions		(9,908)
Net change in unrealized appreciation on unaffiliated investments		96,827,872
Net change in unrealized depreciation on foreign currency		(34)
Net realized and unrealized gain on investments and foreign currency		193,356,108
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$**	**191,753,351**
* Foreign withholding taxes	$	50,383

See Notes to Financial Statements.

	Alger Capital Appreciation Portfolio For the Year Ended December 31, 2020	Alger Capital Appreciation Portfolio For the Year Ended December 31, 2019
Net investment loss	$ (1,602,757)	$ (181,137)
Net realized gain on investments and foreign currency	96,528,270	52,278,788
Net change in unrealized appreciation on investments and foreign currency	96,827,838	90,099,975
Net increase in net assets resulting from operations	191,753,351	142,197,626
Dividends and distributions to shareholders:		
Class I-2	(73,710,073)	(50,466,137)
Class S	(7,998,816)	(5,738,559)
Total dividends and distributions to shareholders	(81,708,889)	(56,204,696)
Increase (decrease) from shares of beneficial interest transactions — Note 6:		
Class I-2	11,701,960	(29,466,461)
Class S	(1,365,019)	239,334
Net increase (decrease) from shares of beneficial interest transactions — Note 6	10,336,941	(29,227,127)
Total increase	120,381,403	56,765,803
Net Assets:		
Beginning of period	511,351,981	454,586,178
END OF PERIOD	**$ 631,733,384**	**$ 511,351,981**

See Notes to Financial Statements.

Alger Capital Appreciation Portfolio

	Class I-2				
	Year ended 12/31/2020	Year ended 12/31/2019	Year ended 12/31/2018	Year ended 12/31/2017	Year ended 12/31/2016
Net asset value, beginning of period	$ 80.93	$ 68.07	$ 82.64	$ 67.11	$ 67.42
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income (loss)[(i)]	(0.25)	(0.01)	0.03	0.11	0.22
Net realized and unrealized gain on investments	33.91	22.74	0.10	20.76	0.13
Total from investment operations	33.66	22.73	0.13	20.87	0.35
Dividends from net investment income	–	–	(0.08)	(0.13)	(0.13)
Distributions from net realized gains	(14.63)	(9.87)	(14.62)	(5.21)	(0.53)
Net asset value, end of period	$ 99.96	$ 80.93	$ 68.07	$ 82.64	$ 67.11
Total return	41.75%	33.58%	(0.10)%	31.08%	0.50%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	$ 573,297	$ 461,686	$ 412,728	$ 468,883	$ 477,771
Ratio of net expenses to average net assets	0.93%	0.94%	0.95%	0.94%	0.94%
Ratio of net investment income (loss) to average net assets	(0.27)%	(0.01)%	0.03%	0.13%	0.33%
Portfolio turnover rate	89.91%	74.35%	67.68%	61.90%	89.78%

See Notes to Financial Statements.

(i) *Amount was computed based on average shares outstanding during the period.*

Alger Capital Appreciation Portfolio

	Class S				
	Year ended 12/31/2020	Year ended 12/31/2019	Year ended 12/31/2018	Year ended 12/31/2017	Year ended 12/31/2016
Net asset value, beginning of period	$ 75.85	$ 64.44	$ 79.13	$ 64.50	$ 64.87
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income (loss)(i)	(0.45)	(0.21)	(0.19)	(0.09)	0.04
Net realized and unrealized gain on investments	31.72	21.49	0.12	19.93	0.12
Total from investment operations	31.27	21.28	(0.07)	19.84	0.16
Distributions from net realized gains	(14.63)	(9.87)	(14.62)	(5.21)	(0.53)
Net asset value, end of period	$ 92.49	$ 75.85	$ 64.44	$ 79.13	$ 64.50
Total return	41.40%	33.24%	(0.37)%	30.74%	0.22%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	$ 58,436	$ 49,666	$ 41,858	$ 50,097	$ 39,570
Ratio of net expenses to average net assets	1.18%	1.21%	1.21%	1.21%	1.21%
Ratio of net investment income (loss) to average net assets	(0.52)%	(0.28)%	(0.23)%	(0.13)%	0.06%
Portfolio turnover rate	89.91%	74.35%	67.68%	61.90%	89.78%

See Notes to Financial Statements.

(i) *Amount was computed based on average shares outstanding during the period.*

NOTE 1 — General:

The Alger Portfolios (the "Fund") is an open-end registered investment company organized as a business trust under the laws of the Commonwealth of Massachusetts. The Fund qualifies as an investment company as defined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification 946-Financial Services – Investment Companies. The Fund operates as a series company currently offering seven series of shares of beneficial interest: Alger Capital Appreciation Portfolio, Alger Large Cap Growth Portfolio, Alger Growth & Income Portfolio, Alger Mid Cap Growth Portfolio, Alger Weatherbie Specialized Growth Portfolio, Alger Small Cap Growth Portfolio and Alger Balanced Portfolio (collectively, the "Portfolios"). These financial statements include only the Alger Capital Appreciation Portfolio (the "Portfolio"). The Portfolio invests primarily in equity securities and has an investment objective of long-term capital appreciation. Shares of the Portfolio are available to investment vehicles for variable annuity contracts and variable life insurance policies offered by separate accounts of life insurance companies, as well as qualified pension and retirement plans.

The Portfolio offers Class I-2 shares and Class S shares. Each class has identical rights to assets and earnings except that only Class S shares have a plan of distribution and bear the related expenses.

NOTE 2 — Significant Accounting Policies:

(a) Investment Valuation: The Portfolio values its financial instruments at fair value using independent dealers or pricing services under policies approved by the Fund's Board of Trustees (the "Board"). Investments held by the Portfolio are valued on each day the New York Stock Exchange (the "NYSE") is open, as of the close of the NYSE (normally 4:00 p.m. Eastern Time).

Investments in money market funds and short-term securities held by the Portfolio having a remaining maturity of sixty days or less are valued at amortized cost which approximates market value.

Equity securities, including traded rights, warrants and option contracts for which valuation information is readily available, are valued at the last quoted sales price or official closing price on the primary market or exchange on which they are traded as reported by an independent pricing service. In the absence of quoted sales, such securities are valued at the bid price or, in the absence of a recent bid price, the equivalent as obtained from one or more of the major market makers for the securities to be valued.

Debt securities generally trade in the over-the-counter market. Debt securities with remaining maturities of more than sixty days at the time of acquisition are valued on the basis of the last available bid prices or current market quotations provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments, various relationships observed in the market between investments and calculated yield measures based on valuation technology commonly employed in the market for such investments.

Asset-backed and mortgage-backed securities are valued by independent pricing services using models that consider estimated cash flows of each tranche of the security, establish a benchmark yield and develop an estimated tranche-specific spread to the benchmark yield based on the unique attributes of the tranche. Debt securities with a remaining maturity of sixty days or less are valued at amortized cost which approximates market value.

Securities for which market quotations are not readily available are valued at fair value, as determined in good faith pursuant to procedures established by the Board and described further herein.

Securities in which the Portfolio invests may be traded in foreign markets that close before the close of the NYSE. Developments that occur between the close of the foreign markets and the close of the NYSE may result in adjustments to the closing foreign prices to reflect what the Portfolio's investment adviser, pursuant to policies established by the Board, believes to be the fair value of these securities as of the close of the NYSE. The Portfolio may also fair value securities in other situations, for example, when a particular foreign market is closed but the Portfolio is open.

FASB Accounting Standards Codification 820 – Fair Value Measurements and Disclosures ("ASC 820") defines fair value as the price that the Portfolio would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability and may be observable or unobservable. Observable inputs are based on market data obtained from sources independent of the Portfolio. Unobservable inputs are inputs that reflect the Portfolio's own assumptions 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 in active markets for identical investments
- Level 2 – significant other observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Portfolio's own assumptions in determining the fair value of investments)

The Portfolio's valuation techniques are generally consistent with either the market or the income approach to fair value. The market approach considers prices and other relevant information generated by market transactions involving identical or comparable assets to measure fair value. The income approach converts future amounts to a current, or discounted, single amount. These fair value measurements are determined on the basis of the value indicated by current market expectations about such future events. Inputs for Level 1 include exchange-listed prices and broker quotes in an active market. Inputs for Level 2 include the last trade price in the case of a halted security, an exchange-listed price which has been adjusted for fair value factors, and prices of closely related securities. Additional

Level 2 inputs include an evaluated price which is based upon a compilation of observable market information such as spreads for fixed income and preferred securities. Inputs for Level 3 include, but are not limited to, revenue multiples, earnings before interest, taxes, depreciation and amortization ("EBITDA") multiples, discount rates, time to exit and the probabilities of success of certain outcomes. Such unobservable market information may be obtained from a company's financial statements and from industry studies, market data, and market indicators such as benchmarks and indexes. Because of the inherent uncertainty and often limited markets for restricted securities, the valuations assigned to such securities by the Portfolio may significantly differ from the valuations that would have been assigned by the Portfolio had there been an active market for such securities.

Valuation processes are determined by a Valuation Committee ("Committee") authorized by the Board and comprised of representatives of the Portfolio's investment adviser and officers of the Fund. The Committee reports its fair valuation determinations and related valuation information to the Board. The Board is responsible for approving the valuation policy and procedures.

While the Committee meets on an as-needed basis, the Committee generally meets quarterly to review and evaluate the effectiveness of the procedures for making fair value determinations. The Committee considers, among other things, the results of quarterly back testing of the fair value model for foreign securities, pricing comparisons between primary and secondary price sources, the outcome of price challenges put to the Portfolio's pricing vendor, and variances between transactional prices and the previous day's price.

(b) Cash and Cash Equivalents: Cash and cash equivalents include U.S. dollars, foreign cash and overnight time deposits.

(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 is recognized on the accrual basis.

Premiums and discounts on debt securities purchased are amortized or accreted over the lives of the respective securities.

(d) Foreign Currency Transactions: The books and records of the Portfolio are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at the prevailing rates of exchange on the valuation date. Purchases and sales of investment securities and income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of such transactions.

Net realized gains and losses on foreign currency transactions represent net gains and losses from the disposition of foreign currencies, currency gains and losses realized between the trade dates and settlement dates of security transactions, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The effects of changes in foreign currency exchange rates on investments in securities are included in realized and unrealized gain or loss on investments in the accompanying Statement of Operations.

(e) Lending of Fund Securities: The Portfolio may lend its securities to financial institutions, provided that the market value of the securities loaned will not at any time exceed one third of the Portfolio's total assets including borrowings, as defined in its prospectus. The Portfolio earns fees on the securities loaned, which are included in interest income in the accompanying Statement of Operations. In order to protect against the risk of failure by the borrower to return the securities loaned or any delay in the delivery of such securities, the loan is collateralized by cash or securities that are maintained with Brown Brothers Harriman & Company, the Portfolio's Custodian ("Custodian"), in an amount equal to at least 102 percent of the current market value of U.S. loaned securities or 105 percent for non-U.S. loaned securities. The market value of the loaned securities is determined at the close of business of the Portfolio. Any required additional collateral is delivered to the Custodian each day and any excess collateral is returned to the borrower on the next business day. In the event the borrower fails to return the loaned securities when due, the Portfolio may take the collateral to replace the securities. If the value of the collateral is less than the purchase cost of replacement securities, the Custodian shall be responsible for any shortfall, but only to the extent that the shortfall is not due to any diminution in collateral value, as defined in the securities lending agreement. The Portfolio is required to maintain the collateral in a segregated account and determine its value each day until the loaned securities are returned. Cash collateral may be invested as determined by the Portfolio. Collateral is returned to the borrower upon settlement of the loan. There were no securities loaned as of December 31, 2020.

(f) Dividends to Shareholders: Dividends and distributions payable to shareholders are recorded by the Portfolio on the ex-dividend date.

Dividends from net investment income, if available, are declared and paid annually. Dividends from net realized gains, offset by any loss carryforward, are declared and paid annually after the end of the fiscal year in which earned.

Each share class is treated separately in determining the amounts of dividends from net investment income payable to holders of its shares.

The characterization of distributions to shareholders for financial reporting purposes is determined in accordance with federal income tax rules. Therefore, the source of the Portfolio's distributions may be shown in the accompanying financial statements as either from, or in excess of, net investment income, net realized gain on investment transactions, or return of capital, depending on the type of book/tax differences that may exist. Capital accounts within the financial statements are adjusted for permanent book/tax differences. Reclassifications result primarily from the differences in tax treatment of net operating losses, passive foreign investment companies, and foreign currency transactions. The reclassifications are done annually at year-end and have no impact on the net asset value of the Portfolio and are designed to present the Portfolio's capital accounts on a tax basis.

(g) Federal Income Taxes: It is the Portfolio's policy to comply with the requirements of the Internal Revenue Code Subchapter M applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Provided that the Portfolio maintains

such compliance, no federal income tax provision is required.

FASB Accounting Standards Codification 740 – Income Taxes (“ASC 740”) requires the Portfolio to measure and recognize in its financial statements the benefit of a tax position taken (or expected to be taken) on an income tax return if such position will more likely than not be sustained upon examination based on the technical merits of the position. No tax years are currently under investigation. The Portfolio files income tax returns in the U.S. Federal jurisdiction, as well as the New York State and New York City jurisdictions. The statute of limitations on the Portfolio’s tax returns remains open for the tax years 2017-2020. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

(h) Allocation Methods: The Fund accounts separately for the assets, liabilities and operations of the Portfolio. Expenses directly attributable to the Portfolio are charged to the Portfolio’s operations; expenses which are applicable to all Portfolios are allocated among them based on net assets. Income, realized and unrealized gains and losses, and expenses of the Portfolio are allocated among the Portfolio’s classes based on relative net assets, with the exception of distribution fees, transfer agency fees, and shareholder servicing and related fees.

(i) Estimates: These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require using estimates and assumptions that affect the reported amounts therein. Actual results may differ from those estimates. All such estimates are of a normal recurring nature.

(j) Recent Accounting Pronouncements: In August 2018, FASB issued Accounting Standards Update 2018-13 “Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement” (“ASU 2018-13”) which modifies disclosure requirements for fair value measurements, principally for Level 3 securities and transfers between levels of the fair value hierarchy. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years. The Portfolio has complied with ASU 2018-13 for the year ended December 31, 2020, resulting in (1) new disclosures for the total unrealized gain or loss attributable to fair value changes in Level 3 securities, and (2) the elimination of the disclosure of (a) the reasons for and amounts of transfers between Level 1 and Level 2, and (b) the Portfolio’s valuation processes for Level 3 securities.

NOTE 3 — Investment Advisory Fees and Other Transactions with Affiliates:

(a) Investment Advisory Fees: Fees incurred by the Portfolio, pursuant to the provisions of the Fund's Investment Advisory Agreement with Fred Alger Management, LLC (“Alger Management” or the “Investment Manager”), are payable monthly and computed based on the following rates. The actual rate paid as a percentage of average daily net assets, for the year ended December 31, 2020, is set forth below under the heading “Actual Rate”:

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Actual Rate
Alger Capital Appreciation Portfolio[(a)]	0.81%	0.65%	0.60%	0.55%	0.45%	0.81%

[a] *Tier 1 rate is paid on assets up to $2 billion, Tier 2 rate is paid on assets between $2 billion to $3 billion, Tier 3 rate is paid on assets in between $3 billion to $4 billion, Tier 4 rate is paid on assets between $4 billion to $5 billion, and Tier 5 rate is paid on assets in excess of $5 billion.*

(b) Administration Fees: Fees incurred by the Portfolio, pursuant to the provisions of the Fund's Fund Administration Agreement with Alger Management, are payable monthly and computed based on the average daily net assets of the Portfolio at the annual rate of 0.0275%.

(c) Distribution Fees: The Fund has adopted a Distribution Plan pursuant to which Class S shares of the Portfolio pay Fred Alger & Company, LLC, the Fund's distributor and an affiliate of Alger Management (the "Distributor" or "Alger LLC"), a fee at the annual rate of 0.25% of the average daily net assets of the Class S shares of the Portfolio to compensate the Distributor for its activities and expenses incurred in distributing the Class S shares and/or shareholder servicing. Fees paid may be more or less than the expenses incurred by Alger LLC.

(d) Brokerage Commissions: During the year ended December 31, 2020, the Portfolio paid Fred Alger & Company, LLC, the Fund's distributor and an affiliate of Alger Management (the "Distributor" or "Alger LLC"), $62,781 in connection with securities transactions.

(e) Interfund Loans: The Portfolio, along with other funds in the Alger Fund Complex (as defined below), may borrow money from and lend money to each other for temporary or emergency purposes. To the extent permitted under its investment restrictions, the Portfolio may lend uninvested cash in an amount up to 15% of its net assets to other funds. If the Portfolio has borrowed from other funds and has aggregate borrowings from all sources that exceed 10% of the Portfolio's total assets, the Portfolio will secure all of its loans from other funds. The interest rate charged on interfund loans is equal to the average of the overnight time deposit rate and bank loan rate available to the Portfolio. There were no interfund loans outstanding as of December 31, 2020.

During the year ended December 31, 2020, the Portfolio incurred interfund loan interest expenses of $3,356, which is included in interest expenses in the accompanying Statement of Operations.

(f) Shareholder Administrative Fees: The Fund has entered into a Shareholder Administrative Services Agreement with Alger Management to compensate Alger Management for providing administrative oversight of, the Portfolio's transfer agent, and for other related services. The Portfolio compensates Alger Management at the annual rate of 0.01% of the average daily net assets for these services.

(g) Trustee Fees: For 2020, each trustee who is not an "interested person" of the Fund, as defined in the Investment Company Act of 1940, as amended ("Independent Trustee") received a fee of $134,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex, plus travel expenses incurred for attending board meetings. The term "Alger Fund Complex" refers to the Fund, The Alger Institutional Funds, The Alger Funds II, The Alger Funds and Alger Global Focus Fund, each of which is a registered investment company managed by Alger Management. The Independent Trustee appointed as Chairman of the Board of Trustees received additional compensation of $20,000 per annum paid

pro rata based on net assets by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee received a fee of $13,000 per annum, paid pro rata by each fund in the Alger Fund Complex.

On December 15, 2020, the Board of Trustees approved the following changes in Trustee compensation. Effective January 1, 2021, each Independent Trustee receives a fee of $142,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex, plus travel expenses incurred for attending board meetings. The Independent Trustee appointed as Chairman of the Board of Trustees receives additional compensation of $20,000 per annum paid pro rata by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee receives a fee of $13,000 per annum, paid pro rata by each fund in the Alger Fund Complex.

(h) Interfund Trades: The Portfolio may engage in purchase and sale transactions with other funds advised by Alger Management or Weatherbie Capital, LLC. There were no interfund trades during the year ended December 31, 2020.

(i) Other Transactions with Affiliates: Certain officers and one Trustee of the Fund are directors and/or officers of Alger Management, the Distributor, or their affiliates. No shares of the Portfolio were held by Alger Management and its affiliated entities as of December 31, 2020.

NOTE 4 — Securities Transactions:

Purchases and sales of securities, other than U.S. Government securities and short-term securities, for the year ended December 31, 2020, were as follows:

	PURCHASES	SALES
Alger Capital Appreciation Portfolio	$ 482,125,767	$ 559,928,096

Transactions in foreign securities may involve certain considerations and risks not typically associated with those of U.S. companies because of, among other factors, the level of governmental supervision and regulation of foreign security markets, and the possibility of political or economic instability. Additional risks associated with investing in emerging markets include increased volatility, limited liquidity, and less stringent regulatory and legal systems.

NOTE 5 — Borrowings:

The Portfolio may borrow from the Custodian on an uncommitted basis. The Portfolio pays the Custodian a market rate of interest, generally based upon a rate of return with respect to each respective currency borrowed taking into consideration relevant overnight and short-term reference rates, the range of distribution between and among the interest rates paid on deposits to other institutions, less applicable commissions, if any. The Portfolio may also borrow from other funds in the Alger Fund Complex, as discussed in Note 3(e). For the year ended December 31, 2020, the Portfolio had the following borrowings from the Custodian and other funds in the Alger Fund Complex:

	AVERAGE DAILY BORROWING	WEIGHTED AVERAGE INTEREST RATE
Alger Capital Appreciation Portfolio	$ 263,690	1.56%

The highest amount borrowed from the Custodian and other funds during the year ended December 31, 2020 by the Portfolio was as follows:

	HIGHEST BORROWING
Alger Capital Appreciation Portfolio	$ 10,669,000

NOTE 6 — Share Capital:

The Portfolio has an unlimited number of authorized shares of beneficial interest of $.001 par value for each share class. During the year ended December 31, 2020 and the year ended December 31, 2019, transactions of shares of beneficial interest were as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2020		FOR THE YEAR ENDED DECEMBER 31, 2019	
	SHARES	AMOUNT	SHARES	AMOUNT
Alger Capital Appreciation Portfolio				
Class I-2:				
Shares sold	887,694	$ 81,782,523	697,600	$ 56,481,504
Dividends reinvested	733,158	72,604,639	624,447	49,862,116
Shares redeemed	(1,590,029)	(142,685,202)	(1,680,589)	(135,810,081)
Net increase (decrease)	**30,823**	**$ 11,701,960**	**(358,542)**	**$ (29,466,461)**
Class S:				
Shares sold	55,068	$ 4,546,407	26,738	$ 2,070,796
Dividends reinvested	87,295	7,998,816	76,678	5,738,559
Shares redeemed	(165,316)	(13,910,242)	(98,224)	(7,570,021)
Net increase (decrease)	**(22,953)**	**$ (1,365,019)**	**5,192**	**$ 239,334**

NOTE 7 — Income Tax Information:

The tax character of distributions paid during the year ended December 31, 2020 and the year ended December 31, 2019 were as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2020	FOR THE YEAR ENDED DECEMBER 31, 2019
Alger Capital Appreciation Portfolio		
Distributions paid from:		
Ordinary Income	1,193,686	1,723,854
Long-term capital gain	80,515,203	54,480,842
Total distributions paid	**81,708,889**	**56,204,696**

As of December 31, 2020, the components of accumulated gains (losses) on a tax basis were as follows:

Alger Capital Appreciation Portfolio	
Undistributed ordinary income	$ 4,569,990
Undistributed long-term gains	19,768,222
Net accumulated earnings	24,338,212
Capital loss carryforwards	—
Net unrealized appreciation	255,139,065
Total accumulated earnings	$ 279,477,277

At December 31, 2020, the Portfolio, for federal income tax purposes, had no capital loss carryforwards and no capital loss carryforwards were utilized in 2020.

Net capital losses incurred after October 31 and within the taxable year are deemed to arise on the first business day of the Portfolio's next taxable year.

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is determined annually and is attributable primarily to the tax deferral of losses on wash sales, U.S. Internal Revenue Code Section 988 currency transactions, the tax treatment of partnership investments, the realization of unrealized appreciation of passive foreign investment companies, and return of capital from real estate investment trust investments.

Permanent differences, primarily from net operating losses and real estate investment trusts and partnership investments sold by the Portfolio, resulted in the following reclassifications among the Portfolio's components of net assets at December 31, 2020:

Alger Capital Appreciation Portfolio		
Distributable earnings	$	60,642
Paid-in Capital	$	(60,642)

NOTE 8 — Fair Value Measurements:

The major categories of securities and their respective fair value inputs are detailed in the Portfolio's Schedule of Investments. Based upon the nature, characteristics, and risks associated with its investments as of December 31, 2020, the Portfolio has determined that presenting them by security type and sector is appropriate.

Alger Capital Appreciation Portfolio	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
COMMON STOCKS				
Communication Services	$ 75,594,982	$ 75,594,982	$ —	$ —
Consumer Discretionary	128,188,605	121,469,931	6,718,674	—
Consumer Staples	5,811,959	5,811,959	—	—
Financials	18,483,279	18,483,279	—	—
Healthcare	51,296,951	51,296,951	—	—
Industrials	40,886,827	40,886,827	—	—
Information Technology	293,729,739	290,081,303	3,648,436	—
Materials	10,662,819	10,662,819	—	—
TOTAL COMMON STOCKS	**$ 624,655,161**	**$ 614,288,051**	**$ 10,367,110**	**$ —**

Alger Capital Appreciation Portfolio	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
REAL ESTATE INVESTMENT TRUST				
Real Estate	$ 1,360,131	$ 1,360,131	$ —	$ —
SPECIAL PURPOSE VEHICLE				
Information Technology	475,000	—	—	475,000
TOTAL INVESTMENTS IN SECURITIES	**$ 626,490,292**	**$ 615,648,182**	**$ 10,367,110**	**$ 475,000**

Alger Capital Appreciation Portfolio	FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) Common Stocks
Opening balance at January 1, 2020	$ 237,394
Transfers into Level 3	—
Transfers out of Level 3	(1,525,328)
Total gains or losses	
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	31,254
Purchases and sales	
Purchases/Conversions	1,256,680
Sales	—
Closing balance at December 31, 2020	—
Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2020*	$ —

Alger Capital Appreciation Portfolio	Preferred Stocks
Opening balance at January 1, 2020	$ 1,094,277
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	162,403
Purchases and sales	
Purchases	—
Sales/Conversions	(1,256,680)
Closing balance at December 31, 2020	—
Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2020*	$ —

Alger Capital Appreciation Portfolio	FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) Special purpose vehicle
Opening balance at January 1, 2020	$ —
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	—
Purchases and sales	
Purchases	475,000
Sales	—
Closing balance at December 31, 2020	475,000
Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2020*	$ —

** Net change in unrealized appreciation (depreciation) is included in net change in unrealized appreciation (depreciation) on investments in the accompanying Statement of Operations.*

The following table provides quantitative information about the Portfolio's Level 3 fair value measurements of the Portfolio's investments as of December 31, 2020. The table below is not intended to be all-inclusive, but rather provides information on the Level 3 inputs as they relate to the Portfolio's fair value measurements.

	Fair Value December 31, 2020	Valuation Methodology	Unobservable Input	Input/ Range	Weighted Average
Alger Capital Appreciation Portfolio					
Special purpose vehicle	$ 475,000	Cost Approach	Priced at cost	N/A	N/A

The significant unobservable inputs used in the fair value measurement of the Portfolio's securities are revenue and EBITDA multiples, discount rates, and the probabilities of success of certain outcomes. Significant increases and decreases in these inputs in isolation and interrelationships between these inputs would have resulted in significantly higher or lower fair value measurements than those noted in the table above. Generally, all other things being equal, increases in revenue and EBITDA multiples, decreases in discount rates, and increases in the probabilities of success result in higher fair value measurements, whereas decreases in revenues and EBITDA multiples, increases in discount rates, and decreases in the probabilities of success result in lower fair value measurements.

Certain of the Portfolio’s assets and liabilities are held at carrying amount or face value, which approximates fair value for financial statements purposes. As of December 31, 2020, such assets were categorized within the ASC 820 disclosure hierarchy as follows:

	TOTAL FUND	LEVEL 1	LEVEL 2	LEVEL 3
Cash and Cash equivalents	$ 4,717,860	$ 26,895	$ 4,690,965	—

NOTE 9 — Derivatives:

FASB Accounting Standards Codification 815 – Derivatives and Hedging ("ASC 815") requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements.

Options—The Portfolio seeks to capture the majority of the returns associated with equity market investments. To meet this investment goal, the Portfolio invests in a broadly diversified portfolio of common stocks and may also buy and sell call and put options on equities and equity indexes. The Portfolio may purchase call options to increase its exposure to the stock market and also provide diversification of risk. The Portfolio may purchase put options in order to protect from significant market declines that may occur over a short period of time. The Portfolio may write covered call and cash-secured put options to generate cash flows while reducing the volatility of the portfolio. The cash flows may be an important source of the Portfolio's return, although written call options may reduce the Portfolio's ability to profit from increases in the value of the underlying security or equity portfolio. The value of a call option generally increases as the price of the underlying stock increases and decreases as the stock decreases in price. Conversely, the value of a put option generally increases as the price of the underlying stock decreases and decreases as the stock increases in price. The combination of the diversified stock portfolio and the purchase and sale of options is intended to provide the Portfolio with the majority of the returns associated with equity market investments but with reduced volatility and returns that are augmented with the cash flows from the sale of options.

There were no options or other derivative instruments held by the Portfolio throughout the year or as of December 31, 2020.

NOTE 10 — Risk Disclosures:

Investing in the stock market involves certain risks, including the potential loss of principal. Your investment in Portfolio shares represents an indirect investment in the securities owned by the Portfolio. The value of these securities, like other investments, may move up or down, sometimes rapidly and unpredictably. Your Portfolio shares at any point in time may be worth less than what you invested, even after taking into account the reinvestment of Portfolio dividends and distributions. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness such as COVID-19 or other public health issues, recessions, or other events could have a significant impact on the Portfolio and its investments. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. A significant portion of assets will be invested in technology companies, which may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies. Investments in the Consumer Discretionary Sector may be affected by domestic and international economies, consumers' disposable income, consumer preferences and social trends. Foreign securities involve special risks including currency fluctuations, inefficient trading, political and economic instability, and increased volatility.

NOTE 11 — Affiliated Securities:

The issuers of the securities listed below are deemed to be affiliates of the Portfolio because the Portfolio or its affiliates owned 5% or more of the issuer's voting securities during all or part of the year ended December 31, 2020. Information regarding the Portfolio's holdings of such securities is set forth in the following table:

Security	Value at December 31, 2019	Purchases/ Conversion	Sales/ Conversion	Dividend/ Interest Income	Realized Gain (Loss)	Net Change in Unrealized App(Dep)	Value at December 31, 2020
Alger Capital Appreciation Portfolio							
Special Purpose Vehicle							
Crosslink Ventures Capital LLC, Cl. A	$ –	$ 475,000	$ –	$ –	$ –	$ –	$ 475,000
Total	$ –	$ 475,000	$ –	$ –	$ –	$ –	$ 475,000

NOTE 12 — Subsequent Events:

Management of the Portfolio has evaluated events that have occurred subsequent to December 31, 2020, through the issuance date of the Financial Statements. No such events have been identified which require recognition and/or disclosure other than The Board of Trustees of The Alger Portfolios has authorized a partial closing of Class S shares of the Fund, effective April 30, 2021. Existing investors that hold Class S shares who have an open account with the Fund on April 30, 2021 may continue to invest in additional Class S shares of that Portfolio through exchanges, dividend reinvestment and additional purchases as provided in the Funds' Prospectuses. A Portfolio may resume sales to all investors (or further suspend sales) at a future date if the Board of Trustees determines that doing so will be in the best interest of shareholders.

To the Shareholders of Alger Capital Appreciation Portfolio and the Board of Trustees of The Alger Portfolios:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Alger Capital Appreciation Portfolio, one of the portfolios constituting The Alger Portfolios (the "Fund"), including the schedule of investments, as of December 31, 2020, 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. 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, 2020, 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, 2020, 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.

Deloitte & Touche LLP
New York, New York
February 23, 2021

We have served as the auditor of one or more investment companies within the group of investment companies since 2009.

Shareholder Expense Example

As a shareholder of the Portfolio, you incur two types of costs: transaction costs, if applicable; and ongoing costs, including management fees, distribution (12b-1) fees, if applicable, and other fund 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.

The example below is based on an investment of $1,000 invested at the beginning of the six-month period starting July 1, 2020 and ending December 31, 2020 and held for the entire period.

Actual Expenses

The first line for each class of shares 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 During the Six Months Ended December 31, 2020" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line for each class of shares in the table below provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio for each class of the Portfolio's shares 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 other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs or deduction of insurance charges against assets or annuities. Therefore, the second line under each class of shares in 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.

		Beginning Account Value July 1, 2020	Ending Account Value December 31, 2020	Expenses Paid During the Six Months Ended December 31, 2020[(a)]	Annualized Expense Ratio For the Six Months Ended December 31, 2020[(b)]
Alger Capital Appreciation Portfolio					
Class I-2	Actual	$ 1,000.00	$ 1,248.50	$ 5.26	0.93%
	Hypothetical[(c)]	1,000.00	1,020.46	4.72	0.93
Class S	Actual	1,000.00	1,247.10	6.67	1.18
	Hypothetical[(c)]	1,000.00	1,019.20	5.99	1.18

(a) *Expenses are equal to the annualized expense ratio of the share class, multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period).*

(b) *Annualized.*

(c) *5% annual return before expenses.*

Trustees and Officers of the Fund

Information about the trustees and officers of the Fund is set forth below. In the table the term "Alger Fund Complex" refers to the Fund, The Alger Funds, The Alger Institutional Funds, Alger Global Focus Fund and The Alger Funds II, each of which is a registered investment company managed by Alger Management. Each Trustee serves until an event of termination, such as death or resignation, or until his or her successor is duly elected; each officer's term of office is one year. Unless otherwise noted, the address of each person named below is 360 Park Avenue South, New York, NY 10010.

Additional information regarding the Trustees and Officers of the Fund is available in the Fund’s Statement of Additional Information.

Name (Year of Birth) and Address[1]	Position(s) Held with the Fund and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Funds in the Alger Fund Complex[3] which are Overseen by Trustee	Other Directorships Held by Trustee During Past Five Years
Interested Trustee[2]:				
Hilary M. Alger (1961)	Trustee since 2003	Non-Profit Fundraising Consultant since 2015, Schultz & Williams; Emeritus Trustee since 2020 and Trustee from 2013 to 2020, Pennsylvania Ballet; School Committee Member since 2017, Germantown Friends School.	27	Board of Directors, Alger Associates, Inc.; Trustee of Target Margin Theater
Non-Interested Trustees:				
Charles F. Baird, Jr. (1953)	Trustee since 2000	Managing Director since 1997, North Castle Partners (private equity securities group).	27	None
Roger P. Cheever (1945)	Trustee since 2000	Associate Vice President for Principal Gifts from 2008 to 2020, Harvard University.	27	Board of Directors, Alger SICAV Fund
Stephen E. O'Neil (1932)	Trustee since 1986	Retired.	27	None
David Rosenberg (1962)	Trustee since 2007	Associate Professor of Law since August 2000, Zicklin School of Business, Baruch College, City University of New York.	27	None
Nathan E. Saint-Amand M.D. (1938)	Trustee since 1986	Medical doctor in private practice since 1970; Member of the Board of the Manhattan Institute (non-profit policy research) since 1988.	27	None

(1) *The address of each Trustee is c/o Fred Alger Management, LLC, 360 Park Avenue South, New York, NY 10010.*

(2) *Ms. Alger is an "interested person" (as defined in the Investment Company Act of 1940, as amended) of the Fund by virtue of her ownership control of Alger Associates, Inc., which controls Alger Management and its affiliates.*

(3) *"Alger Fund Complex" refers to the Fund and the four other registered investment companies managed by Alger Management. Each Trustee serves until an event of termination, such as death or resignation, or until his or her successor is duly elected. Each of the Trustees serves on the board of trustees of the other four registered investment companies in the Alger Fund Complex.*

Name (Year of Birth), Position with Fund and Address[1]	Principal Occupations	Officer Since
Officers[2]:		
Hal Liebes (1964) President, Principal Executive Officer	Executive Vice President, Chief Operating Officer ("COO") and Secretary of Alger Management; COO and Secretary of Alger Associates, Inc. and Alger Alternative Holdings, LLC; Director of Alger SICAV, Alger International Holdings, and Alger Dynamic Return Offshore Fund; Vice President, COO, Member, and Secretary, Alger Capital, LLC and Alger Group Holdings, LLC; Executive Director and Chairman, Alger Management, Ltd.; Manager and Secretary, Weatherbie Capital, LLC and Alger Apple Real Estate LLC; Manager, Alger Partners Investors I, LLC and Alger Partners Investors KEIGF; Secretary of Alger-Weatherbie Holdings, LLC and Alger Boulder I LLC; and Director and Secretary, The Foundation for Alger Families.	2005
Tina Payne (1974) Secretary, Chief Compliance Officer, Chief Legal Officer	Since 2017, Senior Vice President, General Counsel, and Chief Compliance Officer ("CCO"), Alger Management; Senior Vice President, General Counsel, and Secretary, Alger LLC; CCO, Alger Management, Ltd.; Assistant Secretary, Weatherbie Capital, LLC and Alger Alternative Holdings, LLC; and since 2019, Assistant Secretary, Alger-Weatherbie Holdings, LLC. Formerly, Senior Vice President and Associate General Counsel, Cohen & Steers Capital Management, from 2007 to 2017.	2017
Michael D. Martins (1965) Treasurer, Principal Financial Officer AML Compliance Officer	Senior Vice President of Alger Management.	2005
Anthony S. Caputo (1955) Assistant Treasurer	Vice President of Alger Management.	2007
Sergio M. Pavone (1961) Assistant Treasurer	Vice President of Alger Management.	2007
Mia G. Pillinger (1989) Assistant Secretary	Associate Counsel of Alger Management.	2020
Rachel I. Winters (1987) Assistant Secretary	Paralegal and Compliance Officer of Alger Management.	2020

[1] *The address of each officer is c/o Fred Alger Management, LLC, 360 Park Avenue South, New York, NY 10010.*
[2] *Each officer's term of office is one year. Each officer serves in the same capacity for the other funds in the Alger Fund Complex.*

The Statement of Additional Information contains additional information about the Fund's Trustees and is available without charge upon request by calling (800) 992-3863.

Board Approval of Investment Advisory Agreement

At a meeting held on September 29, 2020 (Meeting), the Board of Trustees (Board) of The Alger Portfolios (Trust), including a majority of the trustees who are not "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the Trust (Independent Trustees), reviewed and approved the continuance of the investment advisory agreement between Fred Alger Management, LLC (Fred Alger Management) and the Trust, on behalf of the Fund (the Management Agreement), for an additional one-year period. The Independent Trustees received advice from, and met separately with, their Independent Trustee counsel in considering whether to approve the continuation of the Management Agreement. The Board considered the information provided to it about the series of the Trust together, and each series separately, as the Board deemed appropriate. Fred Alger Management is referred to herein as the "Manager."

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed request for information submitted to the Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process, as well as information provided in response to a supplemental request list. The materials for the Meeting included a presentation and analysis of the Fund and the Manager's services by FUSE Research Network LLC (FUSE), an independent consulting firm. In addition, prior to the Meeting, the chair of the Board conferred with Independent Trustee counsel about the contract renewal process. The Board reviewed the materials provided and considered all of the factors it deemed relevant in approving the continuance of the Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by the Manager; (ii) the investment performance of the Fund; (iii) the costs of the services the Manager provided and profits it realized; (iv) the extent to which economies of scale are realized as the Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors. As part of the Board's review, the Board received and considered information on the impact of the COVID-19 pandemic on the Fund and the Fund's performance and operations.

In approving the continuance of the Management Agreement, the Board, including a majority of the Independent Trustees, determined that the terms of the Management Agreement are fair and reasonable and that the continuance of the Management 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 provided by the Manager to the Fund. This information included, among other things, the qualifications, background and experience of the professional personnel who perform services for the Fund; the structure of investment professional compensation; oversight of third-party service providers; investment performance, fee information and related financial information for the Fund; fees and payments to intermediaries for fund administration, transfer agency and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by the Manager and its affiliates; and the range of management fees charged by the Manager and its affiliates to other funds and accounts, including management's explanation of differences among accounts where relevant.

The Board noted the Manager's history and expertise in the "growth" style of investment management and management's ongoing efforts to develop strategies and adjust portfolios to address the changing investment landscape. The Board also noted the Manager's continuing efforts in connection with business continuity plans, including the effectiveness of those plans during the pandemic. The Board further noted the Manager's engagement with key service providers regarding the COVID-19 pandemic. The Board noted the length of time the Manager had provided services as an investment adviser to the Fund and also noted FUSE's analysis that certain of the Manager's offerings should sustain growth and maintain interest in the Manager's investment capabilities.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a Fund that is part of the Alger family of funds. The Board noted the strong financial position of the Manager and its commitment to the mutual fund business as evidenced, in part, by a continued focus on offerings in focused strategies. The Board also noted that certain administrative, compliance, reporting and accounting services necessary for the conduct of the Fund's affairs are provided separately under a Fund Administration Agreement and a Shareholder Administrative Services Agreement with the Manager.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by the Manager and its affiliates to the Fund.

Fund Performance

The Board reviewed and considered the performance results of the Fund over various time periods. The Board considered the performance returns for the Fund in comparison to the performance returns of a universe of mutual funds deemed comparable to the Fund based on various investment, operational, and pricing characteristics (Peer Universe), and a group of mutual funds from within such Peer Universe deemed comparable to the Fund based primarily on investment strategy similarity (Peer Group), each as selected by FUSE, as well as the Fund's benchmark index. Class I-2 shares (the Fund's oldest share class) were used as the representative share class for the Fund's performance results. It was noted that each class of the Fund would have substantially similar returns because the shares are invested in the same portfolio of securities and the returns would differ only to the extent that the classes do not have the same expenses. The Board received a description of the methodology FUSE used to select the mutual funds included in the Peer Universe and Peer Group. The Board noted that long-term performance could be impacted by even one period of significant outperformance or underperformance.

The Board also reviewed and considered Fund performance reports provided and discussions that occurred with investment personnel and senior management at Board meetings throughout the year. As had been the practice at every quarterly meeting of Trustees throughout the year, representatives of the Manager discussed with the Trustees the recent and longer term performance of the Fund. In expanding orally on the written materials they had provided to the Trustees, the FUSE representatives commented further on the performance of the Fund and discussed the enhancements FUSE has made to its reports.

The Peer Group for the Fund consisted of the Fund and 14 other large cap growth funds. The Peer Universe for this Fund included the Fund, the other funds of the Peer Group, and other large cap growth funds. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods outperformed the median of its Peer Group. The Board also noted that the annualized total return for the one-year period was in the first quartile of its Peer Universe, and for the three-, five- and 10-year periods was in the second quartile of its Peer Universe. The Board further noted that the Fund had outperformed the Fund's benchmark index for the one- and three-year periods and underperformed for the five- and 10-year periods. The Board concluded that the Fund's performance was acceptable.

Comparative Fees and Expenses

The Board considered the contractual management fee rate without the effect of fee waivers or expense reimbursements, if any (Management Rate), of the Fund in comparison to the median Management Rate of the Fund's Peer Group. FUSE fee data was based upon information taken from each Peer Group fund's most recent annual report, which reflects historical asset levels that may be different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board noted that the independent analysis conducted by FUSE was an appropriate measure of comparative fees and expenses. The FUSE Management Rate included administrative charges. The Board received a description of the methodology FUSE used to select the mutual funds included in a Peer Group. The Board discussed those factors that could contribute to a Fund's total expense ratio or management fee being above the median of the Fund's Peer Group, including, for example, considerations related to unique or specialty strategies and related costs to implement such strategies, the nature and quality of services provided by the Manager, and strategy capacity considerations.

The Board noted that the Management Rate for the Fund was above the median and in the fourth (most expensive) quartile of its Peer Group.

The Board reviewed and considered information regarding the Fund's total expense ratio and its various components, including, as applicable, management fees, operating expenses, and Rule 12b-1 fees. The Board considered the total net expense ratio of the Fund in comparison to the median expense ratio of the Fund's Peer Group. The total net expense ratio, for comparative consistency, was shown for Class I-2 for the Fund and for similarly structured share classes for funds in the Peer Group with multiple classes of shares.

The Board noted that the total net expense ratio for the Fund was above the median and in the fourth (most expensive) quartile of its Peer Group.

The Board concluded that the Management Rate charged to the Fund is reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by the Manager and its affiliates in connection with the operation of the Fund. In this respect, the Board considered overall profitability, as well as the profits, of the Manager and its affiliates in providing investment management and other services to the Fund during the year ended June 30, 2020. The Board also reviewed the profitability methodology and the changes thereto, noting that management applies its methods consistently from year to year.

The Board noted that costs incurred in establishing the infrastructure necessary for the type of mutual fund operations conducted by the Manager and its affiliates may not be fully reflected in the expenses allocated to the Fund in determining the Manager's profitability. The Board also noted management's expenditures related to additional regulatory and compliance requirements resulting from recent SEC and other regulatory developments.

The Board also considered the extent to which the Manager and its affiliates might derive ancillary benefits from fund operations. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by the Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, extent and quality of services provided to the Fund.

Economies of Scale

The Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of shareholders. The Board noted the existence of management fee breakpoints for the Fund, which operate to share economies of scale with the Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered the Manager's view that the overall size of the Manager allows it to realize other economies of scale, such as with office space, purchases of technology, and other general business expenses. The Board concluded that for the Fund, to the extent economies of scale may be realized by the Manager and its affiliates, the benefits of such economies of scale would be shared with the Fund and its shareholders as the Fund grows, including through the management fee breakpoints in place for the Fund.

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 the continuation of the Management Agreement for an additional one-year period.

Privacy Policy

U.S. Consumer Privacy Notice **Rev. 12/20/16**

FACTS	WHAT DOES ALGER 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 • Account balances and • Transaction history and • Purchase history and • Assets When you are no longer our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons Alger chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Alger 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 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 nonaffiliates to market to you	**No**	**We don't share**
Questions? Call 1-800-342-2186		

Who we are	
Who is providing this notice?	Alger includes Fred Alger Management, LLC and Fred Alger & Company, LLC as well as the following funds: The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, and Alger Global Focus Fund.

What we do	
How does Alger 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.
How does Alger collect my personal information?	We collect your personal information, for example, when you: • Open an account or • Make deposits or withdrawals from your account or • Give us your contact information or • Provide account information or • Pay us by check.
Why can't I limit all sharing?	Federal law gives you the right to limit some but not all sharing related to: • sharing for affiliates' everyday business purposes — information about your credit worthiness • 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.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. • Our affiliates include Fred Alger Management, LLC, Weatherbie Capital, LLC and Fred Alger & Company, LLC as well as the following funds: The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, and Alger Global Focus Fund.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Proxy Voting Policies

A description of the policies and procedures the Portfolio uses to determine how to vote proxies relating to portfolio securities and the proxy voting record is available, without charge, by calling (800) 992-3863 or online on the Portfolio's website at http://www.alger.com or on the SEC's website at http://www.sec.gov.

Fund Holdings

The Board has adopted policies and procedures relating to disclosure of the Portfolio's securities. These policies and procedures recognize that there may be legitimate business reasons for holdings to be disclosed and seek to balance those interests to protect the proprietary nature of the trading strategies and implementation thereof by the Portfolio.

Generally, the policies prohibit the release of information concerning portfolio holdings, which have not previously been made public, to individual investors, institutional investors, intermediaries that distribute the Portfolio's shares and other parties which are not employed by the Investment Manager or its affiliates except when the legitimate business purposes for selective disclosure and other conditions (designed to protect the Portfolio) are acceptable.

The Portfolio files its complete schedule of portfolio holdings with the SEC semi-annually in shareholder reports on Form N-CSR and after the first and third fiscal quarters as an exhibit to its reports on Form N-PORT. The Portfolio's Forms N-CSR and N-PORT are available online on the SEC's website at www.sec.gov.

In addition, the Portfolio makes publicly available its month-end top 10 holdings with a 10 day lag and its month-end full portfolio with a 60 day lag on its website www.alger.com and through other marketing communications (including printed advertising/sales literature and/or shareholder telephone customer service centers). No compensation or other consideration is received for the non-public disclosure of portfolio holdings information.

In accordance with the foregoing, the Portfolio provides portfolio holdings information to third parties including financial intermediaries and service providers who need access to this information in the performance of their services and are subject to duties of confidentiality (1) imposed by law, including a duty not to trade on non-public information, and/or (2) pursuant to an agreement that confidential information is not to be disclosed or used (including trading on such information) other than as required by law. From time to time, the Fund will communicate with these third parties to confirm that they understand the Portfolio's policies and procedures regarding such disclosure. This agreement must be approved by the Portfolio's Chief Compliance Officer.

The Board periodically reviews a report disclosing the third parties to whom the Portfolio's holdings information has been disclosed and the purpose for such disclosure, and it considers whether or not the release of information to such third parties is in the best interest of the Portfolio and its shareholders.

In addition to material the Portfolio routinely provides to shareholders, the Investment Manager may make additional statistical information available regarding the Alger Family of Funds. Such information may include, but not be limited to, relative weightings and characteristics of the Portfolio versus an index (such as P/E ratio, alpha, beta, capture ratio, maximum drawdown, standard deviation, EPS forecasts, Sharpe ratio, information ratio, R-squared, and market cap analysis), security specific impact on overall portfolio performance, month-end top ten contributors to and detractors from performance, portfolio turnover, and other similar information. Shareholders should visit www.alger.com or may also contact the Funds at (800) 992-3863 to obtain such information.

Liquidity Risk Management Program

In accordance with Rule 22e-4 under the Investment Company Act of 1940, as amended, Trust established a liquidity risk management program (the "LRMP") in December 2018 and the Board, including a majority of the Independent Trustees, appointed the Investment Manager as the administrator of the LRMP. The Board, including a majority of the Independent Trustees, formally approved the LRMP in May of 2019. The Investment Manager administers the LRMP through a Liquidity Risk Committee (the "Committee") that is chaired by the Investment Manager's Chief Compliance Officer, who also serves as the Trust's Chief Compliance Officer. The Board also approved an agreement with Intercontinental Exchange ("ICE"), a third-party vendor that assists the Funds with liquidity classifications required by Rule 22e-4. The Committee is responsible for assessing the liquidity risk of Fund, subject to the oversight of the Investment Manager. The Committee reviews daily investment classification reports, continuously monitors Fund's liquidity risk, and meets at least quarterly.

The Board met to review the LRMP pursuant to Rule 22e-4 and at such meeting Trust's Chief Compliance Officer, on behalf of the Investment Manager as the administrator of the LRMP, provided the Board with a report that addressed the operation of the LRMP and assessed its adequacy and effectiveness of implementation and any material changes to the LRMP (the "Report"). The Report covered the period from December 1, 2019 through November 30, 2020 (the "Review Period").

The Report stated that the Committee assessed Fund's liquidity risk by considering qualitative factors such as Fund's investment strategy, holdings, diversification of investments, redemption policies, cash flows, cash levels, shareholder concentration, and access to borrowings, among others, in conjunction with the quantitative classifications generated by ICE. In addition, in connection with the review of Funds' liquidity risks and the operation of the LRMP and the adequacy and effectiveness of its implementation, the Committee also evaluated the levels at which to set the reasonably anticipated trade size and market price impact. The Report described the process for determining that Fund primarily holds investments that are highly liquid. The Report noted that the Committee also performed stress tests on certain Funds' portfolios in light of the market volatility caused by the global pandemic, and it was concluded that each Fund remained primarily highly liquid.

The Report concluded during the Review Period that the Trust's LRMP is operating effectively, and is adequate and effectively implemented.

THE ALGER PORTFOLIOS

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New York, NY 10010
(800) 992-3863
www.alger.com

Investment Manager

Fred Alger Management, LLC
360 Park Avenue South
New York, NY 10010

Distributor

Fred Alger & Company, LLC
360 Park Avenue South
New York, NY 10010

Transfer Agent and Dividend Disbursing Agent

UMB Fund Services, Inc.
235 W. Galena Street
Milwaukee, WI 53212

Custodian

Brown Brothers Harriman & Company
50 Post Office Square
Boston, MA 02110

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
30 Rockefeller Plaza
New York, NY 10112

This report is submitted for the general information of the shareholders of Alger Capital Appreciation Portfolio. It is not authorized for distribution to prospective investors unless accompanied by an effective Prospectus for the Portfolio, which contains information concerning the Portfolio's investment policies, fees and expenses as well as other pertinent information.

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Inspired by Change, Driven by Growth.

Printed on recycled paper

ALGER

THE ALGER PORTFOLIOS

Alger Balanced Portfolio

ANNUAL REPORT

DECEMBER 31, 2020

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ALGER BALANCED PORTFOLIO

Dear Shareholders,

The New Normal Provides Reason for Optimism

As I write this letter, I reflect upon how we have recently experienced some of the most significant events in many years. The presidential election was highly emotional and drew a record number of voters, and Covid-19 continued to create economic challenges and losses that will likely impact us for years to come–even as we begin to see vaccination programs ramp up. During the past 12 months, our healthcare system was challenged by Covid-19 while social justice issues became front and center in America. These issues are daunting and Alger has responded by supporting frontline healthcare workers and social justice organizations such as the Brooklyn NAACP and the New Jersey Institute for Social Justice.

I am proud to say our employees quickly adjusted to remote work and achieved notable and attractive investment performance. As sobering as the past year has been, we remain hopeful for our future, notwithstanding the challenges that lie ahead.

We believe the following points are essential:

- Investors may want to consider seeking companies that are benefiting from dramatic changes occurring throughout the economy, including innovation, rather than align portfolios to which political parties control Washington, D.C.
- A "New Normal" may continue after the pandemic, which has dramatically accelerated the speed at which digitization and other forms of innovation are occurring in our personal lives and the business world.
- The rapid transformation occurring across industries, we believe, will continue after the pandemic and potentially create attractive opportunities for well-managed, innovative companies to generate strong earnings growth with new products that disrupt entire industries.

A Challenging Time

For calendar year 2020, the S&P 500 Index generated an 18.40% return. Corporate fundamentals initially supported investor sentiment and drove the index to a record high by the middle of February 2020. The global spread of the novel coronavirus, however, caused investor sentiment to plummet and from the February peak to March 23, the S&P 500 Index dropped 33.79% as investors grew increasingly concerned that efforts to slow the growth of the virus, such as stay-at-home orders and economic shutdowns, would trigger a global recession.

Sentiment quickly reversed when the Federal Reserve ("the Fed") responded aggressively with two rate cuts totaling 150 basis points, bringing the fed funds target rate to 0.0% - 0.25%. The Fed also unveiled a round of quantitative easing while U.S. legislators began creating programs initially valued at more than $2 trillion to support businesses, increase unemployment benefits and provide one-time payments to certain individuals. Equities once again rallied despite the U.S. reporting that second quarter gross domestic product (GDP) contracted at an annual rate of 31.4%. Yet, other economic data was encouraging. After peaking in May at approximately 25 million, U.S. continuing unemployment claims decreased while monthly retail sales (ex. food services) began strengthening in June and were above pre-Covid-19 levels by the end of the year. Housing starts and the median sale price for existing homes also strengthened. Investors also remained optimistic that reopening the economy would support renewed GDP growth.

In the late summer, however, stimulus debates in Congress lost traction and the pandemic appeared to strengthen, causing the S&P 500 to drop 6.36% in September and October. Those fears quickly took backstage with the October announcement that third quarter annualized GDP grew 33.1%. The return of economic growth, optimism regarding vaccines and the potential for additional stimulus helped spark a market rally in the final months of the year and a strong rotation into cyclical stocks. Additionally, legislative gridlock appeared to be a possibility. President-elect Joe Biden's party saw its majority in the House of Representatives narrow but will be able to have his vice president cast tie breaking votes in the Senate. Despite the late value rally, growth stocks led for the year with the Russell 3000 Growth Index generating a 38.26% return compared to the 2.87% return of the Russell 3000 Value Index.

International Markets Provide a Glimmer of Hope

Foreign equity markets also exhibited considerable volatility, but the MSCI ACWI ex USA Index generated an 11.13% return for the year and the MSCI Emerging Markets Index generated a positive 18.69% return over the same time period. Much of the positive performance of emerging markets was attributable to China and a handful of other Asian countries that implemented early and aggressive measures to curtail the pandemic and therefore minimized the impact of the virus on their economies.

The Beneficiaries of Change

The pandemic is accelerating the already rapid pace at which new products and services disrupt their industries and capture market share. Many of these changes, we believe, will continue even after the pandemic.

- Remote working: The widespread implementation of work from home has created strong demand for new technologies that support online collaboration, videoconferencing, business process management, network capacity and security. As remote working has grown, firms such as CrowdStrike Holdings, Inc. that provide end-point protection against viruses, malware and other digital threats are experiencing increased demand for cloud-based security systems. We believe this trend may continue after the pandemic. In a study by Gartner, Inc., 82% of executives said they plan on letting employees work remotely some of the time and 47% said they will allow employees to work remotely all of the time (executives could select more than one answer).
- Communications: In both government and commercial firms, the need for real-time communication with the public or their employees has driven the adoption of new communications platforms to manage dialogues. Everbridge, for example, announced during its second quarter earnings call that it has processed more than 700 million messages related to the pandemic.
- E-commerce: Online shopping has seen near exponential acceleration while

people have been under stay-at-home orders. In the first nine months of 2020, U.S. e-commerce sales grew 33% year-over-year, while traditional retail sales, excluding auto, gas and food services, grew a little more than 1% year-over-year. E-commerce package volumes are expected to more than triple to 111 million packages per day by 2026, up from 35 million in 2019. This trend benefits large online retailers such as Amazon.com, Inc., but it is also helping smaller retailers who had the foresight to adopt and even primarily build their businesses online, often using technology from companies such as Shopify, Square and HubSpot.

- Healthcare: The adoption of telemedicine has accelerated as healthcare consumers and medical professionals embrace the technology to practice social distancing. In addition to convenience for patients, telemedicine is helping healthcare providers reduce their reliance on costly offices within hospitals or other facilities. We believe the adoption of this technology will continue after the pandemic. Separately, the rapid speed of developing Covid-19 vaccines has validated the groundbreaking power of genetic sciences, including mRNA technology, which instructs a patient's cells to produce proteins that could prevent or treat a variety of diseases. We have identified at least 13 companies that are using mRNA to develop treatments for oncology, infectious diseases and cardiovascular and pulmonary disorders. The healthcare sector currently is in a robust period of additional forms of innovation, with significant acceleration in new fields like immunology-oncology, which engages the immune system to fight cancer, and gene therapy, which uses new genetic editing techniques to attempt to directly address diseases caused by genetic disorders. In the field of diagnostics, the development of a new generation of blood-based tests seeks to increase the sensitivity and accuracy of cancer detection and monitoring for cancer survivors; more detailed understanding of the pathology of a patient's cancer, it is hoped, will also improve the design of cancer treatments for patients. If successful, these new blood-based diagnostic tools will likely supplement or, in some cases, substantially reduce the use of traditional biopsies in cancer treatment.

Going Forward

Rather than align our portfolios with the priorities of the U.S. president, or rotate into value or cyclical stocks in anticipation of stronger economic growth, we are focusing on finding attractive opportunities among companies that we believe have the potential for generating durable earnings growth with innovation that disrupts existing business models and even entire industries. In the past, value rallies have tended to be short lived and we believe structural challenges, such as accounting practices for valuing intangible assets, have made traditional methods for classifying stocks outdated and can potentially contribute to the underperformance of value stocks. At the same time, certain companies that are benefiting from secular growth and have potential to generate earnings expansion also have exposure to end markets, such as travel and leisure, that can benefit from economic re-openings. We believe that by pursuing such opportunities, we may not have to sacrifice quality and long-term growth potential when anticipating a rebound in depressed areas of the economy.

Portfolio Matters
Alger Balanced Portfolio

The Alger Balanced Portfolio returned 10.23% during the fiscal 12-month period ended December 31, 2020. The equity portion of the Portfolio underperformed the 18.40% return of the S&P 500 Index and the fixed income portion outperformed the 8.92% return of the Bloomberg Barclays U.S. Gov't/Credit Bond Index.

Contributors to Performance

Regarding the equity portion of the Portfolio, the largest sector weightings were Information Technology and Healthcare. The largest sector overweight was Financials and the largest underweight was Information Technology. The Materials and Real Estate sectors provided the greatest contributions to relative performance.

Regarding individual positions, Microsoft Corp.; Apple, Inc.; Amazon.com, Inc.; BlackRock, Inc., Cl. A; and Home Depot, Inc. were among the top contributors to performance.

Microsoft created the world's leading desktop operating system. The company is transitioning its products to the cloud under the guidance of CEO Satya Nadella. Microsoft also owns LinkedIn, the Xbox brand and the video chat and voice call platform, Skype. Additionally, Microsoft is building artificial intelligence services and an enterprise cloud offering called Azure. The company has been generating very strong free cash flow that it is returning to shareholders as dividends and share repurchases. At the same time, investors are cheering the positive life cycle change as the company reports strong success in moving its products to the cloud and in growing its enterprise cloud service. Additionally, even though Microsoft's subscription-based software offerings and cloud computing services are not entirely immune to economic slowdowns, they are proving resilient because, in our opinion, they enhance customers' growth initiatives and help them to diminish costs.

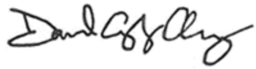
Detractors from Performance

The Consumer Discretionary and Information Technology sectors were among the sectors that detracted from relative performance. Regarding individual positions, Boeing Co.; Wells Fargo & Co.; Exxon Mobil Corp.; and Royal Caribbean Group were among the top detractors from performance. Boeing is a leading producer of passenger jets and is a significant U.S. defense contractor. Boeing's strong proprietary technology has earned the company its "poster company" status among U.S. companies that export high-value, high-ticket capital goods. Unfortunately, the company has struggled to address software-related safety issues that grounded the 737 MAX fleet, which have continued to attract regulatory scrutiny. Importantly, global air travel has dramatically contracted due to the coronavirus impairing the balance sheets and purchasing power of airlines and other Boeing customers, which caused shares of the company to underperform.

At the end of the reporting period, the fixed income portion of the portfolio consisted of 13 corporate bonds, represented 30.5% of Portfolio assets. The Bloomberg Barclays U.S. Corporate Bond Index entered the year with spreads and yields near five-year lows. Both yields and spreads spiked dramatically during the peak of the Covid-19 fears in mid-March, with spreads moving to their highest levels since the Global Financial Crisis in 2008. With forceful Fed liquidity actions and a strong fiscal policy response to the virus, spreads and yields fell back nearly as quickly as they had risen with spreads erasing 80% of the rise and yields at new lows by midyear. After spending most of the summer and early fall in a tight range spreads and yields moved lower into yearend driven by positive Covid-19 vaccine news and post-election stimulus hopes. Spreads ended the year at nearly the same level they began it, and yields were at all-time lows. As a result, total returns for corporate bonds were strong in 2020.

As always, we strive to deliver consistently superior investment results to you, our shareholders, and we thank you for your continued confidence in Alger.

Sincerely,



Daniel C. Chung, CFA
Chief Investment Officer
Fred Alger Management, LLC

Investors cannot invest directly in an index. Index performance does not reflect the deduction for fees, expenses, or taxes.

This report and the financial statements contained herein are submitted for the general information of shareholders of the Alger Balanced Portfolio. This report is not authorized for distribution to prospective investors in the Portfolio unless preceded or accompanied by an effective prospectus for the Portfolio. The Portfolio's returns represent the fiscal 12-month period return of Class I-2 shares. Returns include reinvestment of dividends and distributions.

The performance data quoted in these materials represent past performance, which is not an indication or guarantee of future results.

Standard performance results can be found on the following pages. The investment return and principal value of an investment in the Portfolio will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For performance data current to the most recent month-end, visit us at www.alger.com, or call us at (800) 992-3863.

The views and opinions of the Portfolio's management in this report are as of the date of the Shareholders' Letter and are subject to change at any time subsequent to this date. There is no guarantee that any of the assumptions that formed the basis for the opinions stated herein are accurate or that they will materialize. Moreover, the information forming the basis for such assumptions is from sources believed to be reliable; however, there is no guarantee that such information is accurate. Any securities mentioned, whether owned in the Portfolio or otherwise, are considered in the context of the construction of an overall portfolio of securities and therefore reference to them should not be construed as a recommendation or offer to purchase or sell any such security. Inclusion of such securities in the Portfolio and transactions in such securities, if any, may be for a variety of reasons, including without limitation, in response to cash flows, inclusion in a benchmark, and risk control. The reference to a specific security should also be understood in such context and not viewed as a statement that the security is a significant holding in the Portfolio. Please refer to the Schedule of Investments for the Portfolio which is included in this report for a complete list of Portfolio holdings as of December 31, 2020. Securities mentioned in the Shareholders' Letter, if not found in the Schedule of Investments, may have been held by the Portfolio during the 12-month fiscal period.

Risk Disclosure

Investing in the stock market involves risks, including the potential loss of principal. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. The risks of investing in fixed-income securities include sensitivity to interest-rate and credit rating changes, call risk, increased volatility for lower rated securities, and pre-payment risk. Income-producing securities may cut or fail to declare dividends due to market downturns or for other reasons. A significant portion of assets will be invested in technology companies, which may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies. Financial services companies are subject to extensive government regulation, which may limit their activities, and may be subject to a high degree of volatility.

For a more detailed discussion of the risks associated with the Portfolio, please see the Portfolio's Prospectus.

Before investing, carefully consider the Portfolio's investment objective, risks, charges, and expenses.

For a prospectus containing this and other information about the Alger Portfolios, call us at (800) 992-3863 or visit us at www.alger.com. Read it carefully before investing.

Fred Alger & Company, LLC, Distributor. Member NYSE Euronext, SIPC.

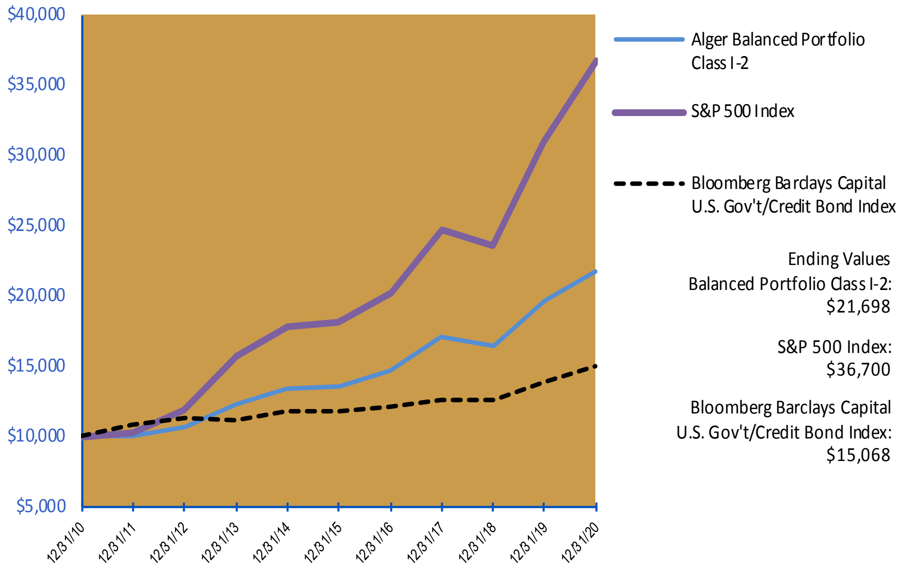
NOT FDIC INSURED. NOT BANK GUARANTEED. MAY LOSE VALUE.

Definitions:

- The Bloomberg Barclays U.S. Gov't/Credit Bond Index is an index that measures performance and government and corporate bonds.
- The S&P 500 Index: An index of large company stocks considered to be representative of the U.S. stock market.
- The MSCI ACWI ex USA Index (gross) captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the U.S.) and 26 Emerging Markets (EM) countries. The index covers approximately 85% of the global equity opportunity set outside the U.S.
- The Russell 3000 Growth Index combines the large-cap Russell 1000 Growth, the small-cap Russell 2000 Growth and the Russell Microcap Growth Index. It includes companies that are considered more growth oriented relative to the overall market as defined by Russell's leading style methodology.
- The Russell 3000 Value Index measures the performance of the broad value segment of the U.S. equity value universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 3000 Value Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad value market.
- The Morgan Stanley Capital International (MSCI) Emerging Markets Index (gross) is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

HYPOTHETICAL $10,000 INVESTMENT IN CLASS I-2 SHARES

— 10 years ended 12/31/20



The chart above illustrates the change in value of a hypothetical $10,000 investment made in Alger Balanced Portfolio Class I-2 shares and the S&P 500 Index (an unmanaged index of common stocks) and the Bloomberg Barclays Capital U.S. Gov't/Credit Bond Index (an unmanaged index of government and corporate bonds) for the ten years ended December 31, 2020. Figures for each of the Alger Balanced Portfolio Class I-2 shares, the Bloomberg Barclays Capital U.S. Gov't/Credit Bond Index and the S&P 500 Index include reinvestment of dividends. Figures for the Alger Balanced Portfolio Class I-2 shares also include reinvestment of capital gains.

PERFORMANCE COMPARISON AS OF 12/31/20

AVERAGE ANNUAL TOTAL RETURNS

	1 YEAR	5 YEARS	10 YEARS	Since 9/5/1989
Class I-2 (Inception 9/5/89)	10.23%	9.79%	8.05%	7.79%
S&P 500 Index	18.40%	15.22%	13.88%	10.16%
Bloomberg Barclays Capital U.S. Gov't/Credit Bond Index	8.92%	4.98%	4.19%	6.13%

The performance data quoted represents past performance, which is not an indication or a guarantee of future results. Investment return and principal will fluctuate and the Portfolio's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. For performance current to the most recent month end, visit us at www.alger.com or call us at (800) 992-3863.

Returns indicated assume reinvestment of all distributions, no transaction costs or taxes, and are net of management fees and fund operating expenses only. Total return does not include deductions at the Portfolio or contract level for the cost of the insurance charges, premium load, administrative charges, mortality and expense risk charges or other charges that may be incurred under the variable annuity contract, variable life insurance plan or retirement plan for which the Portfolio serves as an underlying investment vehicle. If these charges were deducted, the total return figures would be lower. Please refer to the variable insurance product or retirement plan disclosure documents for any additional applicable expenses. Investing in the stock market involves gains and losses and may not be suitable for all investors.

PORTFOLIO SUMMARY†
December 31, 2020 (Unaudited)

SECTORS/SECURITY TYPES	Alger Balanced Portfolio
Communication Services	7.9%
Consumer Discretionary	5.6
Consumer Staples	4.9
Energy	1.6
Financials	8.9
Healthcare	8.8
Industrials	4.2
Information Technology	17.8
Materials	1.1
Real Estate	2.5
Utilities	0.8
Total Equity Securities	64.1
Corporate Bonds	30.3
Total Debt Securities	30.3
Short-Term Investments and Net Other Assets	5.6
	100.0%

† *Based on net assets for the Portfolio.*

COMMON STOCKS—60.8%	SHARES		VALUE
AEROSPACE & DEFENSE—1.1%			
General Dynamics Corp.	1,083	$	161,172
Raytheon Technologies Corp.	2,371		169,550
TransDigm Group, Inc.*	398		246,303
			577,025
ASSET MANAGEMENT & CUSTODY BANKS—2.4%			
BlackRock, Inc., Cl. A	952		686,906
The Blackstone Group, Inc., Cl. A	5,831		377,907
The Carlyle Group, Inc.	6,227		195,777
			1,260,590
BIOTECHNOLOGY—1.6%			
AbbVie, Inc.	4,146		444,244
Amgen, Inc.	1,056		242,796
Gilead Sciences, Inc.	2,516		146,582
			833,622
BROADCASTING—0.3%			
ViacomCBS, Inc., Cl. B	3,524		**131,304**
BUILDING PRODUCTS—0.3%			
Johnson Controls International PLC	3,449		**160,689**
CABLE & SATELLITE—1.0%			
Comcast Corp., Cl. A	9,967		**522,271**
COMMODITY CHEMICALS—0.2%			
Dow, Inc.	2,258		**125,319**
COMMUNICATIONS EQUIPMENT—0.7%			
Cisco Systems, Inc.	8,567		**383,373**
COMPUTER & ELECTRONICS RETAIL—0.3%			
Best Buy Co., Inc.	1,464		**146,093**
CONSTRUCTION MACHINERY & HEAVY TRUCKS—0.1%			
PACCAR, Inc.	868		**74,891**
CONSUMER ELECTRONICS—0.4%			
Garmin Ltd.	1,641		**196,362**
DATA PROCESSING & OUTSOURCED SERVICES—0.9%			
Visa, Inc., Cl. A	2,140		**468,082**
DIVERSIFIED BANKS—3.3%			
Bank of America Corp.	13,900		421,309
JPMorgan Chase & Co.	10,405		1,322,163
			1,743,472
ELECTRIC UTILITIES—0.5%			
NextEra Energy, Inc.	3,500		**270,025**
ELECTRICAL COMPONENTS & EQUIPMENT—0.6%			
Eaton Corp. PLC	2,452		**294,583**
FINANCIAL EXCHANGES & DATA—0.8%			
CME Group, Inc., Cl. A	2,211		**402,513**
FOOD DISTRIBUTORS—0.4%			
Sysco Corp.	2,924		**217,136**

COMMON STOCKS—60.8% (CONT.)	SHARES		VALUE
GOLD—0.1%			
Newmont Corp.	1,245	$	**74,563**
HEALTHCARE EQUIPMENT—0.5%			
Medtronic PLC	1,995		**233,694**
HEALTHCARE SERVICES—0.7%			
CVS Health Corp.	5,182		**353,931**
HOME IMPROVEMENT RETAIL—2.0%			
The Home Depot, Inc.	3,857		**1,024,496**
HOUSEHOLD PRODUCTS—1.2%			
The Procter & Gamble Co.	4,400		**612,216**
HYPERMARKETS & SUPER CENTERS—0.6%			
Walmart, Inc.	2,320		**334,428**
INDUSTRIAL CONGLOMERATES—1.6%			
Honeywell International, Inc.	3,810		**810,387**
INDUSTRIAL GASES—0.8%			
Air Products & Chemicals, Inc.	1,573		**429,775**
INTEGRATED OIL & GAS—1.1%			
Chevron Corp.	4,047		341,769
TOTAL SE#	5,051		211,688
			553,457
INTEGRATED TELECOMMUNICATION SERVICES—1.6%			
AT&T, Inc.	8,245		237,126
Verizon Communications, Inc.	10,027		589,086
			826,212
INTERACTIVE MEDIA & SERVICES—5.0%			
Alphabet, Inc., Cl. A*	536		939,415
Alphabet, Inc., Cl. C*	508		889,955
Facebook, Inc., Cl. A*	2,818		769,765
			2,599,135
INTERNET & DIRECT MARKETING RETAIL—1.7%			
Amazon.com, Inc.*	269		**876,114**
INVESTMENT BANKING & BROKERAGE—1.6%			
Morgan Stanley	12,323		**844,495**
LEISURE FACILITIES—0.3%			
Vail Resorts, Inc.	549		**153,149**
MANAGED HEALTHCARE—1.4%			
UnitedHealth Group, Inc.	2,138		**749,754**
MULTI-LINE INSURANCE—0.3%			
The Hartford Financial Services Group, Inc.	2,647		**129,650**
MULTI-UTILITIES—0.3%			
Sempra Energy	1,387		**176,718**
OIL & GAS STORAGE & TRANSPORTATION—0.2%			
ONEOK, Inc.	2,694		**103,396**
PHARMACEUTICALS—4.6%			
AstraZeneca PLC#	5,137		256,799

COMMON STOCKS—60.8% (CONT.)	SHARES		VALUE
PHARMACEUTICALS—4.6% (CONT.)			
Bristol-Myers Squibb Co.	3,563	$	221,013
Eli Lilly & Co.	1,827		308,471
GlaxoSmithKline PLC#	5,029		185,067
Johnson & Johnson	4,248		668,550
Merck & Co., Inc.	2,793		228,468
Novartis AG#	2,161		204,063
Pfizer, Inc.	7,384		271,805
Viatris, Inc.*	3,914		73,348
			2,417,584
RAILROADS—0.5%			
Union Pacific Corp.	1,307		**272,143**
RESTAURANTS—0.9%			
McDonald's Corp.	1,178		252,775
Starbucks Corp.	2,012		215,244
			468,019
SEMICONDUCTOR EQUIPMENT—1.2%			
KLA Corp.	2,479		**641,838**
SEMICONDUCTORS—3.0%			
Broadcom, Inc.	1,559		682,608
QUALCOMM, Inc.	3,952		602,048
Taiwan Semiconductor Manufacturing Co., Ltd.#	2,724		297,025
			1,581,681
SOFT DRINKS—1.9%			
PepsiCo, Inc.	3,622		537,143
The Coca-Cola Co.	8,431		462,356
			999,499
SYSTEMS SOFTWARE—6.2%			
Microsoft Corp.	14,682		**3,265,570**
TECHNOLOGY HARDWARE STORAGE & PERIPHERALS—5.8%			
Apple, Inc.	22,772		**3,021,617**
TOBACCO—0.8%			
Altria Group, Inc.	7,090		290,690
Philip Morris International, Inc.	1,822		150,843
			441,533
TOTAL COMMON STOCKS			
(Cost $14,936,062)			**31,802,404**

MASTER LIMITED PARTNERSHIP—0.3%	SHARES		VALUE
OIL & GAS STORAGE & TRANSPORTATION—0.3%			
Cheniere Energy Partners LP	4,546		**160,247**
(Cost $150,738)			**160,247**

REAL ESTATE INVESTMENT TRUST—3.0%	SHARES		VALUE
HEALTHCARE—0.4%			
Welltower, Inc.	3,445		**222,616**
INDUSTRIAL—0.4%			
Americold Realty Trust	4,853		**181,162**

REAL ESTATE INVESTMENT TRUST—3.0% (CONT.)	SHARES		VALUE
MORTGAGE—0.5%			
Blackstone Mortgage Trust, Inc., Cl. A	9,169	$	**252,423**
SPECIALIZED—1.7%			
Crown Castle International Corp.	2,997		477,092
CyrusOne, Inc.	2,548		186,386
Lamar Advertising Co., Cl. A	2,654		220,866
			884,344
TOTAL REAL ESTATE INVESTMENT TRUST			
(Cost $1,121,776)			**1,540,545**

CORPORATE BONDS—30.3%	PRINCIPAL AMOUNT		VALUE
AGRICULTURAL & FARM MACHINERY—3.4%			
John Deere Capital Corp., 2.75%, 3/15/22	1,750,000		**1,802,408**
AUTOMOBILE MANUFACTURERS—1.0%			
Toyota Motor Credit Corp., 0.45%, 7/22/22	500,000		**501,496**
BIOTECHNOLOGY—1.1%			
AbbVie, Inc., 3.6%, 5/14/25	500,000		**557,366**
DATA PROCESSING & OUTSOURCED SERVICES—1.0%			
PayPal Holdings, Inc., 1.35%, 6/1/23	500,000		**512,261**
DIVERSIFIED BANKS—4.0%			
JPMorgan Chase & Co., 4.35%, 8/15/21	1,000,000		1,025,725
Wells Fargo & Co., 3.3%, 9/9/24	1,000,000		1,095,786
			2,121,511
INTEGRATED TELECOMMUNICATION SERVICES—2.8%			
Verizon Communications, Inc., 5.15%, 9/15/23	1,300,000		**1,465,643**
PACKAGED FOODS & MEATS—3.9%			
Campbell Soup Co., 2.5%, 8/2/22	2,000,000		**2,067,313**
SEMICONDUCTOR EQUIPMENT—1.1%			
KLA Corp., 4.65%, 11/1/24	500,000		**569,683**
SEMICONDUCTORS—3.2%			
Altera Corp., 4.1%, 11/15/23	1,500,000		**1,663,369**
SPECIALIZED—2.5%			
Crown Castle International Corp., 3.2%, 9/1/24	1,200,000		**1,305,017**
TECHNOLOGY HARDWARE STORAGE & PERIPHERALS—6.3%			
Apple, Inc., 1.13%, 5/11/25	1,200,000		1,235,068
HP, Inc., 4.38%, 9/15/21	2,000,000		2,053,015
			3,288,083
TOTAL CORPORATE BONDS			
(Cost $15,228,404)			**15,854,150**
Total Investments			
(Cost $31,436,980)	94.4%	**$**	**49,357,346**
Unaffiliated Securities (Cost $31,436,980)			49,357,346
Other Assets in Excess of Liabilities	5.6%		2,948,074
NET ASSETS	100.0%	**$**	**52,305,420**

\# *American Depositary Receipts.*
* *Non-income producing security.*

See Notes to Financial Statements.

		Alger Balanced Portfolio
ASSETS:		
Investments in unaffiliated securities, at value (Identified cost below)* see accompanying schedule of investments	$	49,357,346
Cash and cash equivalents		2,797,312
Receivable for investment securities sold		48,073
Receivable for shares of beneficial interest sold		18,573
Dividends and interest receivable		185,387
Prepaid expenses		17,226
Total Assets		52,423,917
LIABILITIES:		
Payable for shares of beneficial interest redeemed		44,228
Accrued investment advisory fees		31,255
Accrued printing fees		14,900
Accrued professional fees		10,841
Accrued fund accounting payable		10,121
Accrued custodian fees		1,008
Accrued transfer agent fees		618
Accrued administrative fees		1,211
Accrued shareholder administrative fees		440
Accrued other expenses		3,875
Total Liabilities		118,497
NET ASSETS	**$**	**52,305,420**
NET ASSETS CONSIST OF:		
Paid in capital (par value of $.001 per share)		34,122,152
Distributable earnings		18,183,268
NET ASSETS	**$**	**52,305,420**
* Identified cost	$	31,436,980[(a)]

See Notes to Financial Statements.

[(a)] *At December 31, 2020, the net unrealized appreciation on investments, based on cost for federal income tax purposes of $31,291,262, amounted to $18,066,084, which consisted of aggregate gross unrealized appreciation of $18,422,803 and aggregate gross unrealized depreciation of $356,719.*

		Alger Balanced Portfolio
NET ASSETS BY CLASS:		
Class I-2	$	52,305,420
SHARES OF BENEFICIAL INTEREST OUTSTANDING — NOTE 6:		
Class I-2		3,068,012
NET ASSET VALUE PER SHARE:		
Class I-2	$	17.05

See Notes to Financial Statements.

ALGER BALANCED PORTFOLIO
Statement of Operations for the year ended December 31, 2020

		Alger Balanced Portfolio
INCOME:		
Dividends (net of foreign withholding taxes*)	$	741,849
Interest		417,040
Total Income		1,158,889
EXPENSES:		
Investment advisory fees — Note 3(a)		341,461
Shareholder administrative fees — Note 3(f)		4,809
Administration fees — Note 3(b)		13,226
Custodian fees		5,534
Transfer agent fees — Note 3(f)		2,376
Printing fees		21,313
Professional fees		39,628
Registration fees		24,487
Trustee fees — Note 3(g)		1,508
Fund accounting fees		56,711
Other expenses		3,519
Total Expenses		514,572
NET INVESTMENT INCOME		644,317
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:		
Net realized gain on unaffiliated investments		209,801
Net change in unrealized appreciation on unaffiliated investments		3,965,002
Net realized and unrealized gain on investments		4,174,803
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$**	**4,819,120**
* Foreign withholding taxes	$	5,782

See Notes to Financial Statements.

	Alger Balanced Portfolio	
	For the Year Ended December 31, 2020	For the Year Ended December 31, 2019
Net investment income	$ 644,317	$ 762,931
Net realized gain on investments	209,801	1,025,967
Net change in unrealized appreciation on investments	3,965,002	6,286,842
Net increase in net assets resulting from operations	4,819,120	8,075,740
Dividends and distributions to shareholders:		
Class I-2	(802,995)	(1,880,741)
Total dividends and distributions to shareholders	(802,995)	(1,880,741)
Increase (decrease) from shares of beneficial interest transactions – Note 6:		
Class I-2	(1,185,718)	1,242,901
Total increase	2,830,407	7,437,900
Net Assets:		
Beginning of period	49,475,013	42,037,113
END OF PERIOD	**$ 52,305,420**	**$ 49,475,013**

See Notes to Financial Statements.

Alger Balanced Portfolio

	Class I-2				
	Year ended 12/31/2020	Year ended 12/31/2019	Year ended 12/31/2018	Year ended 12/31/2017	Year ended 12/31/2016
Net asset value, beginning of period	$ 15.71	$ 13.67	$ 17.20	$ 15.32	$ 14.39
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income[(i)]	0.21	0.25	0.28	0.29	0.29
Net realized and unrealized gain (loss) on investments	1.39	2.41	(0.84)	2.08	0.94
Total from investment operations	1.60	2.66	(0.56)	2.37	1.23
Dividends from net investment income	(0.20)	(0.23)	(0.72)	(0.49)	(0.30)
Distributions from net realized gains	(0.06)	(0.39)	(2.25)	–	–
Net asset value, end of period	$ 17.05	$ 15.71	$ 13.67	$ 17.20	$ 15.32
Total return	10.23%	19.50%	(3.32)%	15.44%	8.51%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	$ 52,305	$ 49,475	$ 42,037	$ 47,501	$ 71,534
Ratio of net expenses to average net assets	1.07%	1.10%	1.14%	0.96%	0.96%
Ratio of net investment income to average net assets	1.34%	1.67%	1.61%	1.77%	1.97%
Portfolio turnover rate	15.41%	5.71%	5.04%	10.89%	3.58%

See Notes to Financial Statements.

(i) *Amount was computed based on average shares outstanding during the period.*

NOTE 1 — General:

The Alger Portfolios (the "Fund") is an open-end registered investment company organized as a business trust under the laws of the Commonwealth of Massachusetts. The Fund qualifies as an investment company as defined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification 946-Financial Services – Investment Companies. The Fund operates as a series company currently offering seven series of shares of beneficial interest: Alger Capital Appreciation Portfolio, Alger Large Cap Growth Portfolio, Alger Growth & Income Portfolio, Alger Mid Cap Growth Portfolio, Alger Weatherbie Specialized Growth Portfolio, Alger Small Cap Growth Portfolio and Alger Balanced Portfolio (collectively, the "Portfolios"). These financial statements include only the Alger Balanced Portfolio (the "Portfolio"). The Portfolio's investment objective is current income and long-term capital appreciation which it seeks to achieve through investing in equity and fixed-income securities. Shares of the Portfolio are available to investment vehicles for variable annuity contracts and variable life insurance policies offered by separate accounts of life insurance companies, as well as qualified pension and retirement plans. The Portfolio offers Class I-2 shares.

NOTE 2 — Significant Accounting Policies:

(a) Investment Valuation: The Portfolio values its financial instruments at fair value using independent dealers or pricing services under policies approved by the Fund's Board of Trustees (the "Board"). Investments held by the Portfolio are valued on each day the New York Stock Exchange (the "NYSE") is open, as of the close of the NYSE (normally 4:00 p.m. Eastern Time).

Investments in money market funds and short-term securities held by the Portfolio having a remaining maturity of sixty days or less are valued at amortized cost which approximates market value.

Equity securities, including traded rights, warrants and option contracts for which valuation information is readily available, are valued at the last quoted sales price or official closing price on the primary market or exchange on which they are traded as reported by an independent pricing service. In the absence of quoted sales, such securities are valued at the bid price or, in the absence of a recent bid price, the equivalent as obtained from one or more of the major market makers for the securities to be valued.

Debt securities generally trade in the over-the-counter market. Debt securities with remaining maturities of more than sixty days at the time of acquisition are valued on the basis of the last available bid prices or current market quotations provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments, various relationships observed in the market between investments and calculated yield measures based on valuation technology commonly employed in the market for such investments. Asset-backed and mortgage-backed securities are valued by independent pricing services using models that consider estimated cash flows of each tranche of the security, establish a benchmark yield and develop an estimated tranche-specific spread to the benchmark yield based on the unique attributes of the tranche. Debt securities with a remaining maturity of sixty days or less are valued at amortized cost which approximates market value.

Securities for which market quotations are not readily available are valued at fair value, as determined in good faith pursuant to procedures established by the Board and described further herein.

Securities in which the Portfolio invests may be traded in foreign markets that close before the close of the NYSE. Developments that occur between the close of the foreign markets and the close of the NYSE may result in adjustments to the closing foreign prices to reflect what the Portfolio's investment adviser, pursuant to policies established by the Board, believes to be the fair value of these securities as of the close of the NYSE. The Portfolio may also fair value securities in other situations, for example, when a particular foreign market is closed but the Portfolio is open.

FASB Accounting Standards Codification 820 – Fair Value Measurements and Disclosures ("ASC 820") defines fair value as the price that the Portfolio would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability and may be observable or unobservable. Observable inputs are based on market data obtained from sources independent of the Portfolio. Unobservable inputs are inputs that reflect the Portfolio's own assumptions 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 in active markets for identical investments
- Level 2 – significant other observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Portfolio's own assumptions in determining the fair value of investments)

The Portfolio's valuation techniques are generally consistent with either the market or the income approach to fair value. The market approach considers prices and other relevant information generated by market transactions involving identical or comparable assets to measure fair value. The income approach converts future amounts to a current, or discounted, single amount. These fair value measurements are determined on the basis of the value indicated by current market expectations about such future events. Inputs for Level 1 include exchange-listed prices and broker quotes in an active market. Inputs for Level 2 include the last trade price in the case of a halted security, an exchange-listed price which has been adjusted for fair value factors, and prices of closely related securities. Additional Level 2 inputs include an evaluated price which is based upon a compilation of observable market information such as spreads for fixed income and preferred securities. Inputs for

Level 3 include, but are not limited to, revenue multiples, earnings before interest, taxes, depreciation and amortization ("EBITDA") multiples, discount rates, time to exit and the probabilities of success of certain outcomes. Such unobservable market information may be obtained from a company's financial statements and from industry studies, market data, and market indicators such as benchmarks and indexes. Because of the inherent uncertainty and often limited markets for restricted securities, the valuations assigned to such securities by the Portfolio may significantly differ from the valuations that would have been assigned by the Portfolio had there been an active market for such securities.

Valuation processes are determined by a Valuation Committee ("Committee") authorized by the Board and comprised of representatives of the Portfolio's investment adviser and officers of the Fund. The Committee reports its fair valuation determinations and related valuation information to the Board. The Board is responsible for approving the valuation policy and procedures.

While the Committee meets on an as-needed basis, the Committee generally meets quarterly to review and evaluate the effectiveness of the procedures for making fair value determinations. The Committee considers, among other things, the results of quarterly back testing of the fair value model for foreign securities, pricing comparisons between primary and secondary price sources, the outcome of price challenges put to the Portfolio's pricing vendor, and variances between transactional prices and the previous day's price.

(b) Cash and Cash Equivalents: Cash and cash equivalents include U.S. dollars, foreign cash and overnight time deposits.

(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 is recognized on the accrual basis.

Premiums and discounts on debt securities purchased are amortized or accreted over the lives of the respective securities.

(d) Foreign Currency Transactions: The books and records of the Portfolio are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at the prevailing rates of exchange on the valuation date. Purchases and sales of investment securities and income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of such transactions.

Net realized gains and losses on foreign currency transactions represent net gains and losses from the disposition of foreign currencies, currency gains and losses realized between the trade dates and settlement dates of security transactions, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The effects of changes in foreign currency exchange rates on investments in securities are included in realized and unrealized gain or loss on investments in the accompanying Statement of Operations.

(e) Lending of Fund Securities: The Portfolio may lend its securities to financial institutions,

provided that the market value of the securities loaned will not at any time exceed one third of the Portfolio's total assets including borrowings, as defined in its prospectus. The Portfolio earns fees on the securities loaned, which are included in interest income in the accompanying Statement of Operations. In order to protect against the risk of failure by the borrower to return the securities loaned or any delay in the delivery of such securities, the loan is collateralized by cash or securities that are maintained with Brown Brothers Harriman & Company, the Portfolio's Custodian ("Custodian"), in an amount equal to at least 102 percent of the current market value of U.S. loaned securities or 105 percent for non-U.S. loaned securities. The market value of the loaned securities is determined at the close of business of the Portfolio. Any required additional collateral is delivered to the Custodian each day and any excess collateral is returned to the borrower on the next business day. In the event the borrower fails to return the loaned securities when due, the Portfolio may take the collateral to replace the securities. If the value of the collateral is less than the purchase cost of replacement securities, the Custodian shall be responsible for any shortfall, but only to the extent that the shortfall is not due to any diminution in collateral value, as defined in the securities lending agreement. The Portfolio is required to maintain the collateral in a segregated account and determine its value each day until the loaned securities are returned. Cash collateral may be invested as determined by the Portfolio. Collateral is returned to the borrower upon settlement of the loan. There were no securities loaned as of December 31, 2020.

(f) Dividends to Shareholders: Dividends and distributions payable to shareholders are recorded by the Portfolio on the ex-dividend date.

Dividends from net investment income, if available, are declared and paid annually. Dividends from net realized gains, offset by any loss carryforward, are declared and paid annually after the end of the fiscal year in which earned.

The characterization of distributions to shareholders for financial reporting purposes is determined in accordance with federal income tax rules. Therefore, the source of the Portfolio's distributions may be shown in the accompanying financial statements as either from, or in excess of, net investment income, net realized gain on investment transactions, or return of capital, depending on the type of book/tax differences that may exist. Capital accounts within the financial statements are adjusted for permanent book/tax differences. Reclassifications result primarily from the differences in tax treatment of net operating losses, passive foreign investment companies, and foreign currency transactions. The reclassifications are done annually at year-end and have no impact on the net asset value of the Portfolio and are designed to present the Portfolio's capital accounts on a tax basis.

(g) Federal Income Taxes: It is the Portfolio's policy to comply with the requirements of the Internal Revenue Code Subchapter M applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Provided that the Portfolio maintains such compliance, no federal income tax provision is required.

FASB Accounting Standards Codification 740 – Income Taxes ("ASC 740") requires the Portfolio to measure and recognize in its financial statements the benefit of a tax position taken (or expected to be taken) on an income tax return if such position will more likely than not be sustained upon examination based on the technical merits of the position. No tax years are currently under investigation. The Portfolio files income tax returns in the U.S. Federal jurisdiction, as well as the New York State and New York City jurisdictions. The statute of limitations on the Portfolio's tax returns remains open for the tax years 2017-2020. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

(h) Allocation Methods: The Fund accounts separately for the assets, liabilities and operations of the Portfolio. Expenses directly attributable to the Portfolio are charged to the Portfolio's operations; expenses which are applicable to all Portfolios are allocated among them based on net assets.

(i) Estimates: These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require using estimates and assumptions that affect the reported amounts therein. Actual results may differ from those estimates. All such estimates are of a normal recurring nature.

(j) Recent Accounting Pronouncements: In August 2018, FASB issued Accounting Standards Update 2018-13 "Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement" ("ASU 2018-13") which modifies disclosure requirements for fair value measurements, principally for Level 3 securities and transfers between levels of the fair value hierarchy. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years. The Portfolio has complied with ASU 2018-13 for the year ended December 31, 2020, resulting in (1) new disclosures for the total unrealized gain or loss attributable to fair value changes in Level 3 securities, and (2) the elimination of the disclosure of (a) the reasons for and amounts of transfers between Level 1 and Level 2, and (b) the Portfolio's valuation processes for Level 3 securities.

NOTE 3 — Investment Advisory Fees and Other Transactions with Affiliates:

(a) Investment Advisory Fees: Fees incurred by the Portfolio, pursuant to the provisions of the Fund's Investment Advisory Agreement with Fred Alger Management, LLC ("Alger Management" or the "Investment Manager"), are payable monthly and computed based on the following rates. The actual rate paid as a percentage of average daily net assets, for the year ended December 31, 2020, is set forth below under the heading "Actual Rate":

	Tier 1	Tier 2	Actual Rate
Alger Balanced Portfolio[(a)]	0.71%	0.55%	0.71%

[(a)] *Tier 1 rate is paid on assets up to $1 billion and Tier 2 rate is paid on assets in excess of $1 billion.*

(b) Administration Fees: Fees incurred by the Portfolio, pursuant to the provisions of the Fund's Fund Administration Agreement with Alger Management, are payable monthly and computed based on the average daily net assets of the Portfolio at the annual rate of 0.0275%.

(c) Brokerage Commissions: During the year ended December 31, 2020, the Portfolio paid Fred Alger & Company, LLC, the Fund's distributor and affiliate of Alger Management (the

"Distributor" or "Alger LLC"), $242 in connection with securities transactions.

(d) Interfund Loans: The Portfolio, along with other funds in the Alger Fund Complex (as defined below), may borrow money from and lend money to each other for temporary or emergency purposes. To the extent permitted under its investment restrictions, the Portfolio may lend uninvested cash in an amount up to 15% of its net assets to other funds. If the Portfolio has borrowed from other funds and has aggregate borrowings from all sources that exceed 10% of the Portfolio's total assets, the Portfolio will secure all of its loans from other funds. The interest rate charged on interfund loans is equal to the average of the overnight time deposit rate and bank loan rate available to the Portfolio. There were no interfund loans outstanding as of December 31, 2020.

(e) Other Transactions with Affiliates: Certain officers and one Trustee of the Fund are directors and/or officers of Alger Management, the Distributor, or their affiliates. No shares of the Portfolio were held by Alger Management and its affiliated entities as of December 31, 2020.

(f) Shareholder Administrative Fees: The Fund has entered into a Shareholder Administrative Services Agreement with Alger Management to compensate Alger Management for providing administrative oversight of, the Portfolio's transfer agent, and for other related services. The Portfolio compensates Alger Management at the annual rate of 0.01% of the average daily net assets for these services.

(g) Trustee Fees: For 2020, each trustee who is not an "interested person" of the Fund, as defined in the Investment Company Act of 1940, as amended ("Independent Trustee") received a fee of $134,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex, plus travel expenses incurred for attending board meetings. The term "Alger Fund Complex" refers to the Fund, The Alger Institutional Funds, The Alger Funds II, The Alger Funds and Alger Global Focus Fund, each of which is a registered investment company managed by Alger Management. The Independent Trustee appointed as Chairman of the Board of Trustees received additional compensation of $20,000 per annum paid pro rata based on net assets by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee received a fee of $13,000 per annum, paid pro rata by each fund in the Alger Fund Complex.

On December 15, 2020, the Board of Trustees approved the following changes in Trustee compensation. Effective January 1, 2021, each Independent Trustee receives a fee of $142,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex, plus travel expenses incurred for attending board meetings. The Independent Trustee appointed as Chairman of the Board of Trustees receives additional compensation of $20,000 per annum paid pro rata by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee receives a fee of $13,000 per annum, paid pro rata by each fund in the Alger Fund Complex.

(h) Interfund Trades: The Portfolio may engage in purchase and sale transactions with other funds advised by Alger Management or Weatherbie Capital, LLC. There were no interfund

trades during the year ended December 31, 2020.

NOTE 4 — Securities Transactions:

Purchases and sales of securities, other than U.S. Government securities and short-term securities, for the year ended December 31, 2020, were as follows:

	PURCHASES	SALES
Alger Balanced Portfolio	$ 7,690,813	$ 6,843,527

Transactions in foreign securities may involve certain considerations and risks not typically associated with those of U.S. companies because of, among other factors, the level of governmental supervision and regulation of foreign security markets, and the possibility of political or economic instability. Additional risks associated with investing in emerging markets include increased volatility, limited liquidity, and less stringent regulatory and legal systems.

NOTE 5 — Borrowings:

The Portfolio may borrow from the Custodian on an uncommitted basis. The Portfolio pays the Custodian a market rate of interest, generally based upon a rate of return with respect to each respective currency borrowed taking into consideration relevant overnight and short-term reference rates, the range of distribution between and among the interest rates paid on deposits to other institutions, less applicable commissions, if any. The Portfolio may also borrow from other funds in the Alger Fund Complex, as discussed in Note 3(d). For the year ended December 31, 2020, the Portfolio had no borrowings from the Custodian or other funds in the Alger Fund Complex.

NOTE 6 — Share Capital:

The Portfolio has an unlimited number of authorized shares of beneficial interest of $.001 par value. During the year ended December 31, 2020 and the year ended December 31, 2019, transactions of shares of beneficial interest were as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2020		FOR THE YEAR ENDED DECEMBER 31, 2019	
	SHARES	AMOUNT	SHARES	AMOUNT
Alger Balanced Portfolio				
Class I-2:				
Shares sold	283,838	$ 4,474,631	400,185	$ 6,067,637
Dividends reinvested	47,571	802,995	120,637	1,880,740
Shares redeemed	(411,858)	(6,463,344)	(446,811)	(6,705,476)
Net increase (decrease)	**(80,449)**	**$ (1,185,718)**	**74,011**	**$ 1,242,901**

NOTE 7 — Income Tax Information:

The tax character of distributions paid during the year ended December 31, 2020 and the year ended December 31, 2019 were as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2020	FOR THE YEAR ENDED DECEMBER 31, 2019
Alger Balanced Portfolio		
Distributions paid from:		
Ordinary Income	$ 622,124	$ 716,934
Long-term capital gain	180,871	1,163,807
Total distributions paid	**$ 802,995**	**$ 1,880,741**

As of December 31, 2020, the components of accumulated gains (losses) on a tax basis were as follows:

Alger Balanced Portfolio	
Undistributed ordinary income	$ 6,987
Undistributed long-term gains	110,197
Net accumulated earnings	117,184
Capital loss carryforwards	—
Net unrealized appreciation	18,066,084
Total accumulated earnings	$ 18,183,268

At December 31, 2020, the Portfolio, for federal income tax purposes, had no capital loss carryforwards and no capital loss carryforwards were utilized in 2020.

Net capital losses incurred after October 31 and within the taxable year are deemed to arise on the first business day of the Portfolio's next taxable year.

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is determined annually and is attributable primarily to the tax deferral of losses on wash sales, U.S. Internal Revenue Code Section 988 currency transactions, the tax treatment of partnership investments, the realization of unrealized appreciation of passive foreign investment companies, and return of capital from real estate investment trust investments.

No reclassification has been made among the Portfolio's components of net assets at December 31, 2020.

NOTE 8 — Fair Value Measurements:

The major categories of securities and their respective fair value inputs are detailed in the Portfolio's Schedule of Investments. Based upon the nature, characteristics, and risks associated with its investments as of December 31, 2020, the Portfolio has determined that presenting them by security type and sector is appropriate.

Alger Balanced Portfolio	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
COMMON STOCKS				
Communication Services	$ 4,078,922	$ 4,078,922	$ —	$ —
Consumer Discretionary	2,864,233	2,864,233	—	—
Consumer Staples	2,604,812	2,604,812	—	—
Energy	656,853	656,853	—	—
Financials	4,380,720	4,380,720	—	—
Healthcare	4,588,585	4,588,585	—	—
Industrials	2,189,718	2,189,718	—	—
Information Technology	9,362,161	9,362,161	—	—
Materials	629,657	629,657	—	—
Utilities	446,743	446,743	—	—
TOTAL COMMON STOCKS	**$ 31,802,404**	**$ 31,802,404**	**$ —**	**$ —**
MASTER LIMITED PARTNERSHIP				
Energy	160,247	160,247	—	—
REAL ESTATE INVESTMENT TRUST				
Financials	252,423	252,423	—	—
Real Estate	1,288,122	1,288,122	—	—
TOTAL REAL ESTATE INVESTMENT TRUST	**$ 1,540,545**	**$ 1,540,545**	**$ —**	**$ —**
CORPORATE BONDS				
Communication Services	1,465,643	—	1,465,643	—
Consumer Discretionary	501,496	—	501,496	—
Consumer Staples	2,067,313	—	2,067,313	—
Financials	2,121,511	—	2,121,511	—
Healthcare	557,366	—	557,366	—
Industrials	1,802,408	—	1,802,408	—
Information Technology	6,033,396	—	6,033,396	—
Real Estate	1,305,017	—	1,305,017	—
TOTAL CORPORATE BONDS	**$ 15,854,150**	**$ —**	**$ 15,854,150**	**$ —**
TOTAL INVESTMENTS IN SECURITIES	**$ 49,357,346**	**$ 33,503,196**	**$ 15,854,150**	**$ —**

Certain of the Portfolio's assets and liabilities are held at carrying amount or face value, which approximates fair value for financial statements purposes. As of December 31, 2020, such assets were categorized within the ASC 820 disclosure hierarchy as follows:

	TOTAL FUND	LEVEL 1	LEVEL 2	LEVEL 3
Cash and cash equivalents	$ 2,797,312	$ —	$ 2,797,312	$ —

NOTE 9 — Derivatives:

FASB Accounting Standards Codification 815 – Derivatives and Hedging ("ASC 815") requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements.

Options—The Portfolio seeks to capture the majority of the returns associated with equity market investments. To meet this investment goal, the Portfolio invests in a broadly diversified portfolio of common stocks and may also buy and sell call and put options on equities and equity indexes. The Portfolio may purchase call options to increase its exposure to the stock market and also provide diversification of risk. The Portfolio may purchase put options in order to protect from significant market declines that may occur over a short period of time. The Portfolio may write covered call and cash-secured put options to generate cash flows while reducing the volatility of the portfolio. The cash flows may be an important source of the Portfolio's return, although written call options may reduce the Portfolio's ability to profit from increases in the value of the underlying security or equity portfolio. The value of a call option generally increases as the price of the underlying stock increases and decreases as the stock decreases in price. Conversely, the value of a put option generally increases as the price of the underlying stock decreases and decreases as the stock increases in price. The combination of the diversified stock portfolio and the purchase and sale of options is intended to provide the Portfolio with the majority of the returns associated with equity market investments but with reduced volatility and returns that are augmented with the cash flows from the sale of options.

There were no options or other derivative instruments held by the Portfolio throughout the year or as of December 31, 2020.

NOTE 10 — Risk Disclosures:

Investing in the stock market involves certain risks, including the potential loss of principal. Your investment in Portfolio shares represents an indirect investment in the securities owned by the Portfolio. The value of these securities, like other investments, may move up or down, sometimes rapidly and unpredictably. Your Portfolio shares at any point in time may be worth less than what you invested, even after taking into account the reinvestment of Portfolio dividends and distributions. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness such as COVID-19 or other public health issues, recessions, or other events could have a significant impact on the Portfolio and its investments. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. The risks of investing in fixed-income securities include sensitivity to interest-rate and credit rating changes, call risk, increased volatility for lower rated securities, and pre-payment risk. Income-producing securities may cut or fail to declare dividends due to market downturns or for other reasons. A significant portion of assets will be invested in technology companies, which may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies. Financial services companies are subject to extensive government regulation, which may limit their activities, and may be subject to a high degree of volatility.

NOTE 11 — Subsequent Events:

Management of the Portfolio has evaluated events that have occurred subsequent to December 31, 2020, through the issuance date of the Financial Statements. No such events have been identified which require recognition and/or disclosure.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Alger Balanced Portfolio and the Board of Trustees of The Alger Portfolios:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Alger Balanced Portfolio, one of the portfolios constituting The Alger Portfolios (the "Fund"), including the schedule of investments, as of December 31, 2020, 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. 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, 2020, 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, 2020, by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

Deloitte & Touche LLP

New York, New York
February 23, 2021

We have served as the auditor of one or more investment companies within the group of investment companies since 2009.

Shareholder Expense Example

As a shareholder of the Portfolio, you incur two types of costs: transaction costs, if applicable; and ongoing costs, including management fees, distribution (12b-1) fees, if applicable, and other fund 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.

The example below is based on an investment of $1,000 invested at the beginning of the six-month period starting July 1, 2020 and ending December 31, 2020 and held for the entire period.

Actual Expenses

The first line for each class of shares 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 During the Six Months Ended December 31, 2020" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line for each class of shares in the table below provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio for each class of the Portfolio's shares 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 other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs or deduction of insurance charges against assets or annuities. Therefore, the second line under each class of shares in 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.

		Beginning Account Value July 1, 2020	Ending Account Value December 31, 2020	Expenses Paid During the Six Months Ended December 31, 2020[(a)]	Annualized Expense Ratio For the Six Months Ended December 31, 2020[(b)]
Alger Balanced Portfolio					
Class I-2	Actual	$ 1,000.00	$ 1,123.00	$ 5.71	1.07%
	Hypothetical[(c)]	1,000.00	1,019.76	5.43	1.07

(a) *Expenses are equal to the annualized expense ratio of the share class, multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period).*

(b) *Annualized.*

(c) *5% annual return before expenses.*

Trustees and Officers of the Fund

Information about the trustees and officers of the Fund is set forth below. In the table the term "Alger Fund Complex" refers to the Fund, The Alger Funds, The Alger Institutional Funds, Alger Global Focus Fund and The Alger Funds II, each of which is a registered investment company managed by Alger Management. Each Trustee serves until an event of termination, such as death or resignation, or until his or her successor is duly elected; each officer's term of office is one year. Unless otherwise noted, the address of each person named below is 360 Park Avenue South, New York, NY 10010.

Additional information regarding the Trustees and Officers of the Fund is available in the Fund's Statement of Additional Information.

Name (Year of Birth) and Address[(1)]	Position(s) Held with the Fund and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Funds in the Alger Fund Complex[(3)] which are Overseen by Trustee	Other Directorships Held by Trustee During Past Five Years
Interested Trustee[(2)]:				
Hilary M. Alger (1961)	Trustee since 2003	Non-Profit Fundraising Consultant since 2015, Schultz & Williams; Emeritus Trustee since 2020 and Trustee from 2013 to 2020, Pennsylvania Ballet; School Committee Member since 2017, Germantown Friends School.	27	Board of Directors, Alger Associates, Inc.; Trustee of Target Margin Theater
Non-Interested Trustees:				
Charles F. Baird, Jr. (1953)	Trustee since 2000	Managing Director since 1997, North Castle Partners (private equity securities group).	27	None
Roger P. Cheever (1945)	Trustee since 2000	Associate Vice President for Principal Gifts from 2008 to 2020, Harvard University.	27	Board of Directors, Alger SICAV Fund
Stephen E. O'Neil (1932)	Trustee since 1986	Retired.	27	None
David Rosenberg (1962)	Trustee since 2007	Associate Professor of Law since August 2000, Zicklin School of Business, Baruch College, City University of New York.	27	None
Nathan E. Saint-Amand M.D. (1938)	Trustee since 1986	Medical doctor in private practice since 1970; Member of the Board of the Manhattan Institute (non-profit policy research) since 1988.	27	None

(1) *The address of each Trustee is c/o Fred Alger Management, LLC, 360 Park Avenue South, New York, NY 10010.*
(2) *Ms. Alger is an "interested person" (as defined in the Investment Company Act of 1940, as amended) of the Fund by virtue of her ownership control of Alger Associates, Inc., which controls Alger Management and its affiliates.*
(3) *"Alger Fund Complex" refers to the Fund and the four other registered investment companies managed by Alger Management. Each Trustee serves until an event of termination, such as death or resignation, or until his or her successor is duly elected. Each of the Trustees serves on the board of trustees of the other four registered investment companies in the Alger Fund Complex.*

Name (Year of Birth), Position with Fund and Address[1]	Principal Occupations	Officer Since
Officers[2]:		
Hal Liebes (1964) President, Principal Executive Officer	Executive Vice President, Chief Operating Officer ("COO") and Secretary of Alger Management; COO and Secretary of Alger Associates, Inc. and Alger Alternative Holdings, LLC; Director of Alger SICAV, Alger International Holdings, and Alger Dynamic Return Offshore Fund; Vice President, COO, Member, and Secretary, Alger Capital, LLC and Alger Group Holdings, LLC; Executive Director and Chairman, Alger Management, Ltd.; Manager and Secretary, Weatherbie Capital, LLC and Alger Apple Real Estate LLC; Manager, Alger Partners Investors I, LLC and Alger Partners Investors KEIGF; Secretary of Alger-Weatherbie Holdings, LLC and Alger Boulder I LLC; and Director and Secretary, The Foundation for Alger Families.	2005
Tina Payne (1974) Secretary, Chief Compliance Officer, Chief Legal Officer	Since 2017, Senior Vice President, General Counsel, and Chief Compliance Officer ("CCO"), Alger Management; Senior Vice President, General Counsel, and Secretary, Alger LLC; CCO, Alger Management, Ltd.; Assistant Secretary, Weatherbie Capital, LLC and Alger Alternative Holdings, LLC; and since 2019, Assistant Secretary, Alger-Weatherbie Holdings, LLC. Formerly, Senior Vice President and Associate General Counsel, Cohen & Steers Capital Management, from 2007 to 2017.	2017
Michael D. Martins (1965) Treasurer, Principal Financial Officer, AML Compliance Officer	Senior Vice President of Alger Management.	2005
Anthony S. Caputo (1955) Assistant Treasurer	Vice President of Alger Management.	2007
Sergio M. Pavone (1961) Assistant Treasurer	Vice President of Alger Management.	2007
Mia G. Pillinger (1989) Assistant Secretary	Associate Counsel of Alger Management.	2020
Rachel I. Winters (1987) Assistant Secretary	Paralegal and Compliance Officer of Alger Management.	2020

(1) The address of each officer is c/o Fred Alger Management, LLC, 360 Park Avenue South, New York, NY 10010.
(2) Each officer's term of office is one year. Each officer serves in the same capacity for the other funds in the Alger Fund Complex.

The Statement of Additional Information contains additional information about the Fund's Trustees and is available without charge upon request by calling (800) 992-3863.

Board Approval of Investment Advisory Agreement

At a meeting held on September 29, 2020 (Meeting), the Board of Trustees (Board) of The Alger Portfolios (Trust), including a majority of the trustees who are not "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the Trust (Independent Trustees), reviewed and approved the continuance of the investment advisory agreement between Fred Alger Management, LLC (Fred Alger Management) and the Trust, on behalf of the Fund (the Management Agreement), for an additional one-year period. The Independent Trustees received advice from, and met separately with, their Independent Trustee counsel in considering whether to approve the continuation of the Management Agreement. The Board considered the information provided to it about the series of the Trust together, and each series separately, as the Board deemed appropriate. Fred Alger Management is referred to herein as the "Manager."

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed request for information submitted to the Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process, as well as information provided in response to a supplemental request list. The materials for the Meeting included a presentation and analysis of the Fund and the Manager's services by FUSE Research Network LLC (FUSE), an independent consulting firm. In addition, prior to the Meeting, the chair of the Board conferred with Independent Trustee counsel about the contract renewal process. The Board reviewed the materials provided and considered all of the factors it deemed relevant in approving the continuance of the Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by the Manager; (ii) the investment performance of the Fund; (iii) the costs of the services the Manager provided and profits it realized; (iv) the extent to which economies of scale are realized as the Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors. As part of the Board's review, the Board received and considered information on the impact of the COVID-19 pandemic on the Fund and the Fund's performance and operations.

In approving the continuance of the Management Agreement, the Board, including a majority of the Independent Trustees, determined that the terms of the Management Agreement are fair and reasonable and that the continuance of the Management 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 provided by the Manager to the Fund. This information included, among other things, the qualifications, background and experience of the professional personnel who perform services for the Fund; the structure of investment professional compensation; oversight of third-party service providers; investment

performance, fee information and related financial information for the Fund; fees and payments to intermediaries for fund administration, transfer agency and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by the Manager and its affiliates; and the range of management fees charged by the Manager and its affiliates to other funds and accounts, including management's explanation of differences among accounts where relevant.

The Board noted the Manager's history and expertise in the "growth" style of investment management and management's ongoing efforts to develop strategies and adjust portfolios to address the changing investment landscape. The Board also noted the Manager's continuing efforts in connection with business continuity plans, including the effectiveness of those plans during the pandemic. The Board further noted the Manager's engagement with key service providers regarding the COVID-19 pandemic. The Board noted the length of time the Manager had provided services as an investment adviser to the Fund and also noted FUSE's analysis that certain of the Manager's offerings should sustain growth and maintain interest in the Manager's investment capabilities.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a Fund that is part of the Alger family of funds. The Board noted the strong financial position of the Manager and its commitment to the mutual fund business as evidenced, in part, by a continued focus on offerings in focused strategies. The Board also noted that certain administrative, compliance, reporting and accounting services necessary for the conduct of the Fund's affairs are provided separately under a Fund Administration Agreement and a Shareholder Administrative Services Agreement with the Manager.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by the Manager and its affiliates to the Fund.

Fund Performance

The Board reviewed and considered the performance results of the Fund over various time periods. The Board considered the performance returns for the Fund in comparison to the performance returns of a universe of mutual funds deemed comparable to the Fund based on various investment, operational, and pricing characteristics (Peer Universe), and a group of mutual funds from within such Peer Universe deemed comparable to the Fund based primarily on investment strategy similarity (Peer Group), each as selected by FUSE, as well as the Fund's benchmark index. The Board received a description of the methodology FUSE used to select the mutual funds included in the Peer Universe and Peer Group. The Board noted that long-term performance could be impacted by even one period of significant outperformance or underperformance.

The Board also reviewed and considered Fund performance reports provided and discussions that occurred with investment personnel and senior management at Board meetings throughout the year. As had been the practice at every quarterly meeting of Trustees throughout the year, representatives of the Manager discussed with the Trustees the recent and longer term performance of the Fund and the measures that the Manager was in the process of instituting, or had instituted, to seek to improve the performance of the Fund, if necessary. In expanding orally on the written materials they had provided to the Trustees, the FUSE representatives commented further on the performance of the Fund and discussed the enhancements FUSE has made to its reports.

The Peer Group for the Fund included the Fund and 12 other funds with a 50% to 70% portfolio allocation to equities. The Peer Universe for this Fund included the Fund, the other funds of the Peer Group, and other funds with a 50% to 70% portfolio allocation to equities. The Board noted that the Fund's annualized total return for the one-, three- and five-year periods outperformed the median of its Peer Group, and for the 10-year period underperformed the median of its Peer Group. The Board also noted that the Fund's annualized total return for the one-, three- and five-year periods was in the second quartile of its Peer Universe, and for the 10-year period was in the third quartile of its Peer Universe. The Board further noted that the Fund had underperformed the Fund's benchmark index for the one-, three-, five- and 10-year periods. The Board concluded that the Fund's performance was acceptable.

Comparative Fees and Expenses

The Board considered the contractual management fee rate without the effect of fee waivers or expense reimbursements, if any (Management Rate), of the Fund in comparison to the median Management Rate of the Fund's Peer Group. FUSE fee data was based upon information taken from each Peer Group fund's most recent annual report, which reflects historical asset levels that may be different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board noted that the independent analysis conducted by FUSE was an appropriate measure of comparative fees and expenses. The FUSE Management Rate included administrative charges. The Board received a description of the methodology FUSE used to select the mutual funds included in a Peer Group. The Board discussed those factors that could contribute to a Fund's total expense ratio or management fee being above the median of the Fund's Peer Group, including, for example, considerations related to unique or specialty strategies and related costs to implement such strategies, the nature and quality of services provided by the Manager, and strategy capacity considerations.

The Board noted that the Management Rate for the Fund was above the median of its Peer Group, with the Management Rate in the third quartile of its Peer Group.

The Board reviewed and considered information regarding the Fund's total expense ratio and its various components, including, as applicable, management fees, operating expenses, and Rule 12b-1 fees. The Board considered the total net expense ratio of the Fund in comparison to the median expense ratio of the Fund's Peer Group. The total net expense ratio, for comparative consistency, was shown for Class I-2 for the Fund and for similarly structured share classes for funds in the Peer Group with multiple classes of shares.

The Board noted that the total net expense ratio for the Fund was above the median of its Peer Group, with the total net expense ratio in the fourth (most expensive) quartile of its Peer Group.

The Board concluded that the Management Rate charged to the Fund is reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by the Manager and its affiliates in connection with the operation of the Fund. In this respect, the Board considered overall profitability, as well as the profits, of the Manager and its affiliates in providing investment management and other services to the Fund during the year ended June 30, 2020. The Board also reviewed the profitability methodology and the changes thereto, noting that management applies its methods consistently from year to year.

The Board noted that costs incurred in establishing the infrastructure necessary for the type of mutual fund operations conducted by the Manager and its affiliates may not be fully reflected in the expenses allocated to the Fund in determining the Manager's profitability. The Board also noted management's expenditures related to additional regulatory and compliance requirements resulting from recent SEC and other regulatory developments.

The Board also considered the extent to which the Manager and its affiliates might derive ancillary benefits from fund operations. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by the Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, extent and quality of services provided to the Fund.

Economies of Scale

The Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of shareholders. The Board noted the existence of management fee breakpoints for the Fund, which operate to share economies of scale with the Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered the Manager's view that the overall size of the Manager allows it to realize other economies of scale, such as with office space, purchases of technology, and other general business expenses. The Board concluded that for the Fund, to the extent economies of scale may be realized by the Manager and its affiliates, the benefits of such economies of scale would be shared with the Fund and its shareholders as the Fund grows, including through the management fee breakpoints in place for the Fund.

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 the continuation of the Management Agreement for an additional one-year period.

Privacy Policy

U.S. Consumer Privacy Notice **Rev. 12/20/16**

FACTS	WHAT DOES ALGER 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 • Account balances and • Transaction history and • Purchase history and • Assets When you are no longer our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons Alger chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Alger 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 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 nonaffiliates to market to you	**No**	**We don't share**
Questions? Call 1-800-342-2186		

Who we are	
Who is providing this notice?	Alger includes Fred Alger Management, LLC and Fred Alger & Company, LLC as well as the following funds: The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, and Alger Global Focus Fund.

What we do	
How does Alger 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.
How does Alger collect my personal information?	We collect your personal information, for example, when you: • Open an account or • Make deposits or withdrawals from your account or • Give us your contact information or • Provide account information or • Pay us by check.
Why can't I limit all sharing?	Federal law gives you the right to limit some but not all sharing related to: • sharing for affiliates' everyday business purposes — information about your credit worthiness • 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.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. • Our affiliates include Fred Alger Management, LLC, Weatherbie Capital, LLC and Fred Alger & Company, LLC as well as the following funds: The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, and Alger Global Focus Fund.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Proxy Voting Policies

A description of the policies and procedures the Portfolio uses to determine how to vote proxies relating to portfolio securities and the proxy voting record is available, without charge, by calling (800) 992-3863 or online on the Portfolio's website at http://www.alger.com or on the SEC's website at http://www.sec.gov.

Fund Holdings

The Board has adopted policies and procedures relating to disclosure of the Portfolio's securities. These policies and procedures recognize that there may be legitimate business reasons for holdings to be disclosed and seek to balance those interests to protect the proprietary nature of the trading strategies and implementation thereof by the Portfolio.

Generally, the policies prohibit the release of information concerning portfolio holdings, which have not previously been made public, to individual investors, institutional investors, intermediaries that distribute the Portfolio's shares and other parties which are not employed by the Investment Manager or its affiliates except when the legitimate business purposes for selective disclosure and other conditions (designed to protect the Portfolio) are acceptable.

The Portfolio files its complete schedule of portfolio holdings with the SEC semi-annually in shareholder reports on Form N-CSR and after the first and third fiscal quarters as an exhibit to its reports on Form N-PORT. The Portfolio's Forms N-CSR and N-PORT are available online on the SEC's website at www.sec.gov.

In addition, the Portfolio makes publicly available its month-end top 10 holdings with a 10 day lag and its month-end full portfolio with a 60 day lag on its website www.alger.com and through other marketing communications (including printed advertising/sales literature and/or shareholder telephone customer service centers). No compensation or other consideration is received for the non-public disclosure of portfolio holdings information.

In accordance with the foregoing, the Portfolio provides portfolio holdings information to third parties including financial intermediaries and service providers who need access to this information in the performance of their services and are subject to duties of confidentiality (1) imposed by law, including a duty not to trade on non-public information, and/or (2) pursuant to an agreement that confidential information is not to be disclosed or used (including trading on such information) other than as required by law. From time to time, the Fund will communicate with these third parties to confirm that they understand the Portfolio's policies and procedures regarding such disclosure. This agreement must be approved by the Portfolio's Chief Compliance Officer.

The Board periodically reviews a report disclosing the third parties to whom the Portfolio's holdings information has been disclosed and the purpose for such disclosure, and it considers whether or not the release of information to such third parties is in the best interest of the Portfolio and its shareholders.

In addition to material the Portfolio routinely provides to shareholders, the Investment Manager may make additional statistical information available regarding the Alger Family of Funds. Such information may include, but not be limited to, relative weightings and characteristics of the Portfolio versus an index (such as P/E ratio, alpha, beta, capture ratio, maximum drawdown, standard deviation, EPS forecasts, Sharpe ratio, information ratio, R-squared, and market cap analysis), security specific impact on overall portfolio performance, month-end top ten contributors to and detractors from performance, portfolio turnover, and other similar information. Shareholders should visit www.alger.com or may also contact the Funds at (800) 992-3863 to obtain such information.

Liquidity Risk Management Program

In accordance with Rule 22e-4 under the Investment Company Act of 1940, as amended, Trust established a liquidity risk management program (the "LRMP") in December 2018 and the Board, including a majority of the Independent Trustees, appointed the Investment Manager as the administrator of the LRMP. The Board, including a majority of the Independent Trustees, formally approved the LRMP in May of 2019. The Investment Manager administers the LRMP through a Liquidity Risk Committee (the "Committee") that is chaired by the Investment Manager's Chief Compliance Officer, who also serves as the Trust's Chief Compliance Officer. The Board also approved an agreement with Intercontinental Exchange ("ICE"), a third-party vendor that assists the Funds with liquidity classifications required by Rule 22e-4. The Committee is responsible for assessing the liquidity risk of Fund, subject to the oversight of the Investment Manager. The Committee reviews daily investment classification reports, continuously monitors Fund's liquidity risk, and meets at least quarterly.

The Board met to review the LRMP pursuant to Rule 22e-4 and at such meeting Trust's Chief Compliance Officer, on behalf of the Investment Manager as the administrator of the LRMP, provided the Board with a report that addressed the operation of the LRMP and assessed its adequacy and effectiveness of implementation and any material changes to the LRMP (the "Report"). The Report covered the period from December 1, 2019 through November 30, 2020 (the "Review Period").

The Report stated that the Committee assessed Fund's liquidity risk by considering qualitative factors such as Fund's investment strategy, holdings, diversification of investments, redemption policies, cash flows, cash levels, shareholder concentration, and access to borrowings, among others, in conjunction with the quantitative classifications generated by ICE. In addition, in connection with the review of Funds' liquidity risks and the operation of the LRMP and the adequacy and effectiveness of its implementation, the Committee also evaluated the levels at which to set the reasonably anticipated trade size and market price impact. The Report described the process for determining that Fund primarily holds investments that are highly liquid. The Report noted that the Committee also performed stress tests on certain Funds' portfolios in light of the market volatility caused by the global pandemic, and it was concluded that each Fund remained primarily highly liquid.

The Report concluded during the Review Period that the Trust's LRMP is operating effectively, and is adequate and effectively implemented.

THE ALGER PORTFOLIOS

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(800) 992-3863
www.alger.com

Investment Manager

Fred Alger Management, LLC
360 Park Avenue South
New York, NY 10010

Distributor

Fred Alger & Company, LLC
360 Park Avenue South
New York, NY 10010

Transfer Agent and Dividend Disbursing Agent

UMB Fund Services, Inc.
235 W. Galena Street
Milwaukee, WI 53212

Custodian

Brown Brothers Harriman & Company
50 Post Office Square
Boston, MA 02110

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
30 Rockefeller Plaza
New York, NY 10112

This report is submitted for the general information of the shareholders of Alger Balanced Portfolio. It is not authorized for distribution to prospective investors unless accompanied by an effective Prospectus for the Portfolio, which contains information concerning the Portfolio's investment policies, fees and expenses as well as other pertinent information.

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ALGER

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BNY Mellon Sustainable U.S. Equity Portfolio, Inc.

ANNUAL REPORT
December 31, 2020

BNY MELLON
INVESTMENT MANAGEMENT

Contents

THE FUND

FOR MORE INFORMATION

For the period from January 1, 2020 through December 31, 2020, as provided by portfolio managers Jeff Munroe and Yuko Takano of Newton Investment Management Limited, Sub-Investment Adviser

Market and Fund Performance Overview

For the 12-month period ended December 31, 2020, BNY Mellon Sustainable U.S. Equity Portfolio, Inc.'s, Initial shares produced a total return of 24.14%, and the fund's Service shares returned 23.86%.[1] In comparison, the fund's benchmark, the S&P 500® Index (the "Index"), produced a total return of 18.40% for the same period.[2]

U.S. equities posted gains over the reporting period, bolstered by supportive central bank policies during the COVID-19 pandemic. The fund outperformed the Index, mainly due to allocation decisions within the energy, information technology and consumer discretionary sectors, as well as successful stock selection within the consumer discretionary, financials and materials sectors.

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.

Central Bank Policy and COVID-19 Influence Markets

After an optimistic end to 2019, markets gave way to extreme risk aversion in early 2020, as the global scope of the COVID-19 pandemic became apparent. Equity valuations in the U.S. remained robust throughout January and February 2020, while markets in areas that experienced the virus earlier, such as China, began to experience volatility closer to the start of the calendar year. Financial markets also had to contend with a second major shock in the form of an oil-price war between Saudi Arabia and Russia, which caused oil prices to fall precipitously in March 2020. Worldwide, governments and central banks launched an unprecedented array of fiscal initiatives that sought to offset the economic impact of widespread lockdown measures and bolster asset prices. The intervention provided comfort to investors, and indices began to rally towards the end of March 2020. Supported by the intervention, equities generally went on to stage a recovery that lasted through August 2020. However, the recovery was company and sector specific, as several industries that remained affected by COVID-19 prevention procedures did not fully participate.

In September, volatility crept back into equity markets, as increasing COVID-19 infection rates began to concern investors. By October, several countries had begun to reinstitute some degree of behavioral restriction among residents in order to stem the spread of the virus. In addition, mounting political rhetoric in the U.S. due to the election, renewed trade difficulties between the U.S. and China, and other geopolitical events stoked investor anxiety. However, resolution in the

U.S. presidential election and promising progress towards a COVID-19 vaccine during the month of November 2020 helped stocks resurrect their upward momentum. December 2020 brought vaccine approvals and passage of another U.S. fiscal stimulus package, both of which helped to support the rally which lasted through the end of the year.

Allocation Decisions and Security Selections Drive Fund Performance

A void in energy aided relative performance, as oil production cuts failed to adequately compensate for the demand destruction arising from the pandemic. Overweight positioning in information technology and consumer discretionary also aided relative returns, as did a void in real estate. Meanwhile, stock selection was strong in consumer discretionary, financials and materials. From an individual contributor perspective, chipmaker Qualcomm benefited, as investors grew increasingly appreciative of its exposure to a 5G cycle that can see the company's chip business return to peak profitability. Shares surged after the chipmaker posted strong revenue projections and announced a long-term licensing deal with China's Huawei. The stock received a further boost, as a U.S. appeals court reversed an earlier antitrust ruling against the chipmaker in a case brought by the Federal Trade Commission. Elsewhere in the market, positive sentiment around companies in the electric vehicle (EV) supply chain extended to lithium miner Albemarle. The stock rose strongly following a victory for Joe Biden in the U.S. presidential election, given the potential for more favorable EV-related policy.

Conversely, stock picking constrained performance in health care and industrials. In the latter sector, *General Electric* fell, as investors took fright at the global downturn in airline activity. With airlines moving into survival mode, following substantial declines in air traffic brought about by the imposition of virus-related travel restrictions, the aircraft engine manufacturer was not immune to such disruption. Indeed, first-quarter earnings came in below expectations, with GE Aviation witnessing a sharp decline in orders. We subsequently exited the small holding over the third quarter, acknowledging that a high exposure to aerospace brought significant uncertainties to the company's cash flows, and that organizational change over the coming years may be slowed. We felt it prudent to reallocate the proceeds to areas offering more secure growth in the longer term. Elsewhere, mortgage REIT *Redwood Trust* was also a significant detractor, hit hard over the start of the year, as investors considered the extent to which its ability to generate returns in a zero-rate environment had been impaired. Having struggled to develop our conviction in the company's business model and the risks that it entails, we exited the residual position in the stock during the fourth quarter, given our strong preference for the other financials held in the portfolio.

Maintaining a Long-Term Focus in an Uncertain Environment

Although the adoption of increasingly stringent lockdown restrictions across Europe offers a stark reminder that the path of COVID-19 remains distinctly unpredictable, we retain a constructive view on U.S. equity markets into the start of the year. Plenty of policy support remains in place, and we anticipate that investors will remain cautiously optimistic about the prospects of economic recovery in 2021, following positive vaccine developments. However, we note that a certain amount of such a recovery is likely to have been built into valuations already and, in this context, our long-term thematic framework continues to serve as a valuable guide to our stock picking.

With the pandemic serving as an accelerator of change, businesses are responding rapidly in order to become more adaptive. We hold positions in companies that are benefiting from this shift, supported by our 'Net Effects' and 'Smart Revolution' themes, alongside businesses with more leverage to an eventual recovery in a range of industries. As ever, we retain a focus on companies that have an exposure to attractive structural growth trends and possess strong, robust business models. We also have a favorable view on those companies that pay keen attention to ESG considerations in order to enhance their long-term positions.

January 15, 2021

[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 May 1, 2021, 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.*

Please note: the position in any security highlighted with italicized typeface was sold during the reporting period.

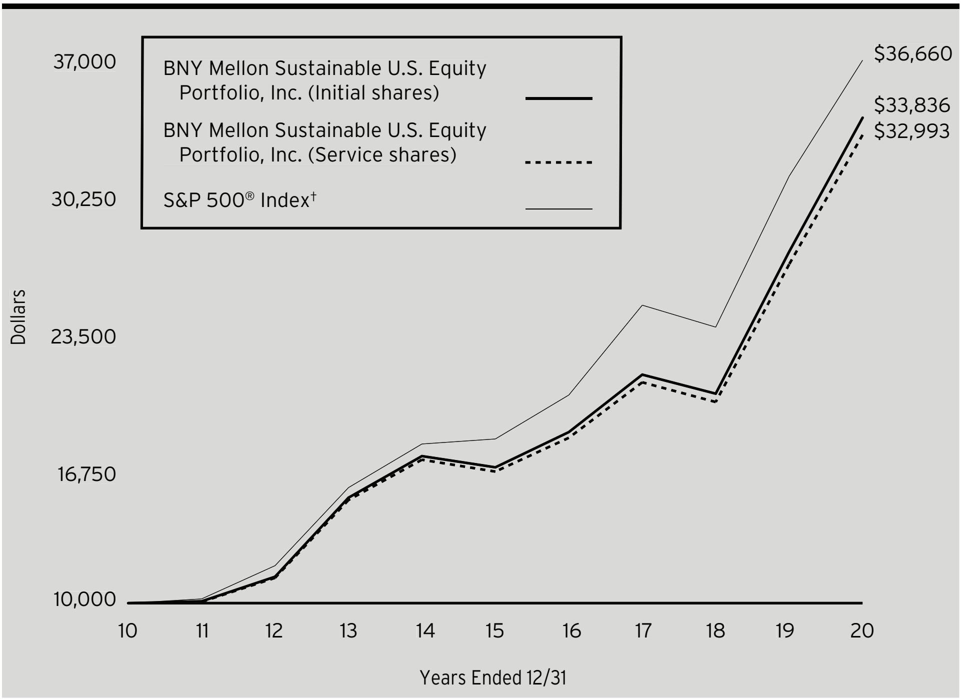
Equities are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

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.

FUNDPERFORMANCE (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 12/31/10 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 12/31/2020

	1 Year	5 Years	10 Years
Initial shares	**24.14%**	**15.21%**	**12.96%**
Service shares	**23.86%**	**14.92%**	**12.68%**
S&P 500® Index	**18.40%**	**15.21%**	**13.87%**

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, 2020 to December 31, 2020. 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, 2020

	Initial Shares	Service Shares
Expense paid per $1,000†	$3.79	$5.18
Ending value (after expenses)	$1,217.20	$1,215.80

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, 2020

	Initial Shares	Service Shares
Expense paid per $1,000†	$3.46	$4.72
Ending value (after expenses)	$1,021.72	$1,020.46

† *Expenses are equal to the fund's annualized expense ratio of .68% for Initial Shares and .93% for Service Shares, multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS
December 31, 2020

Description	Shares	Value ($)
Common Stocks - 98.9%		
Banks - 6.5%		
Citigroup	192,906	11,894,584
First Republic Bank	50,453	7,413,059
		19,307,643
Capital Goods - 1.7%		
Ferguson	40,865	**4,969,630**
Consumer Durables & Apparel - 5.1%		
Lennar, Cl. A	73,690	5,617,389
NIKE, Cl. B	67,345	9,527,297
		15,144,686
Diversified Financials - 3.6%		
The Goldman Sachs Group	40,551	**10,693,704**
Food & Staples Retailing - 2.3%		
Costco Wholesale	18,063	**6,805,777**
Food, Beverage & Tobacco - 3.2%		
Beyond Meat	7,211 [a]	901,375
PepsiCo	58,494	8,674,660
		9,576,035
Health Care Equipment & Services - 6.4%		
Abbott Laboratories	83,206	9,110,225
Medtronic	83,140	9,739,020
		18,849,245
Insurance - 2.5%		
Intact Financial	63,309	**7,496,215**
Materials - 4.4%		
Albemarle	46,986	6,931,375
Ecolab	13,082	2,830,422
International Flavors & Fragrances	31,154	3,390,801
		13,152,598
Media & Entertainment - 4.6%		
Alphabet, Cl. A	7,701 [a]	**13,497,081**
Pharmaceuticals Biotechnology & Life Sciences - 2.6%		
Merck & Co.	92,483	**7,565,109**
Retailing - 11.4%		
Amazon.com	6,018 [a]	19,600,205
Dollar General	31,674	6,661,042
eBay	146,336	7,353,384
		33,614,631
Semiconductors & Semiconductor Equipment - 8.3%		
Applied Materials	84,028	7,251,616
Qualcomm	74,654	11,372,790

Description	1-Day Yield (%)	Shares	Value ($)
Common Stocks - 98.9% (continued)			
Semiconductors & Semiconductor Equipment - 8.3% (continued)			
Texas Instruments		36,648	6,015,036
			24,639,442
Software & Services - 20.6%			
Accenture, Cl. A		42,582	11,122,844
Fidelity National Information Services		36,657	5,185,499
Intuit		20,276	7,701,839
Mastercard, Cl. A		25,432	9,077,698
Microsoft		92,959	20,675,941
salesforce.com		31,950 [a]	7,109,834
			60,873,655
Technology Hardware & Equipment - 8.7%			
Apple		159,780	21,201,208
TE Connectivity		37,516 [a]	4,542,062
			25,743,270
Telecommunication Services - 1.9%			
Verizon Communications		93,823	**5,512,101**
Transportation - 1.2%			
Norfolk Southern		15,193	**3,610,009**
Utilities - 3.9%			
CMS Energy		58,943	3,596,113
Eversource Energy		90,367	7,817,649
			11,413,762
Total Common Stocks (cost $176,689,974)			**292,464,593**
Investment Companies - 1.2%			
Registered Investment Companies - 1.2%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares (cost $3,426,748)	0.09	3,426,748 [b]	**3,426,748**
Total Investments (cost $180,116,722)		**100.1%**	**295,891,341**
Liabilities, Less Cash and Receivables		**(.1%)**	**(196,855)**
Net Assets		**100.0%**	**295,694,486**

[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	37.6
Consumer Discretionary	16.5
Financials	12.7
Health Care	8.9
Communication Services	6.4
Consumer Staples	5.5
Materials	4.5
Utilities	3.9
Industrials	2.9
Investment Companies	1.2
	100.1

† *Based on net assets.*

See notes to financial statements.

STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS

Investment Companies	Value 12/31/19($)	Purchases($)†	Sales($)	Value 12/31/20($)	Net Assets(%)	Dividends/ Distributions($)
Registered Investment Companies;						
Dreyfus Institutional Preferred Government Plus Money Market Fund	4,052,203	45,576,496	(46,201,951)	3,426,748	1.2	30,270

† *Includes reinvested dividends/distributions.*
See notes to financial statements.

STATEMENT OF FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS December 31, 2020

Counterparty/ Purchased Currency	Purchased Currency Amounts	Currency Sold	Sold Currency Amounts	Settlement Date	Unrealized (Depreciation) ($)
Barclays Capital					
United States Dollar	35,024	Canadian Dollar	44,665	1/4/2021	(66)
Gross Unrealized Depreciation					**(66)**

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2020

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
Unaffiliated issuers	176,689,974	292,464,593
Affiliated issuers	3,426,748	3,426,748
Cash denominated in foreign currency	35,009	35,089
Dividends receivable		216,744
Receivable for shares of Common Stock subscribed		43,905
Prepaid expenses		6,568
		296,193,647
Liabilities ($):		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 3(c)		159,068
Payable for shares of Common Stock redeemed		273,117
Directors' fees and expenses payable		5,598
Unrealized depreciation on forward foreign currency exchange contracts—Note 4		66
Other accrued expenses		61,312
		499,161
Net Assets ($)		**295,694,486**
Composition of Net Assets ($):		
Paid-in capital		170,375,644
Total distributable earnings (loss)		125,318,842
Net Assets ($)		**295,694,486**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	277,555,142	18,139,344
Shares Outstanding	5,875,320	389,772
Net Asset Value Per Share ($)	**47.24**	**46.54**

See notes to financial statements.

STATEMENT OF OPERATIONS
Year Ended December 31, 2020

Investment Income ($):	
Income:	
Cash dividends (net of $26,214 foreign taxes withheld at source):	
Unaffiliated issuers	4,199,733
Affiliated issuers	29,646
Interest	815
Total Income	**4,230,194**
Expenses:	
Management fee—Note 3(a)	1,537,902
Professional fees	101,410
Prospectus and shareholders' reports	46,499
Distribution fees—Note 3(b)	35,017
Chief Compliance Officer fees—Note 3(c)	13,982
Directors' fees and expenses—Note 3(d)	11,408
Loan commitment fees—Note 2	9,592
Custodian fees—Note 3(c)	6,398
Shareholder servicing costs—Note 3(c)	5,676
Registration fees	149
Miscellaneous	18,745
Total Expenses	**1,786,778**
Investment Income—Net	**2,443,416**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments and foreign currency transactions	7,392,394
Net realized gain (loss) on forward foreign currency exchange contracts	2,041
Capital gain distributions from affiliated issuers	624
Net Realized Gain (Loss)	**7,395,059**
Net change in unrealized appreciation (depreciation) on investments and foreign currency transactions	48,215,445
Net change in unrealized appreciation (depreciation) on forward foreign currency exchange contracts	(66)
Net Change in Unrealized Appreciation (Depreciation)	**48,215,379**
Net Realized and Unrealized Gain (Loss) on Investments	**55,610,438**
Net Increase in Net Assets Resulting from Operations	**58,053,854**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31,	
	2020	2019
Operations ($):		
Investment income—net	2,443,416	2,608,860
Net realized gain (loss) on investments	7,395,059	3,521,403
Net change in unrealized appreciation (depreciation) on investments	48,215,379	60,872,324
Net Increase (Decrease) in Net Assets Resulting from Operations	**58,053,854**	**67,002,587**
Distributions ($):		
Distributions to shareholders:		
Initial Shares	(5,450,358)	(10,343,539)
Service Shares	(278,338)	(486,656)
Total Distributions	**(5,728,696)**	**(10,830,195)**
Capital Stock Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	13,185,483	5,230,323
Service Shares	5,892,682	1,887,862
Distributions reinvested:		
Initial Shares	5,450,358	10,343,539
Service Shares	278,338	486,656
Cost of shares redeemed:		
Initial Shares	(27,686,362)	(25,290,229)
Service Shares	(4,001,592)	(1,528,245)
Increase (Decrease) in Net Assets from Capital Stock Transactions	**(6,881,093)**	**(8,870,094)**
Total Increase (Decrease) in Net Assets	**45,444,065**	**47,302,298**
Net Assets ($):		
Beginning of Period	250,250,421	202,948,123
End of Period	**295,694,486**	**250,250,421**
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	337,739	149,660
Shares issued for distributions reinvested	195,143	311,834
Shares redeemed	(695,969)	(721,929)
Net Increase (Decrease) in Shares Outstanding	**(163,087)**	**(260,435)**
Service Shares		
Shares sold	145,537	53,810
Shares issued for distributions reinvested	10,096	14,864
Shares redeemed	(100,741)	(44,378)
Net Increase (Decrease) in Shares Outstanding	**54,892**	**24,296**

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	2020	2019	2018	2017	2016
Per Share Data ($):					
Net asset value, beginning of period	39.30	30.73	40.27	37.86	38.56
Investment Operations:					
Investment income—net[a]	.39	.40	.41	.38	.44
Net realized and unrealized gain (loss) on investments	8.47	9.85	(1.69)	5.14	3.15
Total from Investment Operations	8.86	10.25	(1.28)	5.52	3.59
Distributions:					
Dividends from investment income—net	(.44)	(.52)	(.71)	(.46)	(.50)
Dividends from net realized gain on investments	(.48)	(1.16)	(7.55)	(2.65)	(3.79)
Total Distributions	(.92)	(1.68)	(8.26)	(3.11)	(4.29)
Net asset value, end of period	47.24	39.30	30.73	40.27	37.86
Total Return (%)	24.14	34.36	(4.41)	15.33	10.38
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.68	.68	.74	.80	.86
Ratio of net expenses to average net assets	.68	.68	.70	.77	.86
Ratio of net investment income to average net assets	.97	1.14	1.19	.99	1.21
Portfolio Turnover Rate	24.81	25.43	51.68	119.51	60.67
Net Assets, end of period ($ x 1,000)	277,555	237,287	193,538	226,078	221,172

[a] *Based on average shares outstanding.*

See notes to financial statements.

Service Shares	Year Ended December 31, 2020	2019	2018	2017	2016
Per Share Data ($):					
Net asset value, beginning of period	38.71	30.30	39.80	37.46	38.19
Investment Operations:					
Investment income—net[a]	.29	.31	.32	.28	.34
Net realized and unrealized gain (loss) on investments	8.38	9.71	(1.66)	5.08	3.12
Total from Investment Operations	8.67	10.02	(1.34)	5.36	3.46
Distributions:					
Dividends from investment income—net	(.36)	(.45)	(.61)	(.37)	(.40)
Dividends from net realized gain on investments	(.48)	(1.16)	(7.55)	(2.65)	(3.79)
Total Distributions	(.84)	(1.61)	(8.16)	(3.02)	(4.19)
Net asset value, end of period	46.54	38.71	30.30	39.80	37.46
Total Return (%)	23.86	34.01	(4.64)	15.04	10.08
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.93	.93	.99	1.05	1.11
Ratio of net expenses to average net assets	.93	.93	.95	1.02	1.11
Ratio of net investment income to average net assets	.72	.88	.95	.74	.96
Portfolio Turnover Rate	24.81	25.43	51.68	119.51	60.67
Net Assets, end of period ($ x 1,000)	18,139	12,964	9,410	10,274	10,884

[a] *Based on average shares outstanding.*

See 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 Securities and Exchange Commission ("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.

Forward foreign currency exchange contracts ("forward contracts") are valued at the forward rate and are generally categorized within Level 2 of the fair value hierarchy.

The following is a summary of the inputs used as of December 31, 2020 in valuing the fund's investments:

Assets ($)	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Investments in Securities:†				
Equity Securities - Common Stocks	287,494,963	4,969,630††	-	**292,464,593**
Investment Companies	3,426,748	-	-	**3,426,748**
Liabilities ($)				
Other Financial Instruments:				
Forward Foreign Currency Exchange Contracts†††	-	(66)	-	**(66)**

† *See Statement of Investments for additional detailed categorizations, if any.*

†† *Securities classified within level 2 at period end as the values were determined pursuant to the fund's fair valuation procedures.*

††† *Amount shown represents unrealized appreciation (depreciation) at period end, but only variation margin on exchanged traded and centrally cleared derivatives, if any, are reported in the Statement of Assets and Liabilities.*

(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.

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, 2020, 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.

(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 worldwide. 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. 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, 2020, 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, 2020, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended December 31, 2020 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At December 31, 2020, the components of accumulated earnings on a tax basis were as follows: undistributed ordinary income $5,197,320, undistributed capital gains $4,520,669 and unrealized appreciation $115,600,853.

The tax character of distributions paid to shareholders during the fiscal periods ended December 31, 2020 and December 31, 2019 were as follows: ordinary income $3,974,173 and $3,355,073, and long-term capital gains $1,754,523 and $7,475,122, 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. Prior to September 30, 2020, the Citibank Credit Facility was $927 million with Tranche A available in an amount equal to $747 million and Tranche B available in an amount equal to $180 million. Prior to March 11, 2020, the Citibank Credit Facility was $1.030 billion with Tranche A available in an amount equal to $830 million and Tranche B available in an amount equal to $200 million. 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, 2020, 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, 2020 through May 1, 2021, 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 May 1, 2021, the Adviser may terminate this expense limitation agreement at any time. During the period ended December 31, 2020, 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, 2020, Service shares were charged $35,017 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, 2020, Initial shares were charged $3,845 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 an 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, 2020, the fund was charged $1,584 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, 2020, the fund was charged $6,398 pursuant to the custody agreement.

During the period ended December 31, 2020, the fund was charged $13,982 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 $147,900, Distribution Plan fees of $3,778, Shareholder Service Plan fees of $1,832, custodian fees of $2,304, Chief Compliance Officer fees of $2,903 and transfer agency fees of $351.

(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 contracts, during the period ended December 31, 2020, amounted to $62,158,197 and $71,396,927, 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, 2020 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. Forward Contracts open at December 31, 2020 are set forth in the Statement of Forward Foreign Currency Exchange Contracts.

The provisions of ASC Topic 210 "Disclosures about Offsetting Assets and Liabilities" require disclosure on the offsetting of financial assets and liabilities. These disclosures are required for certain investments, including derivative financial instruments subject to Master Agreements which are eligible for offsetting in the Statement of Assets and Liabilities and require the fund to disclose both gross and net information with respect to such investments. For financial reporting purposes, the fund does not offset derivative assets and derivative liabilities that are subject to Master Agreements in the Statement of Assets and Liabilities.

At December 31, 2020, derivative assets and liabilities (by type) on a gross basis are as follows:

Derivative Financial Instruments:	Assets ($)	Liabilities ($)
Forward contracts	-	(66)
Total gross amount of derivative assets and liabilities in the Statement of Assets and Liabilities	-	(66)
Derivatives not subject to Master Agreements	-	-
Total gross amount of assets and liabilities subject to Master Agreements	-	(66)

The following table presents derivative liabilities net of amounts available for offsetting under Master Agreements and net of related collateral received or pledged, if any, as of December 31, 2020:

Counterparty	Gross Amount of Liabilities ($)[1]	Financial Instruments and Derivatives Available for Offset ($)	Collateral Pledged ($)	Net Amount of Liabilities ($)
Barclays Capital	(66)	-	-	(66)

[1] *Absent a default event or early termination, OTC derivative assets and liabilities are presented at gross amounts and are not offset in the Statement of Assets and Liabilities.*

The following summarizes the average market value of derivatives outstanding during the period ended December 31, 2020:

	Average Market Value ($)
Forward contracts	5,622

At December 31, 2020, the cost of investments for federal income tax purposes was $180,290,502; accordingly, accumulated net unrealized appreciation on investments inclusive of derivative contracts was $115,600,773, consisting of $117,578,519 gross unrealized appreciation and $1,977,746 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, investments in affiliated issuers and forward foreign currency exchange contracts, as of December 31, 2020, 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, 2020, 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, 2020, 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 9, 2021

IMPORTANT TAX INFORMATION (Unaudited)

For federal tax purposes, the portfolio hereby reports 99.94% of the ordinary dividends paid during the fiscal year ended December 31, 2020 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in early 2021 of the percentage applicable to the preparation of their 2020 income tax returns. Also, the portfolio hereby reports $0.2790 per share as a long-term capital gain distribution and $0.1974 per share as a short-term capital gain distribution paid on March 23, 2020.

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 July 20-21, 2020, 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 (the "Agreement"), and the Sub-Investment Advisory Agreement (together, the "Agreements"), pursuant to which Newton Investment Management Limited (the "Subadviser") 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 Subadviser. 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 Subadviser. The Board also considered portfolio management's brokerage policies and practices (including policies and practices regarding soft dollars) 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, all for various periods ended May 31, 2020, (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 (the "Performance Group 1") and with a broader group of funds consisting of all large-cap core funds underlying VIPs (the "Performance Universe"); (2) at the request of the Adviser, the fund's performance 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 ("Performance Group 2"); and (3) the fund's actual and contractual management fees and total expenses 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 large-cap core funds underlying VIPs with similar 12b-1/non-12b-1 structures, excluding outliers (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 Subadviser 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 five-year period when the total return performance was equal to the Performance Group 2 median and slightly below the Performance Universe median. The Adviser also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index.

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 Subadviser, 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 Groups 1 and 2 contractual management fee medians, the fund's actual management fee was equal to the Expense Group 1 median, below the Expense Group 2 median and less than one basis point above the Expense Universe median actual management fee and the fund's total expenses were below the Expense Groups 1 and 2 medians and below the Expense Universe median total expenses.

Representatives of the Adviser stated that the Adviser has contractually agreed, until May 1, 2021, to waive receipt of its fees and/or assume the direct expenses of the fund so that the direct expenses of none of its classes (excluding Rule 12b-1 fees, shareholder services fees, taxes, interest, brokerage commissions, commitment fees on borrowings and extraordinary expenses) exceed .70% of the fund's average daily net assets.

Representatives of the Adviser reviewed with the Board the management or investment advisory fees (1) paid by funds advised or administered by the Adviser that are in the same Lipper category as the fund and (2) paid to the Adviser or the Subadviser or its affiliates for advising any separate accounts and/or other types of client portfolios that are considered to have similar investment strategies and policies as the fund (the "Similar Clients"), and explained the nature of the Similar Clients. 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 Clients to evaluate the appropriateness of the fund's management fee.

The Board considered the fee to the Subadviser in relation to the fee paid to the Adviser by the fund and the respective services provided by the Subadviser and the Adviser. The Board also took into consideration that the Subadviser'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 Subadviser, 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 Subadviser pursuant to the Sub-Investment Advisory Agreement, the Board did not consider the Subadviser'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

Subadviser 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 Subadviser are adequate and appropriate.
- The Board was satisfied with the fund's performance.
- The Board concluded that the fees paid to the Adviser and the Subadviser continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above.
- 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 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 Subadviser, of the Adviser and the Subadviser and the services provided to the fund by the Adviser and the Subadviser. 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 (77)
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: 109

Francine J. Bovich (69)
Board Member (2015)

Principal Occupation During Past 5 Years:

- Trustee, The Bradley Trusts, private trust funds (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: 66

J. Charles Cardona (65)
Board Member (2014)

Principal Occupation During Past 5 Years:

- BNY Mellon Liquidity Funds, Director (2004-Present) and Chairman (since 2019)
- President and Director of the Adviser (2008-2016)
- Chief Executive Officer of Dreyfus Cash Investment Strategies, a division of the Adviser (2009-2016)
- Chairman (2013 – 2016) Director (2005-2016) and Executive Vice President (2006-2015) of the Distributor

Other Public Company Board Memberships During Past 5 Years:

- BNY Mellon ETF Trust, *Chairman and Trustee* (2020-Present)

No. of Portfolios for which Board Member Serves: 38

Gordon J. Davis (79)
Board Member (2012)

Principal Occupation During Past 5 Years:

- Partner in the law firm of Venable LLP (2012-Present)

No. of Portfolios for which Board Member Serves: 48

Andrew J. Donohue (70)
Board Member (2019)

Principal Occupation During Past 5 Years:

- Of Counsel, Shearman & Sterling LLP (2017-2019)
- Chief of Staff to the Chair of the SEC (2015-2017)
- Managing Director and Investment Company General Counsel of Goldman Sachs (2012-2015)
- Attorney, Solo Law Practice (2019-Present)

Other Public Company Board Memberships During Past 5 Years:

- Oppenheimer Funds (58 funds), *Director* (2017-2019)

No. of Portfolios for which Board Member Serves: 52

Isabel P. Dunst (73)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Hogan Lovells LLP, a law firm, Senior Counsel (2018-2019); Of Counsel (2015-2018); Partner (1990-2014)
- Member of the Board of Governors, Hebrew Union College Jewish Institute of Religion (2015-Present)
- Board Member, Bend the ARC, a civil rights organization, (2016- Present)

No. of Portfolios for which Board Member Serves: 30

Nathan Leventhal (77)
Board Member (2009)

Principal Occupation During Past 5 Years:

- President Emeritus of Lincoln Center for the Performing Arts (2001-Present)
- President of the Palm Beach Opera (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-Present)

No. of Portfolios for which Board Member Serves: 44

Robin A. Melvin (57)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Co-Chair, Mentor Illinois, a non-profit organization dedicated to increasing the quality of mentoring services in Illinois (2014 - 2020); Board member, Mentor Illinois (2013-2020)
- Trustee, Westover School, a private girls' boarding school in Middlebury, Connecticut (2019-Present)

No. of Portfolios for which Board Member Serves: 87

Roslyn M. Watson (71)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Principal, Watson Ventures, Inc., a real estate investment company (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: 52

Benaree Pratt Wiley (74)
Board Member (2009)

Principal Occupation During Past 5 Years:

- Principal, The Wiley Group, a firm specializing in strategy and business development (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-Present)

No. of Portfolios for which Board Member Serves: 70

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.

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; Head of US Retail Product and Channel Marketing, BNY Mellon Investment Management from January 2014 to December 2015. He is an officer of 62 investment companies (comprised of 117 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 42 years old and has been an employee of BNY Mellon since 2005.

JAMES WINDELS, Treasurer since November 2001.

Director-BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 62 years old and has been an employee of the Adviser since April 1985.

BENNETT A. MACDOUGALL, Chief Legal Officer since October 2015.

Chief Legal Officer of the Adviser and Associate General Counsel and Managing Director of BNY Mellon since June 2015; Director and Associate General Counsel of Deutsche Bank–Asset & Wealth Management Division from June 2005 to June 2015, and as Chief Legal Officer of Deutsche Investment Management Americas Inc. from June 2012 to May 2015. He is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 49 years old and has been an employee of the Adviser since June 2015.

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 63 investment companies (comprised of 140 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 December 1996.

DEIRDRE CUNNANE, Vice President and Assistant Secretary since March 2019.

Counsel of BNY Mellon since August 2018; Senior Regulatory Specialist at BNY Mellon Investment Management Services from February 2016 to August 2018; Trustee Associate at BNY Mellon Trust Company (Ireland) Limited from August 2013 to February 2016. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 30 years old and has been an employee of the Adviser since August 2018.

SARAH S. KELLEHER, Vice President and Assistant Secretary since April 2014.

Managing Counsel of BNY Mellon since December 2017, Senior Counsel of BNY Mellon from March 2013 to December 2017. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 45 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 63 investment companies (comprised of 140 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 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; Senior Regulatory Specialist at BNY Mellon Investment Management Services from April 2015 to August 2018. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 35 years old and has been an employee of the Adviser since June 2019.

PETER M. SULLIVAN, Vice President and Assistant Secretary since March 2019.

Senior Managing Counsel of BNY Mellon since December 2020; Managing Counsel of BNY Mellon from March 2009 to December 2020, and an officer of 63 investment companies (comprised of 140 portfolios) managed by the the Adviser or an affiliate of the the Adviser. He is 52 years old and has been an employee of the BNY Mellon since April 2004.

NATALYA ZELENSKY, Vice President and Assistant Secretary since March 2017.

Managing Counsel of BNY Mellon since December 2019; Counsel of BNY Mellon from May 2016 to December 2019; Assistant Secretary of the Adviser since 2018; Attorney at Wildermuth Endowment Strategy Fund/Wildermuth Advisory, LLC from November 2015 to May 2016 and Assistant General Counsel at RCS Advisory Services from July 2014 to November 2015. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 35 years old and has been an employee of the Adviser since May 2016.

GAVIN C. REILLY, Assistant Treasurer since December 2005.

Tax Manager-BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 52 years old and has been an employee of the Adviser since April 1991.

ROBERT S. ROBOL, Assistant Treasurer since August 2002.

Senior Accounting Manager-BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 141 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 1988.

ROBERT SALVIOLO, Assistant Treasurer since July 2007.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 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 June 1989.

ROBERT SVAGNA, Assistant Treasurer since December 2002.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 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 November 1990.

JOSEPH W. CONNOLLY, Chief Compliance Officer since October 2004.

Chief Compliance Officer of the Adviser, the BNY Mellon Family of Funds and BNY Mellon Funds Trust (62 investment companies, comprised of 132 portfolios). He is 63 years old and has served in various capacities with the Adviser since 1980, including manager of the firm's Fund Accounting Department from 1997 through October 2001.

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 since January 2016; from May 2015 to December 2015, Interim Anti-Money Laundering Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust and the Distributor; from January 2012 to May 2015, AML Surveillance Officer of the Distributor. She is an officer of 56 investment companies (comprised of 133 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 52 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

Newton Investment Management Limited
160 Queen Victoria Street
London, EC4V, 4LA, UK

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

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BNY Mellon Investment Portfolios, MidCap Stock Portfolio

ANNUAL REPORT
December 31, 2020

BNY MELLON
INVESTMENT MANAGEMENT

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.

Contents

THE FUND

FOR MORE INFORMATION

For the period from January 1, 2020 through December 31, 2020, as provided by Peter D. Goslin, CFA, Adam Logan, CFA, Chris Yao, CFA and Syed A. Zamil, CFA, Portfolio Managers

Market and Fund Performance Overview

For the 12-month period ended December 31, 2020, BNY Mellon Investment Portfolios, MidCap Stock Portfolio's Initial shares produced a total return of 8.11%, and its Service shares produced a total return of 7.85%.[1] In comparison, the fund's benchmark, the S&P MidCap 400® Index (the "Index"), produced a total return of 13.66% for the same period.[2]

Mid-cap stocks posted gains over the reporting period, bolstered by supportive central bank policies during the COVID-19 pandemic. The fund lagged the Index, primarily due to security selection shortfalls in the industrials, information technology and consumer discretionary sectors.

The Fund's Investment Approach

The fund seeks investment results that are greater than the total return performance of publicly traded, common stocks of medium-sized, domestic companies in the aggregate, as represented by the Index. To pursue this goal, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in stocks of mid-cap companies.

The fund invests in growth and value stocks, which are chosen through a disciplined investment process that combines quantitative-modeling techniques, fundamental analysis and risk management. Consistency of returns compared to the Index is a primary goal of the investment process.

The portfolio managers select stocks through a "bottom-up" structured approach that seeks to identify undervalued securities using a quantitative ranking process. The process is driven by a proprietary stock selection model that measures a diverse set of corporate characteristics to identify and rank stocks based on valuation, momentum, sentiment and earnings quality measures.

Next, the fund's portfolio managers construct the portfolio through a risk-controlled process, focusing on stock selection, as opposed to making proactive decisions as to industry and sector exposure. The portfolio managers seek to maintain a portfolio that has exposure to industries and market capitalizations that are generally similar to the fund's benchmark. Finally, within each sector and style subset, the fund will seek to overweight the most attractive stocks and underweight or not hold the stocks that have been ranked least attractive.

Central Bank Policy and COVID-19 Influence Markets

After an optimistic end to 2019, markets gave way to extreme risk aversion in early 2020, as the global scope of the COVID-19 pandemic became apparent. Equity valuations in the U.S. remained robust throughout January and February 2020, while markets in areas that experienced the virus earlier, such as China, began to experience volatility closer to the start of the calendar year. Financial markets also had to contend with a second major shock in the form of an oil-price war between Saudi Arabia and Russia, which caused oil prices to fall precipitously in March 2020. Worldwide, governments and central banks launched an unprecedented array of fiscal initiatives that sought to offset the economic impact of widespread lockdown measures and bolster asset prices. The intervention provided comfort to investors, and indices began to rally towards the end of March 2020. Supported by the intervention, equities generally went on to stage a recovery that lasted through August 2020. However, the recovery was company and sector specific, as several industries that remained affected by COVID-19 prevention procedures did not fully participate.

In September 2020, volatility crept back into equity markets, as increasing COVID-19 infection rates began to concern investors. By October, several countries had begun to reinstitute some degree of behavioral restriction among residents in order to stem the spread of the virus. In addition, mounting political rhetoric in the U.S. due to the election, renewed trade difficulties between the U.S. and China, and other geopolitical events stoked investor anxiety. However, resolution in the U.S. presidential election and promising progress towards a COVID-19 vaccine during the month of November 2020 helped stocks resurrect their upward momentum. December 2020 brought vaccine approvals and passage of another U.S. fiscal stimulus package, both of which helped to support the rally which lasted through the end of the year.

According to the S&P family of indices, large-cap stocks generally outperformed their mid- and small-cap counterparts during the period.

Security Selections Drove Fund Performance

The fund's performance compared to the Index was constrained by stock selection shortfalls across the industrials, information technology and consumer discretionary sectors. The industrials sector, particularly within the aerospace and defense and construction and engineering industries, was the primary driver of underperformance. The spread of COVID-19 drastically reduced demand for products and services from these market segments, negatively affecting stock prices. Negative security selection within the semiconductor and semiconductor equipment industry in the information technology sector also weighed on relative results. Within the consumer discretionary sector, the hotels, restaurants and leisure industry was the hardest hit. Valuations in this market segment were also harmed by the pandemic, as a widespread lockdown canceled the majority of consumer demand for these businesses' products. From an individual issuer perspective, food company *Domino's Pizza* was among one of the top detractors for the period. A lack of exposure during the early part of the year to the well-performing pizza delivery company caused underperformance. The position was purchased later in the period, although sold prior to the end of the year after it graduated from the index. A position in office equipment company *Xerox Holdings* was among the leading detractors. Due to office closures and the trend toward working from home, investors became concerned that corporate clients would use *Xerox Holdings'* products less. We have exited the position. Elsewhere in the markets, a position in real estate company Weingarten Realty Investors also provided a headwind. The stock came under pressure, as concerns mounted over tenants' ability to pay rent amid widespread lockdowns and growing unemployment. A position in Brandywine Realty Trust also weighed on results.

The fund achieved better results in several other areas. Positioning within the financials and health care sectors was positive for results. An underweight to the underperforming financials sector benefited returns. An underweight exposure to bank stocks, which were hit particularly hard, due in part to the low rate environment during the year, was particularly additive. Within health care, security selections within the health care technology industry provided a tailwind. From an individual issuer perspective, life science research company Bio-Rad Laboratories beat earnings expectations several times throughout the year, leading to substantial earnings momentum and gains during the period. *Veeva Systems*, which provides computing solutions for life sciences companies, was a top contributor to positive results as well. The company beat earnings expectations and raised guidance repeatedly during the 12 months. We have closed the position. Elsewhere in the markets, outdoor shoe and apparel company Deckers Outdoor was also among the leading performers. The company beat earnings several times throughout the year. The stock moved higher on positive financial results.

A Disciplined Approach to Stock Picking

As of the reporting period's end, our quantitative models have continued to identify what we believe are attractive investment opportunities across a broad spectrum of mid-cap companies and industry groups. Investor preference for top line growth is a theme we observed in 2020. We had exposure to this theme and found the opportunity during the fourth quarter to add to this exposure. Stock market volatility experienced during the period may have provided opportunities to purchase the stocks of companies ranked highly by our process. When the fund's holdings reach what we perceive to be fuller valuations, we expect to replace them with high-quality companies that display then-currently-attractive valuations in our model. In addition, we continue to maintain a broadly diversified portfolio.

January 15, 2021

[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. The fund's return reflects the absorption of certain fund expenses by BNY Mellon Investment Adviser, Inc. pursuant to an agreement in effect through May 1, 2021, 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 MidCap 400® Index provides investors with a benchmark for mid-sized companies. The index measures the performance of mid-sized companies, reflecting the distinctive risk and return characteristics of this market segment. 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.

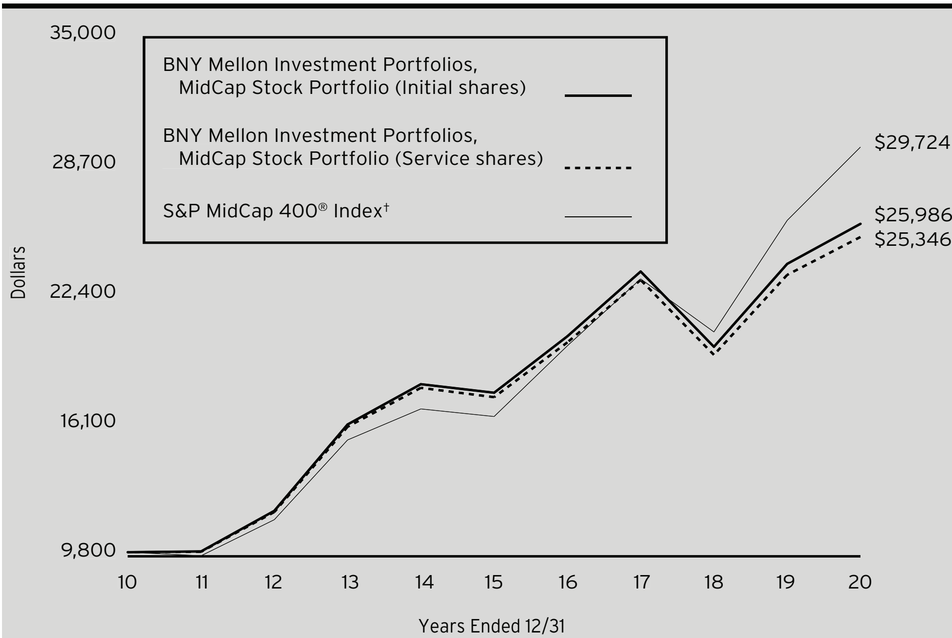
Recent market risks include pandemic risks related to COVID-19. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. To the extent the fund may overweight its 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.

Stocks of 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 Investment Portfolios, MidCap Stock Portfolio 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.

The fund uses an indexing strategy. It does not attempt to manage market volatility, use defensive strategies or reduce the effects of any long-term periods of poor stock performance.

FUND PERFORMANCE (Unaudited)



Comparison of change in value of a $10,000 investment in Initial shares and Service shares of BNY Mellon Investment Portfolios, MidCap Stock Portfolio with a hypothetical investment of $10,000 in the S&P MidCap 400® 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 investment made in each of the Initial shares and Service shares of BNY Mellon Investment Portfolios, MidCap Stock Portfolio on 12/31/10 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 provides investors with a benchmark for midsized companies. The Index measures the performance of midsized companies, reflecting the distinctive risk and return characteristics of this market segment. 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 12/31/2020

	1 Year	5 Years	10 Years
Initial shares	**8.11%**	**7.90%**	**10.02%**
Service shares	**7.85%**	**7.63%**	**9.75%**
S&P MidCap 400® Index	**13.66%**	**12.35%**	**11.51%**

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 Investment Portfolios, MidCap Stock Portfolio from July 1, 2020 to December 31, 2020. 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, 2020

	Initial Shares	Service Shares
Expense paid per $1,000†	$5.01	$6.45
Ending value (after expenses)	$1,292.50	$1,290.80

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, 2020

	Initial Shares	Service Shares
Expense paid per $1,000†	$4.42	$5.69
Ending value (after expenses)	$1,020.76	$1,019.51

† *Expenses are equal to the fund's annualized expense ratio of .87% for Initial Shares and 1.12% for Service Shares, multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS

December 31, 2020

Description	Shares	Value ($)
Common Stocks - 99.2%		
Automobiles & Components - 2.1%		
Adient	12,190 [a]	423,846
Dana	28,750	561,200
Gentex	35,640	1,209,265
Harley-Davidson	9,360	343,512
Thor Industries	4,880	453,791
Visteon	1,580 [a]	198,322
		3,189,936
Banks - 6.7%		
Associated Banc-Corp	46,810	798,110
Bank OZK	6,450	201,692
BOK Financial	5,150	352,672
Cathay General Bancorp	49,625	1,597,429
CIT Group	13,170	472,803
Comerica	8,510	475,369
East West Bancorp	9,960	505,072
Essent Group	15,470	668,304
First Citizens Bancshares, Cl. A	780	447,931
First Financial Bankshares	8,260	298,806
Glacier Bancorp	11,200	515,312
International Bancshares	17,530	656,323
KeyCorp	34,460	565,489
MGIC Investment	28,120	352,906
New York Community Bancorp	59,790	630,784
Prosperity Bancshares	5,080	352,349
Regions Financial	38,600	622,232
Western Alliance Bancorp	11,920	714,604
		10,228,187
Capital Goods - 11.3%		
Acuity Brands	9,240	1,118,872
AGCO	5,340	550,501
Axon Enterprise	2,370 [a]	290,396
Carlisle	2,780	434,180
Colfax	8,720 [a,b]	333,453
Crane	8,860	688,068
Curtiss-Wright	8,980	1,044,823
Donaldson	16,980	948,842
Dycom Industries	3,850 [a]	290,752
EMCOR Group	13,130	1,200,870
EnerSys	3,330	276,590
Fortune Brands Home & Security	4,100	351,452
GATX	1,630	135,583

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Capital Goods - 11.3% (continued)		
Generac Holdings	4,950 [a]	1,125,679
Hubbell	2,740	429,605
ITT	12,680	976,614
Lennox International	690	189,039
Lincoln Electric Holdings	3,400	395,250
MasTec	9,630 [a,b]	656,573
Nordson	3,110	624,954
Owens Corning	5,360	406,074
Regal Beloit	6,580	808,090
Simpson Manufacturing	5,730	535,468
Sunrun	5,740 [a]	398,241
Teledyne Technologies	890 [a]	348,862
The Middleby	2,800 [a]	360,976
The Timken Company	15,950	1,233,892
Trex	5,240 [a,b]	438,693
Trinity Industries	7,420 [b]	195,814
Univar Solutions	13,430 [a]	255,304
Watsco	1,300	294,515
		17,338,025
Commercial & Professional Services - 2.5%		
Clean Harbors	7,330 [a]	557,813
CoreLogic	5,120	395,878
FTI Consulting	3,020 [a]	337,394
Healthcare Services Group	7,940	223,114
Herman Miller	6,000	202,800
HNI	16,600	572,036
IAA	6,070 [a]	394,429
Insperity	4,230	344,407
ManpowerGroup	4,610	415,730
Tetra Tech	3,110	360,076
		3,803,677
Consumer Durables & Apparel - 4.5%		
Brunswick	7,940	605,346
Carter's	4,860	457,180
Deckers Outdoor	4,630 [a]	1,327,791
Helen of Troy	1,720 [a,b]	382,167
Peloton Interactive, Cl. A	3,910 [a]	593,225
Polaris	7,960	758,429
PulteGroup	4,420	190,590
PVH	2,990	280,731
Tempur Sealy International	29,310 [a]	791,370
Toll Brothers	4,410	191,703
TopBuild	3,510 [a]	646,121

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Consumer Durables & Apparel - 4.5% (continued)		
TRI Pointe Group	33,840 [a,b]	583,740
Whirlpool	690	124,538
		6,932,931
Consumer Services - 4.9%		
Adtalem Global Education	6,620 [a]	224,749
Boyd Gaming	17,960	770,843
Caesars Entertainment	13,320 [a]	989,276
Chipotle Mexican Grill	340 [a]	471,481
Churchill Downs	930 [b]	181,155
Graham Holdings, Cl. B	960	512,045
Grand Canyon Education	4,070 [a]	378,958
Jack in the Box	6,470	600,416
Marriott Vacations Worldwide	1,680	230,530
Papa John's International	4,270	362,309
Penn National Gaming	10,190 [a,b]	880,110
Planet Fitness, Cl. A	5,960 [a]	462,675
Scientific Games	4,490 [a]	186,290
Service Corp. International	15,770	774,307
Strategic Education	1,180	112,489
WW International	4,020 [a]	98,088
Wyndham Destinations	7,930	355,740
		7,591,461
Diversified Financials - 3.5%		
Eaton Vance	8,110	550,912
Evercore, Cl. A	1,740	190,774
FactSet Research Systems	1,110	369,075
Federated Hermes	16,330	471,774
Interactive Brokers Group, Cl. A	4,770	290,588
Janus Henderson Group	10,300	334,853
Jefferies Financial Group	21,560	530,376
OneMain Holdings	8,520	410,323
PROG Holdings	4,950	266,657
SEI Investments	24,380	1,401,119
Stifel Financial	10,845	547,239
		5,363,690
Energy - 2.1%		
Antero Midstream	40,710	313,874
ChampionX	15,940 [a]	243,882
CNX Resources	15,010 [a]	162,108
EQT	12,340	156,841
Equitrans Midstream	34,090	274,084
Halliburton	14,770	279,153
Marathon Oil	47,470	316,625

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Energy - 2.1% (continued)		
Murphy Oil	43,670	528,407
NOV	21,360 [a]	293,273
World Fuel Services	10,600	330,296
WPX Energy	44,690 [a]	364,223
		3,262,766
Food & Staples Retailing - .9%		
BJ's Wholesale Club Holdings	11,020 [a]	410,826
Casey's General Stores	3,510	626,956
Sprouts Farmers Market	16,880 [a]	339,288
		1,377,070
Food, Beverage & Tobacco - 1.5%		
Campbell Soup	4,340	209,839
Conagra Brands	3,750	135,975
Darling Ingredients	8,540 [a]	492,587
Flowers Foods	30,740	695,646
The Boston Beer Company, Cl. A	380 [a]	377,830
The Hain Celestial Group	5,810 [a]	233,272
TreeHouse Foods	4,520 [a]	192,055
		2,337,204
Health Care Equipment & Services - 6.2%		
Acadia Healthcare	5,340 [a]	268,389
Align Technology	970 [a]	518,349
Amedisys	2,730 [a]	800,791
AmerisourceBergen	2,180	213,117
Cantel Medical	3,430	270,490
Chemed	2,070	1,102,503
DaVita	1,500 [a]	176,100
Globus Medical, Cl. A	5,060 [a]	330,013
Haemonetics	1,280 [a]	152,000
HealthEquity	2,760 [a]	192,400
Hill-Rom Holdings	8,220	805,313
ICU Medical	830 [a]	178,027
LHC Group	2,010 [a]	428,773
McKesson	860	149,571
Molina Healthcare	3,310 [a]	703,971
Neogen	4,250 [a]	337,025
NuVasive	4,660 [a]	262,498
Patterson Companies	6,580	194,965
Quidel	1,140 [a]	204,801
Steris	7,170	1,359,002
Teladoc Health	2,220 [a,b]	443,911
Tenet Healthcare	10,100 [a]	403,293
		9,495,302

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Household & Personal Products - .6%		
Nu Skin Enterprises, Cl. A	12,770	697,625
The Clorox Company	840	169,613
		867,238
Insurance - 4.2%		
First American Financial	12,020	620,593
Globe Life	7,850	745,436
Kemper	9,700	745,251
Mercury General	4,080	213,017
Primerica	15,195	2,035,066
Reinsurance Group of America	4,070	471,713
RenaissanceRe Holdings	1,680	278,578
Selective Insurance Group	6,030	403,889
The Hanover Insurance Group	5,770	674,628
White Mountains Insurance Group	210	210,139
		6,398,310
Materials - 5.1%		
Avient	10,320	415,690
Compass Minerals International	2,750	169,730
Eagle Materials	7,430	753,030
Element Solutions	10,410	184,569
FMC	980	112,631
Graphic Packaging Holding	26,360	446,538
Ingevity	1,720 [a]	130,256
Louisiana-Pacific	11,470	426,340
Minerals Technologies	8,250	512,490
NewMarket	840	334,564
Reliance Steel & Aluminum	10,600	1,269,350
RPM International	10,020	909,616
Silgan Holdings	11,280	418,262
The Chemours Company	14,670	363,669
The Scotts Miracle-Gro Company	3,180	633,265
Valvoline	17,750	410,735
Worthington Industries	6,000	308,040
		7,798,775
Media & Entertainment - 2.2%		
Cable One	300	668,316
Cinemark Holdings	13,690 [b]	238,343
DISH Network, Cl. A	6,220 [a]	201,155
Lions Gate Entertainment, Cl. A	18,050 [a,b]	205,229
Take-Two Interactive Software	770 [a]	159,998
The Interpublic Group of Companies	6,390	150,293
The New York Times Company, Cl. A	16,440	851,099
World Wrestling Entertainment, Cl. A	2,980	143,189

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Media & Entertainment - 2.2% (continued)		
Yelp	17,560 [a]	573,685
Zillow Group, Cl. C	1,200 [a]	155,760
		3,347,067
Pharmaceuticals Biotechnology & Life Sciences - 5.4%		
Bio-Rad Laboratories, Cl. A	1,440 [a]	839,434
Bio-Techne	870	276,269
Catalent	7,000 [a]	728,490
Charles River Laboratories International	6,780 [a]	1,694,051
Emergent BioSolutions	3,650 [a]	327,040
Exelixis	23,510 [a]	471,846
Halozyme Therapeutics	5,090 [a,b]	217,394
Jazz Pharmaceuticals	3,450 [a]	569,422
Medpace Holdings	1,680 [a]	233,856
PRA Health Sciences	5,220 [a]	654,797
Prestige Consumer Healthcare	6,300 [a]	219,681
Repligen	6,060 [a]	1,161,278
Seagen	2,510 [a]	439,601
Syneos Health	5,500 [a]	374,715
United Therapeutics	1,110 [a]	168,487
		8,376,361
Real Estate - 8.8%		
Brandywine Realty Trust	91,300 [c]	1,087,383
Camden Property Trust	4,920 [c]	491,606
CoreSite Realty	1,250 [c]	156,600
Corporate Office Properties Trust	46,760 [c]	1,219,501
Cousins Properties	18,540 [c]	621,090
CyrusOne	1,960 [c]	143,374
EastGroup Properties	4,940 [c]	682,016
First Industrial Realty Trust	46,870 [c]	1,974,633
Gaming & Leisure Properties	26 [c]	1,102
Healthcare Realty Trust	20,130 [c]	595,848
Highwoods Properties	17,200 [c]	681,636
Lamar Advertising, Cl. A	16,875 [c]	1,404,337
Life Storage	5,050 [c]	602,919
Omega Healthcare Investors	17,800 [c]	646,496
Physicians Realty Trust	20,030 [c]	356,534
PS Business Parks	9,850 [c]	1,308,769
Sabra Health Care REIT	22,550 [c]	391,693
Service Properties Trust	27,895 [c]	320,514
Weingarten Realty Investors	37,580 [c]	814,359
		13,500,410
Retailing - 3.6%		
AutoNation	5,750 [a]	401,292

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Retailing - 3.6% (continued)		
Dick's Sporting Goods	7,420	417,078
Foot Locker	8,290	335,248
Kohl's	14,380	585,122
Lithia Motors, Cl. A	1,990	582,413
Murphy USA	2,320	303,618
Nordstrom	9,410 [b]	293,686
Ollie's Bargain Outlet Holdings	5,010 [a,b]	409,668
Pool	900	335,250
RH	1,690 [a]	756,309
Wayfair, Cl. A	1,880 [a,b]	424,523
Williams-Sonoma	6,870	699,641
		5,543,848
Semiconductors & Semiconductor Equipment - 5.6%		
Cirrus Logic	9,890 [a]	812,958
Enphase Energy	8,380 [a]	1,470,439
First Solar	6,080 [a]	601,434
MKS Instruments	2,180	327,981
Monolithic Power Systems	3,420	1,252,507
Qorvo	1,370 [a]	227,790
Semtech	8,660 [a]	624,299
Silicon Laboratories	4,240 [a]	539,922
SolarEdge Technologies	1,200 [a]	382,944
Synaptics	3,570 [a,b]	344,148
Teradyne	15,800	1,894,262
Universal Display	870	199,926
		8,678,610
Software & Services - 8.0%		
Alliance Data Systems	6,950	514,995
CACI International, Cl. A	3,330 [a]	830,269
CDK Global	4,340	224,942
Ceridian HCM Holding	4,570 [a]	486,979
Concentrix	3,260 [a]	321,762
DocuSign	1,860 [a]	413,478
Fair Isaac	2,250 [a]	1,149,840
Fortinet	1,360 [a]	202,001
HubSpot	1,160 [a]	459,870
J2 Global	10,640 [a,b]	1,039,422
KBR	19,230	594,784
Leidos Holdings	3,590	377,381
Manhattan Associates	4,740 [a]	498,553
Medallia	14,690 [a,b]	488,002
Nuance Communications	10,650 [a,b]	469,558
Palo Alto Networks	1,470 [a]	522,423

Description	Shares	Value ($)
Common Stocks - 99.2% (continued)		
Software & Services - 8.0% (continued)		
Paylocity Holding	1,620 [a]	333,574
PTC	4,350 [a]	520,303
Qualys	3,760 [a]	458,231
Splunk	2,780 [a]	472,294
Teradata	7,580 [a]	170,323
Twilio, Cl. A	1,410 [a]	477,285
WEX	5,920 [a]	1,204,898
		12,231,167
Technology Hardware & Equipment - 4.6%		
Arrow Electronics	5,470 [a]	532,231
Avnet	19,150	672,356
Ciena	18,200 [a]	961,870
Cognex	9,870	792,413
II-VI	7,350 [a,b]	558,306
InterDigital	5,780	350,730
Jabil	4,410	187,557
Lumentum Holdings	6,240 [a]	591,552
NCR	19,180 [a]	720,593
NETSCOUT Systems	8,270 [a]	226,763
SYNNEX	3,260	265,494
Trimble	14,360 [a]	958,817
Zebra Technologies, Cl. A	570 [a]	219,068
		7,037,750
Telecommunication Services - .1%		
Telephone & Data Systems	8,490	**157,659**
Transportation - 1.4%		
Avis Budget Group	10,340 [a]	385,682
Kansas City Southern	660	134,726
Old Dominion Freight Line	1,775	346,445
Werner Enterprises	6,750	264,735
XPO Logistics	8,250 [a]	983,400
		2,114,988
Utilities - 3.4%		
Black Hills	4,760	292,502
Hawaiian Electric Industries	15,240	539,344
IDACORP	11,750	1,128,352
MDU Resources Group	26,510	698,273
NorthWestern	4,050	236,156
OGE Energy	36,770	1,171,492
ONE Gas	9,010	691,698
Spire	8,270	529,611
		5,287,428
Total Common Stocks (cost $120,591,713)		**152,259,860**

Description	1-Day Yield (%)	Shares	Value ($)
Investment Companies - .8%			
Registered Investment Companies - .8%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares (cost $1,225,389)	0.09	1,225,389 [d]	**1,225,389**
Investment of Cash Collateral for Securities Loaned - .5%			
Registered Investment Companies - .5%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares (cost $827,423)	0.05	827,423 [d]	**827,423**
Total Investments (cost $122,644,525)		**100.5%**	**154,312,672**
Liabilities, Less Cash and Receivables		**(.5%)**	**(802,242)**
Net Assets		**100.0%**	**153,510,430**

REIT—Real Estate Investment Trust

[a] *Non-income producing security.*

[b] *Security, or portion thereof, on loan. At December 31, 2020, the value of the fund's securities on loan was $7,655,641 and the value of the collateral was $7,864,881, consisting of cash collateral of $827,423 and U.S. Government & Agency securities valued at $7,037,458.*

[c] *Investment in real estate investment trust within the United States.*

[d] *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	18.2
Consumer Discretionary	15.2
Industrials	15.2
Financials	14.3
Health Care	11.6
Real Estate	8.8
Materials	5.1
Utilities	3.4
Consumer Staples	3.0
Communication Services	2.3
Energy	2.1
Investment Companies	1.3
	100.5

† *Based on net assets.*

See notes to financial statements.

STATEMENT OF INVESTMENTS IN AFFILIATED ISSUERS

Investment Companies	Value 12/31/19 ($)	Purchases ($)†	Sales ($)	Value 12/31/20 ($)	Net Assets(%)	Dividends/ Distributions ($)
Registered Investment Companies;						
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares	1,003,692	23,740,514	(23,518,817)	1,225,389	.8	4,986
Investment of Cash Collateral for Securities Loaned:††						
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares	386,235	9,797,325	(10,183,560)	-	-	21,650†††
Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares	-	2,516,219	(1,688,796)	827,423	.5	3,139†††
Total	**1,389,927**	**36,054,058**	**(35,391,173)**	**2,052,812**	**1.3**	**29,775**

† *Included reinvested dividends/distributions.*

†† *Effective November 9, 2020, cash collateral for securities lending was transferred from Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares to Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares.*

††† *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, 2020

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
(including securities on loan, valued at $7,655,641)—Note 1(c):		
Unaffiliated issuers	120,591,713	152,259,860
Affiliated issuers	2,052,812	2,052,812
Receivable for shares of Beneficial Interest subscribed		123,317
Dividends and securities lending income receivable		99,945
Prepaid expenses		2,831
		154,538,765
Liabilities ($):		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 3(b)		119,224
Liability for securities on loan—Note 1(c)		827,423
Payable for shares of Beneficial Interest redeemed		13,052
Trustees' fees and expenses payable		1,464
Other accrued expenses		67,172
		1,028,335
Net Assets ($)		**153,510,430**
Composition of Net Assets ($):		
Paid-in capital		120,057,772
Total distributable earnings (loss)		33,452,658
Net Assets ($)		**153,510,430**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	75,648,823	77,861,607
Shares Outstanding	3,795,707	3,923,755
Net Asset Value Per Share ($)	**19.93**	**19.84**

See notes to financial statements.

STATEMENT OF OPERATIONS

Year Ended December 31, 2020

Investment Income ($):	
Income:	
Cash dividends (net of $1,491 foreign taxes withheld at source):	
Unaffiliated issuers	2,166,876
Affiliated issuers	4,863
Income from securities lending—Note 1(c)	24,789
Interest	180
Total Income	**2,196,708**
Expenses:	
Management fee—Note 3(a)	979,797
Distribution fees—Note 3(b)	161,947
Professional fees	84,325
Prospectus and shareholders' reports	18,533
Chief Compliance Officer fees—Note 3(b)	13,982
Custodian fees—Note 3(b)	10,326
Trustees' fees and expenses—Note 3(c)	8,708
Loan commitment fees—Note 2	4,944
Shareholder servicing costs—Note 3(b)	1,413
Miscellaneous	17,872
Total Expenses	**1,301,847**
Investment Income—Net	**894,861**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments	3,458,899
Capital gain distributions from affiliated issuers	123
Net Realized Gain (Loss)	**3,459,022**
Net change in unrealized appreciation (depreciation) on investments	6,471,918
Net Realized and Unrealized Gain (Loss) on Investments	**9,930,940**
Net Increase in Net Assets Resulting from Operations	**10,825,801**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31,	
	2020	2019
Operations ($):		
Investment income—net	894,861	921,708
Net realized gain (loss) on investments	3,459,022	(2,572,437)
Net change in unrealized appreciation (depreciation) on investments	6,471,918	28,415,232
Net Increase (Decrease) in Net Assets Resulting from Operations	**10,825,801**	**26,764,503**
Distributions ($):		
Distributions to shareholders:		
Initial Shares	(552,702)	(6,099,962)
Service Shares	(343,563)	(5,546,134)
Total Distributions	**(896,265)**	**(11,646,096)**
Beneficial Interest Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	7,458,751	3,870,606
Service Shares	14,678,777	10,588,703
Distributions reinvested:		
Initial Shares	552,702	6,099,962
Service Shares	343,563	5,546,134
Cost of shares redeemed:		
Initial Shares	(13,780,638)	(13,408,861)
Service Shares	(16,960,443)	(12,102,125)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	**(7,707,288)**	**594,419**
Total Increase (Decrease) in Net Assets	**2,222,248**	**15,712,826**
Net Assets ($):		
Beginning of Period	151,288,182	135,575,356
End of Period	**153,510,430**	**151,288,182**
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	456,232	216,730
Shares issued for distributions reinvested	45,155	351,583
Shares redeemed	(828,281)	(752,804)
Net Increase (Decrease) in Shares Outstanding	**(326,894)**	**(184,491)**
Service Shares		
Shares sold	938,110	600,304
Shares issued for distributions reinvested	28,138	320,957
Shares redeemed	(1,060,385)	(685,012)
Net Increase (Decrease) in Shares Outstanding	**(94,137)**	**236,249**

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	2020	2019	2018	2017	2016
Per Share Data ($):					
Net asset value, beginning of period	18.64	16.80	22.56	20.09	18.95
Investment Operations:					
Investment income—net[a]	.13	.13	.12	.10	.21
Net realized and unrealized gain (loss) on investments	1.30	3.15	(3.19)	2.92	2.50
Total from Investment Operations	1.43	3.28	(3.07)	3.02	2.71
Distributions:					
Dividends from investment income—net	(.14)	(.12)	(.13)	(.22)	(.21)
Dividends from net realized gain on investments	-	(1.32)	(2.56)	(.33)	(1.36)
Total Distributions	(.14)	(1.44)	(2.69)	(.55)	(1.57)
Net asset value, end of period	19.93	18.64	16.80	22.56	20.09
Total Return (%)	8.11	20.18	(15.49)	15.38	15.47
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.87	.86	.86	.87	.85
Ratio of net investment income to average net assets	.81	.73	.59	.50	1.16
Portfolio Turnover Rate	92.40	82.88	68.02	64.86	65.52
Net Assets, end of period ($ x 1,000)	75,649	76,835	72,374	92,776	123,226

[a] *Based on average shares outstanding.*

See notes to financial statements.

Service Shares	Year Ended December 31, 2020	2019	2018	2017	2016
Per Share Data ($):					
Net asset value, beginning of period	18.53	16.71	22.45	20.00	18.88
Investment Operations:					
Investment income—net[a]	.09	.09	.07	.06	.17
Net realized and unrealized gain (loss) on investments	1.31	3.12	(3.18)	2.90	2.47
Total from Investment Operations	1.40	3.21	(3.11)	2.96	2.64
Distributions:					
Dividends from investment income—net	(.09)	(.07)	(.07)	(.18)	(.16)
Dividends from net realized gain on investments	-	(1.32)	(2.56)	(.33)	(1.36)
Total Distributions	(.09)	(1.39)	(2.63)	(.51)	(1.52)
Net asset value, end of period	19.84	18.53	16.71	22.45	20.00
Total Return (%)	7.85	19.85	(15.69)	15.04	15.20
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	1.12	1.11	1.11	1.12	1.10
Ratio of net investment income to average net assets	.56	.48	.34	.28	.94
Portfolio Turnover Rate	92.40	82.88	68.02	64.86	65.52
Net Assets, end of period ($ x 1,000)	77,862	74,454	63,202	76,948	63,972

[a] *Based on average shares outstanding.*

See notes to financial statements.

NOTE 1—Significant Accounting Policies:

MidCap Stock Portfolio (the "fund") is a separate diversified series of BNY Mellon Investment Portfolios (the "Company"), 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 three 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 investment results that are greater than the total return performance of publicly traded common stocks of medium-size domestic companies in the aggregate, as represented by the Standard & Poor's MidCap 400® Index. 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.

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 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 Company 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 Securities and Exchange Commission ("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 Company 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 Company'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, 2020 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	152,259,860	-	-	**152,259,860**
Investment Companies	2,052,812	-	-	**2,052,812**

† *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, 2020, 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, 2020, The Bank of New York Mellon earned $4,961 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. 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, 2020, 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, 2020, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended December 31, 2020 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At December 31, 2020, the components of accumulated earnings on a tax basis were as follows: undistributed ordinary income $922,462, undistributed capital gains $1,096,701 and unrealized appreciation $31,433,495.

The tax character of distributions paid to shareholders during the fiscal periods ended December 31, 2020 and December 31, 2019 were as follows: ordinary income $896,265 and $799,710, and long-term capital gains $0 and $10,846,386, 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. Prior to September 30, 2020, the Citibank Credit Facility was $927 million with Tranche A available in an amount equal to $747 million and Tranche B available in an amount equal to $180 million. Prior to March 11, 2020, the Citibank Credit Facility was $1.030 billion with Tranche A available in an amount equal to $830 million and Tranche B available in an amount equal to $200 million. 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, 2020, the fund did not borrow under the Facilities.

NOTE 3—Management Fee and Other Transactions with Affiliates:

(a) Pursuant to a management agreement with the Adviser, the management fee is computed at the annual rate of .75% of the value of the fund's average daily net assets and is payable monthly. The Adviser has contractually agreed, from May 1, 2020 through May 1, 2021, to waive receipt of its fees and/or assume the expenses of the fund, so that the direct expenses of the fund (excluding Rule 12b-1 Distribution Plan fees, taxes, interest expense, brokerage commissions, commitment fees on borrowings and extraordinary expenses) do not exceed 1.00%. On or after May 1, 2021, the Adviser may terminate this expense limitation at any time. During the period ended December 31, 2020, there were no reduction in expense pursuant to undertaking.

(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, 2020, Service shares were charged $161,947 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 an 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, 2020, the fund was charged $1,237 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, 2020, the fund was charged $10,326 pursuant to the custody agreement.

During the period ended December 31, 2020, the fund was charged $13,982 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 $95,942, Distribution Plan fees of $16,089, custodian fees of $4,056, Chief Compliance Officer fees of $2,903 and transfer agency fees of $234.

(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, 2020, amounted to $120,427,615 and $128,364,915, respectively.

At December 31, 2020, the cost of investments for federal income tax purposes was $122,879,177; accordingly, accumulated net unrealized appreciation on investments was $31,433,495, consisting of $34,746,746 gross unrealized appreciation and $3,313,251 gross unrealized depreciation.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of MidCap Stock Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of MidCap Stock Portfolio (the "Fund") (one of the funds constituting BNY Mellon Investment Portfolios), including the statements of investments and investments in affiliated issuers, as of December 31, 2020, 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 Investment Portfolios) at December 31, 2020, 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, 2020, 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 9, 2021

IMPORTANT TAX INFORMATION (Unaudited)

For federal tax purposes, the portfolio hereby reports 100% of the ordinary dividends paid during the fiscal year ended December 31, 2020 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in early 2021 of the percentage applicable to the preparation of their 2020 income tax returns.

At a meeting of the fund's Board of Trustees held on July 20-21, 2020, 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 (the "Agreement"). The Board members, none of whom are "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. In considering the renewal of the Agreement, 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.

<u>Analysis of Nature, Extent, and Quality of Services Provided to the Fund.</u> 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. The Board also considered portfolio management's brokerage policies and practices (including policies and practices regarding soft dollars) and the standards applied in seeking best execution.

<u>Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio</u>. 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 small-cap core funds underlying variable insurance products ("VIPs") selected by Broadridge as comparable to the fund (the "Performance Group") and with a broader group of funds consisting of all small-cap core funds underlying VIPs (the "Performance Universe"), all for various periods ended May 31, 2020, and (2) the fund's actual and contractual management fees and total expenses with those of the same

group of funds in the Performance Group (the "Expense Group") and with a broader group of small-cap core funds underlying VIPs with similar 12b-1/non12b-1 structures, excluding outliers (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 Group and Performance Universe and the Expense Group 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 the results of the comparisons and considered that the fund's total return performance was at or above the Performance Group and Performance Universe medians for all periods, except the three- and four-year periods when performance was below the medians and the five-year period when it was below the Performance Universe median. The Adviser also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index, and it was noted that the fund's returns were above the returns of the index in five of the ten calendar years shown.

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 services provided by the Adviser. 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 lower than the Expense Group median contractual management fee, the fund's actual management fee was lower than the Expense Group and Expense Universe actual management fee medians and the fund's total expenses were slightly higher than the Expense Group and Expense Universe total expenses medians.

Representatives of the Adviser stated that the Adviser has contractually agreed, until May 1, 2021, to waive receipt of its fees and/or assume the direct expenses of the fund so that the direct expenses of none of its classes (excluding Rule 12b-1 fees, shareholder services fees, taxes, interest, brokerage commissions, commitment fees on borrowings and extraordinary expenses) exceed 1.00% of the fund's average daily net assets.

Representatives of the Adviser reviewed with the Board the management or investment advisory fees paid by funds advised or administered by the Adviser that are in the same Lipper category as the fund (the "Similar Funds"), and explained the nature of the Similar Funds. 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 Funds 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 that are considered to have similar investment strategies and policies as 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 Agreement, considered in relation to the mix of services provided by the Adviser, including the nature, extent and quality of such services, supported the renewal of the Agreement 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. Representatives of the Adviser stated that a discussion of economies of scale is predicated on a fund having achieved a substantial size with increasing assets and that, if a fund's assets had been stable or decreasing, the possibility that the Adviser may have realized any economies of scale would be less. 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 from acting as investment adviser and took into consideration the 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 Agreement. 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 are adequate and appropriate.
- The Board was satisfied with the fund's improved performance.

- The Board concluded that the fee paid to the Adviser continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above.
- 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 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 Agreement, 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, of the Adviser and the services provided to the fund by the 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 Agreement, 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 Agreement 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 Agreement.

BOARD MEMBERS INFORMATION (Unaudited)
INDEPENDENT BOARD MEMBERS

Joseph S. DiMartino (77)
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: 109

Francine J. Bovich (69)
Board Member (2015)

Principal Occupation During Past 5 Years:

- Trustee, The Bradley Trusts, private trust funds (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: 66

J. Charles Cardona (65)
Board Member (2014)

Principal Occupation During Past 5 Years:

- BNY Mellon Liquidity Funds, Director (2004-Present) and Chairman (since 2019)
- President and Director of the Adviser (2008-2016)
- Chief Executive Officer of Dreyfus Cash Investment Strategies, a division of the Adviser (2009-2016)
- Chairman (2013 – 2016) Director (2005-2016) and Executive Vice President (2006-2015) of the Distributor

Other Public Company Board Memberships During Past 5 Years:

- BNY Mellon ETF Trust, *Chairman and Trustee* (2020-Present)

No. of Portfolios for which Board Member Serves: 38

Gordon J. Davis (79)
Board Member (2012)

Principal Occupation During Past 5 Years:

- Partner in the law firm of Venable LLP (2012-Present)

No. of Portfolios for which Board Member Serves: 48

Andrew J. Donohue (70)
Board Member (2019)

Principal Occupation During Past 5 Years:

- Of Counsel, Shearman & Sterling LLP (2017-2019)
- Chief of Staff to the Chair of the SEC (2015-2017)
- Managing Director and Investment Company General Counsel of Goldman Sachs (2012-2015)
- Attorney, Solo Law Practice (2019-Present)

Other Public Company Board Memberships During Past 5 Years:

- Oppenheimer Funds (58 funds), *Director* (2017-2019)

No. of Portfolios for which Board Member Serves: 52

Isabel P. Dunst (73)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Hogan Lovells LLP, a law firm, Senior Counsel (2018-2019); Of Counsel (2015-2018); Partner (1990-2014)
- Member of the Board of Governors, Hebrew Union College Jewish Institute of Religion (2015-Present)
- Board Member, Bend the ARC, a civil rights organization, (2016- Present)

No. of Portfolios for which Board Member Serves: 30

Nathan Leventhal (77)
Board Member (2009)

Principal Occupation During Past 5 Years:

- President Emeritus of Lincoln Center for the Performing Arts (2001-Present)
- President of the Palm Beach Opera (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-Present)

No. of Portfolios for which Board Member Serves: 44

Robin A. Melvin (57)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Co-Chair, Mentor Illinois, a non-profit organization dedicated to increasing the quality of mentoring services in Illinois (2014 - 2020); Board member, Mentor Illinois (2013-2020)
- Trustee, Westover School, a private girls' boarding school in Middlebury, Connecticut (2019-Present)

No. of Portfolios for which Board Member Serves: 87

Roslyn M. Watson (71)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Principal, Watson Ventures, Inc., a real estate investment company (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: 52

Benaree Pratt Wiley (74)
Board Member (2009)

Principal Occupation During Past 5 Years:

- Principal, The Wiley Group, a firm specializing in strategy and business development (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-Present)

No. of Portfolios for which Board Member Serves: 70

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.

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; Head of US Retail Product and Channel Marketing, BNY Mellon Investment Management from January 2014 to December 2015. He is an officer of 62 investment companies (comprised of 117 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 42 years old and has been an employee of BNY Mellon since 2005.

JAMES WINDELS, Treasurer since November 2001.

Director-BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 62 years old and has been an employee of the Adviser since April 1985.

BENNETT A. MACDOUGALL, Chief Legal Officer since October 2015.

Chief Legal Officer of the Adviser and Associate General Counsel and Managing Director of BNY Mellon since June 2015; Director and Associate General Counsel of Deutsche Bank–Asset & Wealth Management Division from June 2005 to June 2015, and as Chief Legal Officer of Deutsche Investment Management Americas Inc. from June 2012 to May 2015. He is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 49 years old and has been an employee of the Adviser since June 2015.

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 63 investment companies (comprised of 140 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 December 1996.

DEIRDRE CUNNANE, Vice President and Assistant Secretary since March 2019.

Counsel of BNY Mellon since August 2018; Senior Regulatory Specialist at BNY Mellon Investment Management Services from February 2016 to August 2018; Trustee Associate at BNY Mellon Trust Company (Ireland) Limited from August 2013 to February 2016. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 30 years old and has been an employee of the Adviser since August 2018.

SARAH S. KELLEHER, Vice President and Assistant Secretary since April 2014.

Managing Counsel of BNY Mellon since December 2017, Senior Counsel of BNY Mellon from March 2013 to December 2017. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 45 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 63 investment companies (comprised of 140 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 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; Senior Regulatory Specialist at BNY Mellon Investment Management Services from April 2015 to August 2018. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 35 years old and has been an employee of the Adviser since June 2019.

PETER M. SULLIVAN, Vice President and Assistant Secretary since March 2019.

Senior Managing Counsel of BNY Mellon since December 2020; Managing Counsel of BNY Mellon from March 2009 to December 2020, and an officer of 63 investment companies (comprised of 140 portfolios) managed by the the Adviser or an affiliate of the the Adviser. He is 52 years old and has been an employee of the BNY Mellon since April 2004.

NATALYA ZELENSKY, Vice President and Assistant Secretary since March 2017.

Managing Counsel of BNY Mellon since December 2019; Counsel of BNY Mellon from May 2016 to December 2019; Assistant Secretary of the Adviser since 2018; Attorney at Wildermuth Endowment Strategy Fund/Wildermuth Advisory, LLC from November 2015 to May 2016 and Assistant General Counsel at RCS Advisory Services from July 2014 to November 2015. She is an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 35 years old and has been an employee of the Adviser since May 2016.

GAVIN C. REILLY, Assistant Treasurer since December 2005.

Tax Manager-BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 52 years old and has been an employee of the Adviser since April 1991.

ROBERT S. ROBOL, Assistant Treasurer since August 2002.

Senior Accounting Manager-BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 141 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 1988.

ROBERT SALVIOLO, Assistant Treasurer since July 2007.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 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 June 1989.

ROBERT SVAGNA, Assistant Treasurer since December 2002.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 63 investment companies (comprised of 140 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 November 1990.

JOSEPH W. CONNOLLY, Chief Compliance Officer since October 2004.

Chief Compliance Officer of the Adviser, the BNY Mellon Family of Funds and BNY Mellon Funds Trust (62 investment companies, comprised of 132 portfolios). He is 63 years old and has served in various capacities with the Adviser since 1980, including manager of the firm's Fund Accounting Department from 1997 through October 2001.

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 since January 2016; from May 2015 to December 2015, Interim Anti-Money Laundering Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust and the Distributor; from January 2012 to May 2015, AML Surveillance Officer of the Distributor. She is an officer of 56 investment companies (comprised of 133 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 52 years old and has been an employee of the Distributor since 1997.

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For More Information

BNY Mellon Investment Portfolios, MidCap Stock Portfolio

240 Greenwich Street
New York, NY 10286

Adviser

BNY Mellon Investment Adviser, Inc.
240 Greenwich Street
New York, NY 10286

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

December 31, 2020

Annual Report

Deutsche DWS Variable Series I

DWS Bond VIP

Contents

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, 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. 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 recent 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.

Performance Summary

December 31, 2020 (Unaudited)

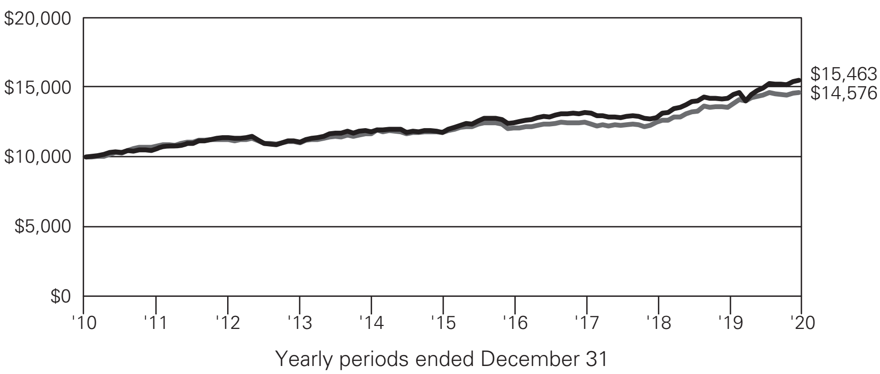
Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original 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, 2020 is 0.81% 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

■ **DWS Bond VIP — Class A**
■ **Bloomberg Barclays U.S. Aggregate Bond Index**



The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index representing domestic taxable investment-grade bonds, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities with an average maturity of one year or more.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS Bond VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$10,907	$11,746	$13,168	$15,463
	Average annual total return	9.07%	5.51%	5.66%	4.45%
Bloomberg Barclays U.S. Aggregate Bond Index	Growth of $10,000	$10,751	$11,689	$12,424	$14,576
	Average annual total return	7.51%	5.34%	4.44%	3.84%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

During the 12-month period ended December 31, 2020, the portfolio provided a total return of 9.07% (Class A shares, unadjusted for contract charges) compared with the 7.51% return of its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index.

Bond markets generally finished the year with strong returns, although the journey was volatile as investors struggled to come to terms with uncertainty around the COVID-19 pandemic. Risk assets declined sharply in February and March as governments sought to contain the virus by locking down economies. The U.S. Federal Reserve responded by cutting short-term interest rates to zero, expanding its lending facilities and announcing a broad-based asset-purchase program that included Treasuries, mortgage-backed securities, municipal bonds and corporate issues. Congress in turn passed a $2.2 trillion stimulus package. The result of these policy efforts was a rebound in credit-oriented assets beginning in late March. After some cooling in risk sentiment in the lead-up to the U.S. elections, the rally resumed in November on a clear resolution to the presidential race and headlines around a pair of coronavirus vaccines which raised hopes for a return to more normal economic activity in 2021. Corporate bonds led performance within the U.S. investment grade bond market for the year. The yield on the 10-year Treasury bond began the year at 1.92% and touched an historic low of 0.52% as investors sought a safe haven in the wake of the pandemic, before finishing 2020 at 0.93%.

The portfolio's outperformance versus the benchmark for the 12-month period was driven principally by exposure to more credit-sensitive fixed-income sectors, most notably investment grade and high yield corporate bonds. Exposure to emerging market debt also contributed positively to relative performance as the asset class was supported over the latter half of the period by improving risk sentiment, a weakening dollar and firming oil prices. Finally, investments in securitized asset categories contributed modestly to relative performance. Positioning with respect to duration and corresponding interest rate sensitivity was essentially a neutral factor in performance. While there were few material detractors over the year, derivatives used to hedge currency, credit and interest rate risk weighed slightly on performance. Entering a new year, we are maintaining a constructive stance with respect to sectors that trade at a yield spread relative to Treasuries, although we are proceeding with caution given the recent narrowing of spreads and less attractive valuations.

Thomas M. Farina, CFA, Managing Director
Gregory M. Staples, CFA, Managing Director
Kelly L. Beam, CFA, Director
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 **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.

The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index representing domestic taxable investment-grade bonds, with index components for government and corporate securities, mortgage passthrough securities, and asset-backed securities with an average maturity of one year or more.

Credit spread is the additional yield provided by bonds rated AA and below vs. comparable maturity bonds rated AAA.

Contributors and detractors incorporate both a holding's return and its weight. If two holdings have the same return but one has a larger weighting in the Fund, it will have a larger contribution to return in the period.

A **derivative** is a contract whose value is based on the performance of an underlying financial asset. Derivatives afford leverage, but when used by investors who are able to handle the inherent risks, can enhance returns or protect a portfolio. Derivatives experience significant losses if the underlying security moves contrary to the investor's expectations.

A measure of bond price volatility, **duration** can be defined as the approximate percentage change in price for a 100 basis point (one single percentage point) change in market interest rate levels. A duration of 5, for example, means that the price of a bond should rise by approximately 5% for a one percentage point drop in interest rates, and fall by 5% for a one percentage point rise in interest rates.

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.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Total Net Assets)	**12/31/20**	**12/31/19**
Corporate Bonds	61%	44%
Mortgage-Backed Securities Pass-Throughs	12%	18%
Collateralized Mortgage Obligations	9%	12%
Asset-Backed	6%	8%
Government & Agency Obligations	6%	13%
Commercial Mortgage-Backed Securities	5%	7%
Short-Term U.S. Treasury Obligations	2%	2%
Cash Equivalents, Securities Lending Collateral and other Assets and Liabilities, net	–1%	–4%
	100%	100%

Quality (Excludes Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
AAA	21%	33%
AA	9%	12%
A	17%	16%
BBB	37%	27%
BB	14%	9%
B	2%	1%
Not Rated	—	2%
	100%	100%

Interest Rate Sensitivity	**12/31/20**	**12/31/19**
Effective Maturity	8.1 years	8.6 years
Effective Duration	6.2 years	5.9 years

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.

Effective maturity is the weighted average of the maturity date of bonds held by the Fund taking into consideration any available maturity shortening features.

Effective duration is an approximate measure of the Fund's sensitivity to interest rate changes taking into consideration any maturity shortening features.

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.

	Principal Amount ($) (a)	Value ($)
Corporate Bonds 61.0%		
Communication Services 8.3%		
Amazon.com, Inc.:		
2.5%, 6/3/2050	20,000	20,751
4.25%, 8/22/2057	45,000	64,122
Arches Buyer, Inc., 144A, 4.25%, 6/1/2028	30,000	30,381
AT&T, Inc.:		
3-month USD-LIBOR + 1.180%, 1.4%*, 6/12/2024	207,000	212,067
1.65%, 2/1/2028	50,000	51,015
2.25%, 2/1/2032	85,000	86,226
2.75%, 6/1/2031	125,000	133,578
3.65%, 6/1/2051	100,000	104,709
CCO Holdings LLC, 144A, 4.75%, 3/1/2030	100,000	107,900
Charter Communications Operating LLC:		
3.7%, 4/1/2051	140,000	145,384
3.75%, 2/15/2028	75,000	84,092
5.05%, 3/30/2029	60,000	72,952
Comcast Corp.:		
1.95%, 1/15/2031	45,000	46,212
2.8%, 1/15/2051	40,000	41,699
Cox Communications, Inc., 144A, 2.95%, 10/1/2050	40,000	40,897
CSC Holdings LLC:		
144A, 3.375%, 2/15/2031	200,000	196,250
144A, 4.125%, 12/1/2030	200,000	209,120
Discovery Communications LLC:		
144A, 4.0%, 9/15/2055	50,000	55,965
5.3%, 5/15/2049	25,000	32,985
Empresa Nacional de Telecomunicaciones SA, REG S, 4.75%, 8/1/2026	250,000	279,378
Match Group Holdings II LLC, 144A, 4.125%, 8/1/2030	135,000	140,400
Netflix, Inc.:		
144A, 3.625%, 6/15/2025	45,000	48,183
5.5%, 2/15/2022	125,000	130,781
5.875%, 11/15/2028	125,000	149,844
NortonLifeLock, Inc., 3.95%, 6/15/2022	225,000	229,781
T-Mobile U.S.A., Inc.:		
144A, 2.05%, 2/15/2028	30,000	31,205
144A, 2.25%, 11/15/2031	110,000	112,897
144A, 3.3%, 2/15/2051	50,000	51,442
144A, 3.6%, 11/15/2060	30,000	31,843
144A, 4.375%, 4/15/2040	70,000	85,426
144A, 4.5%, 4/15/2050	60,000	74,003
Tencent Music Entertainment Group, 2.0%, 9/3/2030	211,000	209,752
VeriSign, Inc.:		
4.625%, 5/1/2023	250,000	252,188
5.25%, 4/1/2025	250,000	284,063
Verizon Communications, Inc.:		
2.65%, 11/20/2040	55,000	55,537
3.0%, 11/20/2060	50,000	50,502
4.329%, 9/21/2028	70,000	84,296
ViacomCBS, Inc., 4.2%, 5/19/2032	50,000	60,257
Vodafone Group PLC, 4.25%, 9/17/2050	55,000	68,121
Walt Disney Co.:		
2.65%, 1/13/2031	45,000	49,334
3.6%, 1/13/2051	50,000	60,525
		4,276,063
Consumer Discretionary 7.0%		
1011778 BC Unlimited Liability Co., 144A, 4.375%, 1/15/2028	210,000	216,300
Carnival Corp., 144A, 7.625%, 3/1/2026	97,000	105,681
Cummins, Inc., 2.6%, 9/1/2050	40,000	40,821
Dollar General Corp., 4.125%, 4/3/2050	20,000	25,311
Ford Motor Credit Co. LLC:		
3.37%, 11/17/2023	350,000	356,926
3.375%, 11/13/2025	261,000	268,141
5.584%, 3/18/2024	206,000	222,202
General Motors Co., 5.4%, 10/2/2023	30,000	33,592
General Motors Financial Co., Inc.:		
3.15%, 6/30/2022	265,000	274,362
3.95%, 4/13/2024	120,000	130,705
4.35%, 4/9/2025	84,000	93,777
5.2%, 3/20/2023	40,000	43,860
Genuine Parts Co., 1.875%, 11/1/2030	30,000	29,771
Hilton Domestic Operating Co., Inc., 144A, 4.0%, 5/1/2031	125,000	131,889
Home Depot, Inc.:		
3.125%, 12/15/2049	80,000	92,298
3.35%, 4/15/2050	50,000	59,504
Hyundai Capital America, 144A, 1.25%, 9/18/2023	145,000	146,719
Lowe's Companies, Inc.:		
3.0%, 10/15/2050	45,000	48,133
4.05%, 5/3/2047	40,000	50,073
McDonald's Corp.:		
2.125%, 3/1/2030	35,000	36,901
4.2%, 4/1/2050	50,000	64,279
NIKE, Inc., 3.375%, 3/27/2050	29,000	35,877
Nissan Motor Co., Ltd., 144A, 4.345%, 9/17/2027	395,000	436,288
O'Reilly Automotive, Inc., 1.75%, 3/15/2031	20,000	20,031
QVC, Inc., 4.75%, 2/15/2027	172,000	184,470
Sands China Ltd., 4.6%, 8/8/2023	200,000	212,398
Tractor Supply Co., 1.75%, 11/1/2030	15,000	15,076
Walmart, Inc., 3.4%, 6/26/2023	175,000	187,940
		3,563,325
Consumer Staples 2.0%		
Albertsons Companies, Inc.:		
144A, 3.25%, 3/15/2026	90,000	91,350
144A, 3.5%, 3/15/2029	50,000	50,593
Altria Group, Inc.:		
3.875%, 9/16/2046	20,000	21,126
4.45%, 5/6/2050	40,000	47,289
4.8%, 2/14/2029	25,000	29,952
Anheuser-Busch InBev Worldwide, Inc.:		
4.35%, 6/1/2040	50,000	61,348
4.439%, 10/6/2048	50,000	62,236
5.55%, 1/23/2049	55,000	78,203

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($) (a)	Value ($)
BAT Capital Corp., 2.726%, 3/25/2031	60,000	62,145
Conagra Brands, Inc., 1.375%, 11/1/2027	30,000	30,277
Constellation Brands, Inc., 2.875%, 5/1/2030	40,000	43,831
Estee Lauder Companies, Inc.:		
2.375%, 12/1/2029	26,000	28,105
2.6%, 4/15/2030	15,000	16,475
General Mills, Inc., 2.875%, 4/15/2030	65,000	72,071
Keurig Dr Pepper, Inc.:		
3.2%, 5/1/2030	25,000	28,306
3.8%, 5/1/2050	30,000	35,931
4.597%, 5/25/2028	70,000	85,197
PepsiCo, Inc.:		
3.375%, 7/29/2049	55,000	66,739
3.5%, 3/19/2040	25,000	29,988
Philip Morris International, Inc., 2.1%, 5/1/2030	60,000	62,577
Smithfield Foods, Inc., 144A, 3.0%, 10/15/2030	40,000	42,323
		1,046,062
Energy 2.9%		
BP Capital Markets America, Inc.:		
1.749%, 8/10/2030	40,000	40,245
2.939%, 6/4/2051	100,000	102,153
3.543%, 4/6/2027	75,000	85,356
Devon Energy Corp., 5.0%, 6/15/2045	50,000	58,894
Energy Transfer Operating LP:		
4.25%, 3/15/2023	350,000	371,930
5.0%, 5/15/2050	20,000	21,658
Exxon Mobil Corp.:		
2.44%, 8/16/2029	87,000	94,438
3.482%, 3/19/2030	100,000	116,298
Hess Corp., 5.8%, 4/1/2047	100,000	127,237
Marathon Petroleum Corp.:		
4.5%, 5/1/2023	110,000	119,441
4.7%, 5/1/2025	100,000	114,555
MPLX LP, 2.65%, 8/15/2030	35,000	36,680
Occidental Petroleum Corp.:		
5.5%, 12/1/2025	15,000	15,639
6.125%, 1/1/2031	15,000	16,053
Phillips 66, 1.3%, 2/15/2026	40,000	40,536
Plains All American Pipeline LP, 3.8%, 9/15/2030	50,000	53,753
Total Capital International SA, 3.127%, 5/29/2050	60,000	65,025
		1,479,891
Financials 16.5%		
AerCap Ireland Capital DAC:		
3.15%, 2/15/2024	300,000	314,479
4.625%, 10/15/2027	300,000	339,720
Air Lease Corp., 3.0%, 2/1/2030	125,000	128,325
Aircastle Ltd., 4.4%, 9/25/2023	109,000	115,503
ANZ New Zealand Int'l Ltd., 144A, 3.4%, 3/19/2024	200,000	217,115
Avolon Holdings Funding Ltd.:		
144A, 4.25%, 4/15/2026	40,000	43,095
144A, 5.125%, 10/1/2023	167,000	178,654
Banco del Estado de Chile, 144A, 2.704%, 1/9/2025	200,000	211,252
Bank of America Corp.:		
1.922%, 10/24/2031	160,000	162,115
2.592%, 4/29/2031	160,000	171,481
2.676%, 6/19/2041	60,000	62,514
4.3%, Perpetual (b)	204,000	210,336
Barclays PLC, 2.852%, 5/7/2026	200,000	214,788
BBVA Bancomer SA, 144A, 1.875%, 9/18/2025	201,000	203,010
Berkshire Hathaway Finance Corp., 2.85%, 10/15/2050	50,000	53,549
Blackstone Secured Lending Fund, 144A, 3.625%, 1/15/2026	155,000	159,429
Canadian Imperial Bank of Commerce, 0.95%, 10/23/2025	55,000	55,782
Charles Schwab Corp., 4.0%, Perpetual (b)	125,000	131,563
Citigroup, Inc.:		
2.572%, 6/3/2031	125,000	133,233
3.2%, 10/21/2026	170,000	190,004
4.0%, Perpetual (b)	650,000	667,062
4.412%, 3/31/2031	80,000	97,013
Empower Finance LP:		
144A, 1.776%, 3/17/2031	24,000	24,617
144A, 3.075%, 9/17/2051	20,000	22,146
Global Payments, Inc., 3.2%, 8/15/2029	120,000	132,785
HSBC Holdings PLC:		
2.633%, 11/7/2025	250,000	266,230
4.6%, Perpetual (b)	250,000	254,405
Intercontinental Exchange, Inc.:		
2.1%, 6/15/2030	52,000	53,975
3.0%, 6/15/2050	33,000	34,976
JPMorgan Chase & Co.:		
2.522%, 4/22/2031	150,000	161,229
2.739%, 10/15/2030	100,000	108,733
2.956%, 5/13/2031	50,000	54,830
Kookmin Bank, 144A, 1.75%, 5/4/2025	200,000	207,629
Morgan Stanley:		
1.794%, 2/13/2032	45,000	45,322
2.188%, 4/28/2026	105,000	110,905
3.622%, 4/1/2031	150,000	174,465
OneMain Finance Corp., 4.0%, 9/15/2030	30,000	31,128
Oversea-Chinese Banking Corp., Ltd., 144A, 1.832%, 9/10/2030	395,000	401,197
PayPal Holdings, Inc.:		
2.65%, 10/1/2026	84,000	92,333
2.85%, 10/1/2029	25,000	27,770
Prudential Financial, Inc., 4.35%, 2/25/2050	25,000	32,841
REC Ltd., 144A, 4.75%, 5/19/2023	200,000	213,312
RELX Capital, Inc., 3.0%, 5/22/2030	15,000	16,656
Santander Holdings U.S.A., Inc., 3.244%, 10/5/2026	270,000	293,225
Societe Generale SA:		
144A, 2.625%, 1/22/2025	200,000	211,818
144A, 5.375%, Perpetual (b)	250,000	265,093
State Street Corp., 2.4%, 1/24/2030	102,000	111,463
Swiss Re Treasury U.S. Corp., 144A, 4.25%, 12/6/2042	70,000	88,163
Synchrony Financial, 4.375%, 3/19/2024	40,000	44,039

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	Principal Amount ($) (a)	Value ($)
The Allstate Corp., 3.85%, 8/10/2049	30,000	37,611
The Goldman Sachs Group, Inc.:		
3.5%, 4/1/2025	100,000	111,099
4.4%, Perpetual (b) (c)	63,000	64,418
Visa, Inc., 2.05%, 4/15/2030	95,000	101,604
Wells Fargo & Co.:		
2.188%, 4/30/2026	295,000	310,602
2.393%, 6/2/2028	168,000	178,856
3.196%, 6/17/2027	90,000	99,806
		8,445,303

Health Care 4.3%

	Principal Amount ($) (a)	Value ($)
AbbVie, Inc.:		
3.2%, 11/21/2029	50,000	56,035
4.25%, 11/21/2049	30,000	37,615
4.75%, 3/15/2045	25,000	32,673
Amgen, Inc.:		
3.375%, 2/21/2050	50,000	55,864
4.563%, 6/15/2048	40,000	52,980
Anthem, Inc.:		
2.25%, 5/15/2030	80,000	84,978
2.875%, 9/15/2029	40,000	44,470
AstraZeneca PLC, 1.375%, 8/6/2030	50,000	49,492
Bausch Health Companies, Inc., 144A, 5.25%, 2/15/2031	50,000	52,236
Biogen, Inc., 3.15%, 5/1/2050	50,000	51,846
Boston Scientific Corp., 4.0%, 3/1/2029	75,000	88,388
Bristol-Myers Squibb Co., 4.25%, 10/26/2049	85,000	114,946
Cigna Corp.:		
2.4%, 3/15/2030	30,000	31,987
3.2%, 3/15/2040	15,000	16,448
CVS Health Corp.:		
1.75%, 8/21/2030	130,000	130,757
2.7%, 8/21/2040	30,000	30,350
4.25%, 4/1/2050	20,000	25,018
5.05%, 3/25/2048	45,000	60,988
DH Europe Finance II Sarl, 0.75%, 9/18/2031	EUR 200,000	251,565
Fresenius Medical Care U.S. Finance III, Inc., 144A, 2.375%, 2/16/2031	150,000	152,453
Gilead Sciences, Inc.:		
1.65%, 10/1/2030	40,000	40,137
2.8%, 10/1/2050	50,000	49,621
HCA, Inc., 5.25%, 6/15/2026	130,000	153,855
Hologic, Inc., 144A, 3.25%, 2/15/2029	65,000	66,137
Merck & Co., Inc., 2.45%, 6/24/2050	80,000	82,830
Pfizer, Inc., 4.2%, 9/15/2048	60,000	80,738
Stryker Corp., 2.9%, 6/15/2050	60,000	63,677
Thermo Fisher Scientific, Inc., 2.6%, 10/1/2029	110,000	120,439
UnitedHealth Group, Inc.:		
2.875%, 8/15/2029	54,000	61,380
2.9%, 5/15/2050	50,000	55,357
		2,195,260

Industrials 6.7%

	Principal Amount ($) (a)	Value ($)
3M Co., 3.7%, 4/15/2050	26,000	32,273
Adani Ports & Special Economic Zone Ltd., 144A, 4.2%, 8/4/2027	200,000	214,637
Agilent Technologies, Inc., 2.1%, 6/4/2030	45,000	46,578
Boeing Co.:		
1.95%, 2/1/2024	265,000	272,918
2.3%, 8/1/2021	150,000	151,375
2.7%, 5/1/2022	125,000	128,515
2.75%, 2/1/2026	375,000	394,331
4.508%, 5/1/2023	140,000	151,317
4.875%, 5/1/2025	93,000	106,011
5.04%, 5/1/2027	60,000	70,144
Delta Air Lines, Inc.:		
4.375%, 4/19/2028	94,000	94,524
144A, 4.5%, 10/20/2025	30,000	32,066
FedEx Corp.:		
3.8%, 5/15/2025	245,000	276,569
4.05%, 2/15/2048	114,000	137,797
Gartner, Inc., 144A, 3.75%, 10/1/2030	60,000	63,226
General Electric Co.:		
3.45%, 5/1/2027	50,000	56,552
3.625%, 5/1/2030	35,000	40,001
GFL Environmental, Inc.:		
144A, 3.75%, 8/1/2025	100,000	102,500
144A, 4.0%, 8/1/2028	150,000	151,125
Nielsen Finance LLC, 144A, 5.625%, 10/1/2028	110,000	119,521
Otis Worldwide Corp., 2.565%, 2/15/2030	60,000	64,430
Penske Truck Leasing Co. LP, 144A, 1.2%, 11/15/2025	80,000	80,684
Prime Security Services Borrower LLC:		
144A, 5.25%, 4/15/2024	195,000	208,162
144A, 6.25%, 1/15/2028	70,000	75,151
Republic Services, Inc., 1.75%, 2/15/2032	40,000	40,096
Roper Technologies, Inc., 2.0%, 6/30/2030	40,000	40,885
XPO Logistics, Inc., 144A, 6.25%, 5/1/2025	260,000	279,796
		3,431,184

Information Technology 3.7%

	Principal Amount ($) (a)	Value ($)
Activision Blizzard, Inc., 1.35%, 9/15/2030	20,000	19,634
Apple, Inc., 3.75%, 9/12/2047	100,000	125,353
Booz Allen Hamilton, Inc., 144A, 3.875%, 9/1/2028	40,000	41,200
Broadcom, Inc.:		
4.11%, 9/15/2028	212,000	242,631
5.0%, 4/15/2030	70,000	85,093
Dell International LLC:		
144A, 4.9%, 10/1/2026	198,000	233,806
144A, 5.875%, 6/15/2021	159,000	159,286
144A, 8.35%, 7/15/2046	60,000	90,769
Intel Corp., 3.25%, 11/15/2049	60,000	67,155
International Business Machines Corp., 3.5%, 5/15/2029	100,000	115,708
KLA Corp., 3.3%, 3/1/2050	31,000	34,982
Lam Research Corp., 2.875%, 6/15/2050	24,000	25,861
Microchip Technology, Inc., 144A, 2.67%, 9/1/2023	50,000	52,293

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($) (a)	Value ($)
Micron Technology, Inc., 2.497%, 4/24/2023	70,000	72,941
Microsoft Corp., 3.7%, 8/8/2046	86,000	109,047
NVIDIA Corp.:		
3.5%, 4/1/2040	14,000	16,813
3.5%, 4/1/2050	22,000	26,688
NXP BV, 144A, 2.7%, 5/1/2025	15,000	16,145
Open Text Corp., 144A, 3.875%, 2/15/2028	175,000	182,000
Oracle Corp.:		
3.6%, 4/1/2050	25,000	29,127
4.0%, 11/15/2047	35,000	43,221
Qorvo, Inc., 144A, 3.375%, 4/1/2031	60,000	61,950
Seagate HDD Cayman:		
144A, 3.125%, 7/15/2029	40,000	40,004
144A, 3.375%, 7/15/2031	25,000	25,135
		1,916,842

Materials 1.9%

	Principal Amount ($) (a)	Value ($)
Air Products and Chemicals, Inc., 2.05%, 5/15/2030	30,000	32,002
AngloGold Ashanti Holdings PLC, 5.125%, 8/1/2022	110,000	115,815
EI du Pont de Nemours & Co., 2.3%, 7/15/2030	25,000	26,593
Glencore Funding LLC, 144A, 1.625%, 9/1/2025	275,000	282,915
LYB International Finance III LLC, 3.625%, 4/1/2051	30,000	32,782
MEGlobal Canada ULC, 144A, 5.0%, 5/18/2025	237,000	266,625
Newmont Corp., 2.25%, 10/1/2030	40,000	42,097
Nucor Corp., 2.7%, 6/1/2030	10,000	10,996
Nutrition & Biosciences, Inc., 144A, 3.468%, 12/1/2050	57,000	61,918
Reynolds Group Issuer, Inc, 144A, 4.0%, 10/15/2027	40,000	41,000
Valvoline, Inc., 144A, 3.625%, 6/15/2031 (d)	20,000	20,525
WRKCo., Inc., 3.0%, 6/15/2033	30,000	32,960
		966,228

Real Estate 2.9%

	Principal Amount ($) (a)	Value ($)
American Tower Corp.:		
(REIT), 2.1%, 6/15/2030	55,000	56,452
(REIT), 2.95%, 1/15/2051	35,000	35,084
(REIT), 3.8%, 8/15/2029	55,000	63,945
Crown Castle International Corp., (REIT), 3.8%, 2/15/2028	50,000	57,626
Equinix, Inc.:		
(REIT), 2.15%, 7/15/2030	34,000	34,583
(REIT), 3.2%, 11/18/2029	81,000	88,919
Iron Mountain, Inc.:		
144A, (REIT) 5.0%, 7/15/2028	55,000	58,430
144A, (REIT) 5.25%, 7/15/2030	105,000	113,400
MPT Operating Partnership LP, 3.5%, 3/15/2031	195,000	201,338
Office Properties Income Trust, (REIT), 4.15%, 2/1/2022	80,000	81,451
Omega Healthcare Investors, Inc., (REIT), 5.25%, 1/15/2026	50,000	57,160
SBA Communications Corp.:		
(REIT), 3.875%, 2/15/2027	155,000	162,750
(REIT), 4.0%, 10/1/2022	190,000	191,900
(REIT), 4.875%, 9/1/2024	125,000	128,216
VEREIT Operating Partnership LP, 2.85%, 12/15/2032	30,000	31,369
Welltower, Inc.:		
(REIT), 2.75%, 1/15/2031	40,000	42,325
(REIT), 3.1%, 1/15/2030	80,000	87,547
		1,492,495

Utilities 4.8%

	Principal Amount ($) (a)	Value ($)
Abu Dhabi National Energy Co. PJSC, 144A, 4.375%, 4/23/2025	210,000	237,300
American Electric Power Co., Inc.:		
3.2%, 11/13/2027	50,000	55,997
4.3%, 12/1/2028	20,000	23,904
Dominion Energy, Inc., 3.375%, 4/1/2030	110,000	125,301
Duke Energy Corp.:		
3.4%, 6/15/2029	30,000	34,058
4.2%, 6/15/2049	30,000	37,991
Duke Energy Indiana LLC, 2.75%, 4/1/2050	50,000	51,991
Edison International, 5.75%, 6/15/2027	200,000	239,336
EDP Finance BV, 144A, 3.625%, 7/15/2024	200,000	218,274
ENN Energy Holdings, Ltd., 144A, 2.625%, 9/17/2030	200,000	201,112
NextEra Energy Capital Holdings, Inc.:		
3.25%, 4/1/2026	36,000	40,313
3.5%, 4/1/2029	58,000	66,406
NextEra Energy Operating Partners LP:		
144A, 3.875%, 10/15/2026	175,000	186,813
144A, 4.25%, 7/15/2024	250,000	267,500
Oncor Electric Delivery Co. LLC, 2.75%, 5/15/2030	25,000	27,991
Pacific Gas and Electric Co.:		
2.5%, 2/1/2031	20,000	20,073
3.3%, 8/1/2040	60,000	59,884
3.5%, 8/1/2050	25,000	24,848
Perusahaan Listrik Negara PT, 144A, 2.875%, 10/25/2025	EUR 222,000	292,406
Sempra Energy, 4.0%, 2/1/2048	55,000	65,534
Southern California Edison Co., 4.875%, 3/1/2049	50,000	65,983
Southern Power Co., Series F, 4.95%, 12/15/2046	87,000	104,559
		2,447,574
Total Corporate Bonds (Cost $29,030,854)		**31,260,227**

Mortgage-Backed Securities Pass-Throughs 11.9%

	Principal Amount ($) (a)	Value ($)
Federal Home Loan Mortgage Corp.:		
4.0%, 8/1/2039	209,116	231,358
5.5%, 10/1/2023	4,793	4,989
Federal National Mortgage Association:		
2.0%, 1/1/2051(d)	1,000,000	1,038,620
12-month USD-LIBOR + 1.750%, 2.5%*, 9/1/2038	25,109	25,743
2.5%, with various maturities from 3/1/2050 until 10/1/2050	222,791	237,950

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($) (a)	Value ($)
3.5%, with various maturities from 12/1/2045 until 10/1/2048	1,922,541	2,084,012
4.0%, 4/1/2047	1,278,006	1,408,592
Government National Mortgage Association, 2.0%, 1/1/2051 (d)	1,000,000	1,045,230
Total Mortgage-Backed Securities Pass-Throughs (Cost $5,849,194)		**6,076,494**

Asset-Backed 6.3%

Automobile Receivables 2.1%

	Principal Amount ($) (a)	Value ($)
AmeriCredit Automobile Receivables Trust, "C", Series 2019-2, 2.74%, 4/18/2025	660,000	687,424
GMF Floorplan Owner Revolving Trust, "C", Series 2019-1, 144A, 3.06%, 4/15/2024	230,000	235,897
Hertz Vehicle Financing II LP, "A", Series 2017-1A, 144A, 2.96%, 10/25/2021	171,045	171,222
		1,094,543

Credit Card Receivables 3.3%

	Principal Amount ($) (a)	Value ($)
Fair Square Issuance Trust, "A", Series 2020-AA, 144A, 2.9%, 9/20/2024	300,000	303,348
Master Credit Card Trust II, "A", Series 2020-1A, 144A, 1.99%, 9/21/2024	350,000	362,972
World Financial Network Credit Card Master Trust, "M", Series 2016-A, 2.33%, 4/15/2025	1,000,000	1,007,274
		1,673,594

Miscellaneous 0.9%

	Principal Amount ($) (a)	Value ($)
CF Hippolyta LLC, "B1", Series 2020-1, 144A, 2.28%, 7/15/2060	185,573	188,444
MVW Owner Trust, "A", Series 2019-1A, 144A, 2.89%, 11/20/2036	273,004	283,290
		471,734
Total Asset-Backed (Cost $3,168,122)		**3,239,871**

Commercial Mortgage-Backed Securities 5.2%

	Principal Amount ($) (a)	Value ($)
CFK Trust, "A", Series 2020-MF2, 144A, 2.387%, 3/15/2039	250,000	260,493
Citigroup Commercial Mortgage Trust:		
"A", Series 2020-555, 144A, 2.647%, 12/10/2041	500,000	526,123
"D", Series 2019-PRM, 144A, 4.35%, 5/10/2036	600,000	624,142
FHLMC Multifamily Structured Pass-Through Certificates:		
"X1", Series K043, Interest Only, 0.528%*, 12/25/2024	4,797,953	89,866
"X1", Series K054, Interest Only, 1.169%*, 1/25/2026	1,797,173	93,208
GS Mortgage Securities Corp. II, "B", Series 2018-GS10, 4.372%*, 7/10/2051	500,000	585,104
Morgan Stanley Capital Barclays Bank Trust, "C", Series 2016-MART, 144A, 2.817%, 9/13/2031	500,000	494,690
Total Commercial Mortgage-Backed Securities (Cost $2,560,930)		**2,673,626**

Collateralized Mortgage Obligations 8.5%

	Principal Amount ($) (a)	Value ($)
Connecticut Avenue Securities Trust, "1M2", Series 2019-R05, 144A, 1-month USD-LIBOR + 2.000%, 2.148%*, 7/25/2039	240,578	240,364
Fannie Mae Connecticut Avenue Securities, "1M2", Series 2018-C03, 1-month USD-LIBOR + 2.150%, 2.298%*, 10/25/2030	369,726	369,022
Federal Home Loan Mortgage Corp., "PS", Series 4922, Interest Only, 6.050% minus 1-month USD-LIBOR, 5.902%*, 8/25/2049	839,517	150,189
Federal National Mortgage Association, "JL", Series 2019-81, 2.5%, 1/25/2050	1,164,214	1,218,458
Freddie Mac Structured Agency Credit Risk Debt Notes:		
"M2", Series 2020-DNA2, 144A, 1-month USD-LIBOR + 1.850%, 1.998%*, 2/25/2050	600,000	596,318
"M2", Series 2019-DNA4, 144A, 1-month USD-LIBOR + 1.950%, 2.098%*, 10/25/2049	167,958	167,692
Government National Mortgage Association:		
"PI", Series 2015-40, Interest Only, 4.0%, 4/20/2044	119,923	5,985
"IN", Series 2009-69, Interest Only, 5.5%, 8/20/2039	36,416	5,956
"IV", Series 2009-69, Interest Only, 5.5%, 8/20/2039	68,675	11,081
"IJ", Series 2009-75, Interest Only, 6.0%, 8/16/2039	26,782	4,469
JPMorgan Mortgage Trust:		
"A11", Series 2020-2, 144A, 1-month USD-LIBOR + 0.800%, 0.95%*, 7/25/2050	625,941	626,411
"A11", Series 2019-9, 144A, 1-month USD-LIBOR + 0.900%, 1.05%*, 5/25/2050	192,812	193,041
"A3", Series 2019-INV3, 144A, 3.5%, 5/25/2050	303,744	315,588
"A3", Series 2020-INV1, 144A, 3.5%, 8/25/2050	181,244	188,204
New Residential Mortgage Loan Trust, "A1", Series 2019-NQM2, 144A, 3.6%, 4/25/2049	118,971	119,881

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($) (a)	Value ($)
STACR Trust, "M2", Series 2018-DNA3, 144A, 1-month USD-LIBOR + 2.100%, 2.248%*, 9/25/2048	108,108	106,879
Total Collateralized Mortgage Obligations (Cost $4,261,574)		**4,319,538**

Government & Agency Obligations 5.7%

Other Government Related (e) 0.6%

Novatek OAO, 144A, 6.604%, 2/3/2021	300,000	**301,177**

Sovereign Bonds 2.0%

Abu Dhabi Government International Bond, 144A, 3.125%, 4/16/2030	200,000	225,840
Brazilian Government International Bond, 3.875%, 6/12/2030	200,000	211,000
Perusahaan Penerbit SBSN Indonesia III, 144A, 2.8%, 6/23/2030	200,000	212,126
Republic of Kazakhstan, 144A, 1.55%, 11/9/2023	EUR 290,000	366,368
		1,015,334

U.S. Treasury Obligations 3.1%

U.S. Treasury Bond, 1.25%, 5/15/2050	1,007,000	913,538
U.S. Treasury Notes:		
0.625%, 8/15/2030	154,000	150,150
0.875%, 11/15/2030	550,000	548,195
		1,611,883
Total Government & Agency Obligations (Cost $2,920,371)		**2,928,394**

	Principal Amount ($) (a)	Value ($)

Short-Term U.S. Treasury Obligations 2.1%

U.S. Treasury Bills:		
0.101%**, 8/12/2021	200,000	199,894
0.125%**, 8/12/2021 (f)	850,000	849,551
Total Short-Term U.S. Treasury Obligations (Cost $1,049,220)		**1,049,445**

	Shares	Value ($)

Securities Lending Collateral 0.1%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (g) (h) (Cost $64,200)	64,200	**64,200**

Cash Equivalents 3.1%

DWS Central Cash Management Government Fund, 0.08% (g) (Cost $1,591,076)	1,591,076	**1,591,076**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $50,495,541)	103.9	**53,202,871**
Other Assets and Liabilities, Net	(3.9)	**(1,979,168)**
Net Assets	100.0	**51,223,703**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 0.1%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (g) (h)								
3,030,000	—	2,965,800 (i)	—	—	2,909	—	64,200	64,200
Cash Equivalents 3.1%								
DWS Central Cash Management Government Fund, 0.08% (g)								
163,542	38,226,747	36,799,213	—	—	7,254	—	1,591,076	1,591,076
3,193,542	**38,226,747**	**39,765,013**	**—**	**—**	**10,163**	**—**	**1,655,276**	**1,655,276**

* Variable or floating rate security. These securities are shown at their current rate as of December 31, 2020. 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.

** Annualized yield at time of purchase; not a coupon rate.

(a) Principal amount stated in U.S. dollars unless otherwise noted.

(b) Perpetual, callable security with no stated maturity date.

(c) 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, 2020 amounted to $61,350, which is 0.1% of net assets.

(d) When-issued, delayed delivery or forward commitment securities included.

(e) Government-backed debt issued by financial companies or government sponsored enterprises.

(f) At December 31, 2020, this security has been pledged, in whole or in part, to cover initial margin requirements for open futures contracts.

The accompanying notes are an integral part of the financial statements.

(g) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(h) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(i) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

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.

Interest Only: Interest Only (IO) bonds represent the "interest only" portion of payments on a pool of underlying mortgages or mortgage-backed securities. IO securities are subject to prepayment risk of the pool of underlying mortgages.

LIBOR: London Interbank Offered Rate

OAO: Otkrytoe Aktsionernoe Obschestvo (Russian: Open Joint Stock Corporation)

PJSC: Public Joint Stock Company

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

SBSN: Surat Berharga Syariah Negara (Islamic Based Government Securities)

Included in the portfolio are investments in mortgage or asset-backed securities which are interests in separate pools of mortgages or assets. Effective maturities of these investments may be shorter than stated maturities due to prepayments. Some separate investments in the Federal Home Loan Mortgage Corp. and Federal National Mortgage Association issues which have similar coupon rates have been aggregated for presentation purposes in this investment portfolio.

At December 31, 2020 open futures contracts purchased were as follows:

Futures	**Currency**	**Expiration Date**	**Contracts**	**Notional Amount ($)**	**Notional Value ($)**	**Unrealized Appreciation ($)**
2 Year U.S. Treasury Note	USD	3/31/2021	8	1,765,993	1,767,813	**1,820**

At December 31, 2020, open futures contracts sold were as follows:

Futures	**Currency**	**Expiration Date**	**Contracts**	**Notional Amount ($)**	**Notional Value ($)**	**Unrealized Appreciation (Depreciation) ($)**
U.S. Treasury Long Bond	USD	3/22/2021	1	174,193	173,188	1,005
Ultra 10 Year U.S. Treasury Note	USD	3/22/2021	2	312,558	312,719	(161)
Total net unrealized appreciation						**844**

At December 31, 2020, the Fund had the following open forward foreign currency contracts:

Contracts to Deliver		**In Exchange For**		**Settlement Date**	**Unrealized Depreciation ($)**	**Counterparty**
EUR	750,000	USD	880,811	2/5/2021	(36,203)	Bank of America

Currency Abbreviations

EUR Euro

USD United States Dollar

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, 2020 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**
Fixed Income Investments (j)				
Corporate Bonds	$ —	$31,260,227	$ —	$31,260,227
Mortgage-Backed Securities Pass-Throughs	—	6,076,494	—	6,076,494
Asset-Backed	—	3,239,871	—	3,239,871
Commercial Mortgage-Backed Securities	—	2,673,626	—	2,673,626
Collateralized Mortgage Obligations	—	4,319,538	—	4,319,538
Government & Agency Obligations	—	2,928,394	—	2,928,394
Short-Term U.S. Treasury Obligations	—	1,049,445	—	1,049,445
Short-Term Investments (j)	1,655,276	—	—	1,655,276
Derivatives (k)				
Futures Contracts	$ 2,825	$ —	$ —	$ 2,825
Total	**$1,658,101**	**$51,547,595**	**$ —**	**$53,205,696**

Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (k)				
Futures Contracts	$ (161)	$ —	$ —	$ (161)
Forward Foreign Currency Contracts	—	(36,203)	—	(36,203)
Total	**$ (161)**	**$ (36,203)**	**$ —**	**$ (36,364)**

(j) See Investment Portfolio for additional detailed categorizations.
(k) Derivatives include unrealized appreciation (depreciation) on open futures contracts and forward foreign currency contracts.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2020

Assets	
Investments in non-affiliated securities, at value (cost $48,840,265) — including $61,350 of securities loaned	$ 51,547,595
Investment in DWS Government & Agency Securities Portfolio (cost $64,200)*	64,200
Investment in DWS Central Cash Management Government Fund (cost $1,591,076)	1,591,076
Cash	10,000
Receivable for Fund shares sold	23,464
Interest receivable	284,324
Foreign taxes recoverable	974
Other assets	1,088
Total assets	53,522,721
Liabilities	
Payable for securities loaned	64,200
Payable for investments purchased — when-issued securities	2,095,584
Payable for Fund shares redeemed	4,293
Payable for variation margin on futures contracts	589
Unrealized depreciation on forward foreign currency contracts	36,203
Accrued management fee	16,598
Accrued Trustees' fees	977
Other accrued expenses and payables	80,574
Total liabilities	2,299,018
Net assets, at value	**$ 51,223,703**
Net Assets Consist of	
Distributable earnings (loss)	3,625,695
Paid-in capital	47,598,008
Net assets, at value	**$ 51,223,703**
Net Asset Value	
Net asset value, offering and redemption price per share ($51,223,703 ÷ 8,501,854 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 6.03**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Interest (net of foreign taxes withheld of $224)	$ 1,451,493
Income distributions — DWS Central Cash Management Government Fund	7,254
Securities lending income, net of borrower rebates	2,909
Total income	1,461,656
Expenses: Management fee	198,910
Administration fee	49,718
Services to shareholders	3,285
Custodian fee	7,231
Professional fees	68,220
Reports to shareholders	41,480
Trustees' fees and expenses	3,364
Other	4,344
Total expenses before expense reductions	376,552
Expense reductions	(43,827)
Total expenses after expense reductions	332,725
Net investment income	**1,128,931**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	1,014,960
Swap contracts	864,811
Futures	115,238
Forward foreign currency contracts	(51,688)
Foreign currency	9,212
	1,952,533
Change in net unrealized appreciation (depreciation) on: Investments	1,456,492
Swap contracts	(6,388)
Futures	(51,606)
Forward foreign currency contracts	(28,346)
Foreign currency	35
	1,370,187
Net gain (loss)	**3,322,720**
Net increase (decrease) in net assets resulting from operations	**$ 4,451,651**

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, 2020	2019
Operations: Net investment income	$ 1,128,931	$ 1,427,830
Net realized gain (loss)	1,952,533	951,699
Change in net unrealized appreciation (depreciation)	1,370,187	2,416,257
Net increase (decrease) in net assets resulting from operations	4,451,651	4,795,786
Distributions to shareholders: Class A	(1,393,009)	(1,466,158)
Fund share transactions: **Class A** Proceeds from shares sold	9,080,131	5,436,154
Reinvestment of distributions	1,393,009	1,466,158
Payments for shares redeemed	(11,255,564)	(7,080,322)
Net increase (decrease) in net assets from Class A share transactions	(782,424)	(178,010)
Increase (decrease) in net assets	2,276,218	3,151,618
Net assets at beginning of period	48,947,485	45,795,867
Net assets at end of period	**$ 51,223,703**	**$48,947,485**
Other Information:		
Class A Shares outstanding at beginning of period	8,618,016	8,635,826
Shares sold	1,564,061	984,384
Shares issued to shareholders in reinvestment of distributions	248,752	271,511
Shares redeemed	(1,928,975)	(1,273,705)
Net increase (decrease) in Class A shares	(116,162)	(17,810)
Shares outstanding at end of period	**8,501,854**	**8,618,016**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Bond VIP — Class A

	Years Ended December 31,				
	2020	**2019**	**2018**	**2017**	**2016**
Selected Per Share Data					
Net asset value, beginning of period	**$5.68**	**$5.30**	**$5.70**	**$5.52**	**$5.49**
Income (loss) from investment operations:					
Net investment income[a]	.13	.16	.17	.17	.15
Net realized and unrealized gain (loss)	.38	.39	(.32)	.15	.17
Total from investment operations	.51	.55	(.15)	.32	.32
Less distributions from:					
Net investment income	(.16)	(.17)	(.25)	(.14)	(.29)
Net asset value, end of period	**$6.03**	**$5.68**	**$5.30**	**$5.70**	**$5.52**
Total Return (%)[b]	9.07	10.62	(2.65)	5.83	5.93
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	51	49	46	51	77
Ratio of expenses before expense reductions (%)[c]	.74	.81	.87	.74	.78
Ratio of expenses after expense reductions (%)[c]	.65	.66	.69	.65	.64
Ratio of net investment income (%)	2.21	2.95	3.19	2.99	2.68
Portfolio turnover rate (%)	160	223	260	205	236

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, registered management investment company organized as a Massachusetts business trust. The Trust consists of five diversified funds: DWS Bond VIP, 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 Bond 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").

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 are valued at prices supplied by independent pricing services approved by the Trustees of the Series. 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. 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.

Swap contracts are valued daily based upon prices supplied by a Board approved pricing vendor, if available, and otherwise are valued at the price provided by the broker-dealer. Swap contracts are generally categorized as Level 2.

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 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 effort 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, the Fund had securities on loan, which were classified as corporate bonds 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.

When-Issued/Delayed Delivery Securities. The Fund may purchase or sell 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 or sell a security, the transaction is recorded and the value of the transaction 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. 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 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. 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 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, 2020, the Fund had $75,000 of long-term tax basis capital loss carryforwards, 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, 2020 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 foreign denominated currencies, investments in forward foreign currency exchange contracts, futures contracts, swap contracts 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, 2020, the Fund's components of distributable earnings (accumulated losses) on a tax basis are as follows:

Undistributed ordinary income*	$ 998,561
Capital loss carryforwards	$ (75,000)
Net unrealized appreciation (depreciation) on investments	$ 2,702,051

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $50,500,820. The net unrealized appreciation for all investments based on tax cost was $2,702,051. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $2,814,538 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $112,487.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 1,393,009	$ 1,466,158

* 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. 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 discounts and premiums are accreted/ amortized for both tax and financial reporting purposes.

B. Derivative Instruments

Futures Contracts. 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, 2020, the Fund invested in interest rate futures to gain exposure to different parts of the yield curve while managing the overall duration. The Fund also entered into interest rate futures contracts for non-hedging purposes to seek to enhance potential gains.

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.

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 disclosed in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2020, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $1,768,000 to $6,189,000, and the investment in futures contracts sold had a total notional value generally indicative of a range from approximately $436,000 to $1,998,000.

Swaps. A swap is a contract between two parties to exchange future cash flows at periodic intervals based on the notional amount of the swap. A bilateral swap is a transaction between the fund and a counterparty where cash flows are exchanged between the two parties. A centrally cleared swap is a transaction executed between the fund and a counterparty, then cleared by a clearing member through a central clearinghouse. The central clearinghouse serves as the counterparty, with whom the fund exchanges cash flows.

The value of a swap is adjusted daily, and the change in value, if any, is recorded as unrealized appreciation or depreciation in the Statement of Assets and Liabilities. Gains or losses are realized when the swap expires or is closed. Certain risks may arise when entering into swap transactions including counterparty default; liquidity; or unfavorable changes in interest rates or the value of the underlying reference security, commodity or index. In connection with bilateral swaps, securities and/or cash may be identified as collateral in accordance with the terms of the swap agreement to provide assets of value and recourse in the event of default. The maximum counterparty credit risk is the net present value of the cash flows to be received from or paid to the counterparty over the term of the swap, to the extent that this amount is beneficial to the Fund, in addition to any related collateral posted to the counterparty by the Fund. This risk may be partially reduced by a master netting arrangement between the Fund and the counterparty. Upon entering into a centrally cleared swap, 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 notional amount of the swap. Subsequent payments ("variation margin") are made or received by the Fund dependent upon the daily fluctuations in the value of the swap. In a cleared swap transaction, counterparty risk is minimized as the central clearinghouse acts as the counterparty.

An upfront payment, if any, made by the Fund is recorded as an asset in the Statement of Assets and Liabilities. An upfront payment, if any, received by the Fund is recorded as a liability in the Statement of Assets and Liabilities. Payments received or made at the end of the measurement period are recorded as realized gain or loss in the Statement of Operations.

Credit default swaps are agreements between a buyer and a seller of protection against predefined credit events for the reference entity. The Fund may enter into credit default swaps to gain exposure to an underlying issuer's credit quality characteristics without directly investing in that issuer or to hedge against the risk of a credit event on debt securities. As a seller of a credit default swap, the Fund is required to pay the par (or other agreed-upon) value of the referenced entity to the counterparty with the occurrence of a credit event by a third party, such as a U.S. or foreign corporate issuer, on the reference entity, which would likely result in a loss to the Fund. In return, the Fund receives from the counterparty a periodic stream of payments over the term of the swap provided that no credit event has occurred. If no credit event occurs, the Fund keeps the stream of payments with no payment obligations. The Fund may also buy credit default swaps, in which case the Fund functions as the counterparty referenced above. This involves the risk that the swap may expire worthless. It also involves counterparty risk that the seller may fail to satisfy its payment obligations to the Fund with the occurrence of a credit event. When the Fund sells a credit default swap, it will cover its commitment. This may be achieved by, among other methods, maintaining cash or liquid assets equal to the aggregate notional value of the reference entities for all outstanding credit default swaps sold by the Fund. For the year ended December 31, 2020, the Fund entered into credit default swap agreements to gain exposure to the underlying issuer's credit quality characteristics, or to hedge the risk of default or other specified credit events on portfolio assets.

Under the terms of a credit default swap, the Fund receives or makes periodic payments based on a specified interest rate on a fixed notional amount. These payments are recorded as a realized gain or loss in the Statement of Operations. Payments received or made as a result of a credit event or termination of the swap are recognized, net of a proportional amount of the upfront payment, as realized gains or losses in the Statement of Operations.

There were no open credit default swap contracts as of December 31, 2020. For the year ended December 31, 2020, the investment in credit default swap contracts purchased had a total notional amount generally indicative of a range from $0 to approximately $2,760,000.

Forward Foreign Currency Contracts. 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. The Fund is subject to foreign exchange rate risk in its securities denominated in foreign currencies. Changes in exchange rates between foreign currencies and the U.S. dollar may affect the U.S. dollar value of foreign securities or the income or gains received on these securities. To reduce the effect of currency fluctuations, the Fund may enter into forward currency contracts. For the year ended December 31, 2020, the Fund invested in forward currency contracts to hedge its exposure to changes in foreign currency exchange rates on its foreign currency denominated securities. In addition, the Fund also engaged in forward currency contracts for non-hedging purposes to seek to enhance potential gains.

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, 2020, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in forward currency contracts U.S. dollars purchased had a total contract value generally indicative of a range from approximately $812,000 to $2,475,000 and the investment in forward currency contracts U.S. dollars sold had a total contract value generally indicative of a range from $0 to approximately $1,791,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2020 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Asset Derivatives	**Futures Contracts**
Interest Rate Contracts (a)	$ 2,825

The above derivative is located in the following Statement of Assets and Liabilities accounts:

(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.

Liability Derivatives	Futures Contracts	Forward Contracts	Total
Interest Rate Contracts (b)	$ (161)	$ —	$ (161)
Foreign Exchange Contracts (c)	—	(36,203)	(36,203)
	$ (161)	**$ (36,203)**	**$ (36,364)**

Each of the above derivatives is located in the following Statement of Assets and Liabilities accounts:

(b) Includes cumulative depreciation of futures contracts as disclosed in the Investment Portfolio. Unsettled variation margin is disclosed separately within the Statement of Assets and Liabilities.

(c) 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, 2020 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	Swap Contracts	Futures Contracts	Total
Interest Rate Contract (d)	$ —	$ —	$ 115,238	$ 115,238
Credit Contracts (d)	—	864,811	—	864,811
Foreign Exchange Contracts (e)	(51,688)	—	—	(51,688)
	$ (51,688)	**$ 864,811**	**$ 115,238**	**$ 928,361**

Each of the above derivatives is located in the following Statement of Operations accounts:

(d) Net realized gain (loss) from swap contracts and futures, respectively

(e) Net realized gain (loss) from forward foreign currency contracts

Change in Net Unrealized Appreciation (Depreciation)	Forward Contracts	Swap Contracts	Futures Contracts	Total
Interest Rate Contracts (f)	$ —	$ —	$ (51,606)	$ (51,606)
Credit Contracts (f)	—	(6,388)	—	(6,388)
Foreign Exchange Contracts (g)	(28,346)	—	—	(28,346)
	$ (28,346)	**$ (6,388)**	**$ (51,606)**	**$ (86,340)**

Each of the above derivatives is located in the following Statement of Operations accounts:

(f) Change in net unrealized appreciation (depreciation) on swap contracts and futures, respectively

(g) Change in net unrealized appreciation (depreciation) on forward foreign currency contracts

As of December 31, 2020, 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 tables:

Counterparty	Gross Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments and Derivatives Available for Offset	Collateral Pledged	Net Amount of Derivative Liabilities
Bank of America	$ 36,203	$ —	$ —	$ 36,203

C. Purchases and Sales of Securities

During the year ended December 31, 2020, purchases and sales of investment securities, excluding short-term investments, were as follows:

	Purchases	Sales
Non-U.S. Treasury Obligations	$ 57,235,508	$ 54,437,754
U.S. Treasury Obligations	$ 21,104,736	$ 25,614,824

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 Fund's average daily net assets, 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, 2020, 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, 2020 through September 30, 2020, the Advisor had 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 0.66%.

Effective October 1, 2020 through September 30, 2021, 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 0.63%.

For the December 31, 2020, fees waived and/or expenses reimbursed were $43,827.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual Administration Fee of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the December 31, 2020, the Administration Fee was $49,718, of which $4,168 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, 2020, the amounts charged to the Fund by DSC aggregated $634, of which $117 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $10,588, of which $4,129 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, 2020, the Fund incurred lending agent fees to Deutsche Bank AG in the amount of $219.

E. Ownership of the Fund

At December 31, 2020, three participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 46%, 26% 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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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 Bond VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Bond VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2020, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the two 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, 2020, the results of its operations for the year then ended, the changes in its net assets and its financial highlights for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2016, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return Beginning	**Class A**
Account Value 7/1/20	$ 1,000.00
Account Value 12/31/20	$ 1,037.90
Expenses Paid per $1,000*	$ 3.33

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,021.87
Expenses Paid per $1,000*	$ 3.30

* 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 366.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series I — DWS Bond VIP	.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)

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 Bond VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, the Fund's performance (Class A shares) was in the 1st 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-, three- and five-year periods December 31, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). 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 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 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

Independent 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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS1bond-2 (R-025819-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series I

DWS Capital Growth VIP

Contents

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 may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the recent 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.

Performance Summary

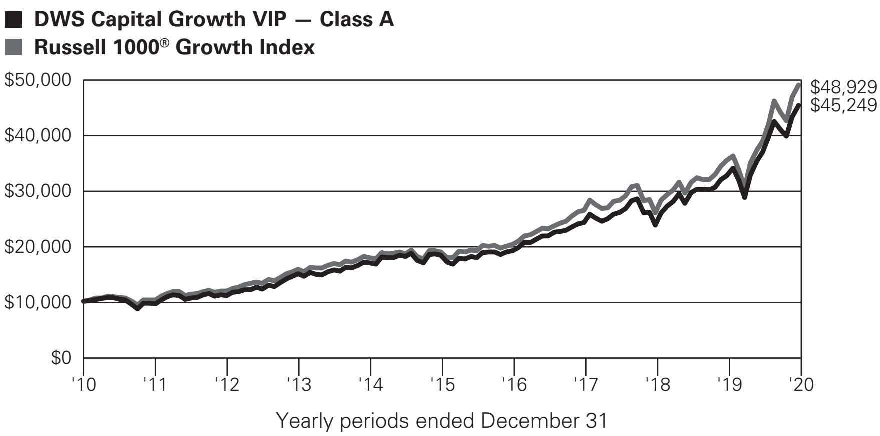
December 31, 2020 (Unaudited)

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, 2020 are 0.50% and 0.76% 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® Growth Index is an unmanaged index that consists of those stocks in the Russell 1000® Index that have higher price-to-book ratios and higher 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.

Comparative Results

DWS Capital Growth VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$13,904	$18,763	$24,704	$45,249
	Average annual total return	39.04%	23.34%	19.83%	16.29%
Russell 1000 Growth Index	Growth of $10,000	$13,849	$18,603	$25,938	$48,929
	Average annual total return	38.49%	22.99%	21.00%	17.21%

DWS Capital Growth VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$13,870	$18,618	$24,390	$43,986
	Average annual total return	38.70%	23.02%	19.52%	15.97%
Russell 1000 Growth Index	Growth of $10,000	$13,849	$18,603	$25,938	$48,929
	Average annual total return	38.49%	22.99%	21.00%	17.21%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

The Fund returned 39.04% (Class A shares, unadjusted for contract charges) in 2020, slightly ahead of the 38.49% return for the Russell 1000® Growth Index. Growth stocks, after selling off sharply in the first quarter in reaction to the spread of COVID-19 and the associated lockdowns, rebounded to post their second consecutive year with a gain of 35%-plus.

The Fund outperformed the index, also for the second year in a row, largely as a result of our focus on innovative companies and willingness to invest across the entire spectrum of the corporate life cycle. Our approach worked particularly well in the communication services sector thanks to a position in Spotify Technology SA. The company gained market share during the COVID-19 pandemic, and it reported robust subscriber growth and better-than-expected profit margins. The health care sector was another area of strength. DexCom, Inc., a maker of continuous glucose monitoring systems, benefited from high demand, increased insurance coverage, and the expansion of sales channels for its products. Thermo Fisher Scientific, Inc., a leading supplier of life science/diagnostic tools, rallied on expectations that demand for its COVID-related diagnostics, tools, and services would lead to rising sales growth. Danaher Corp. was another beneficiary of the ongoing secular tailwind surrounding diagnostics and vaccine development. Outside of these two sectors, key contributors included Progressive Corp., Twilio, Inc., and Nuance Communications, Inc.

On the negative side, we lost some relative performance through our positioning in the consumer discretionary sector. Our shortfall in the category was almost entirely the result of having a zero weighting in Tesla, Inc., which grew to become a large index component and thus a significant influence on the benchmark's return. Since our goal is to own the most attractive long-term growth ideas in the market, we do not "chase" performance in individual stocks in an attempt to boost returns. Among stocks the Fund held, Fiserv, Inc., Becton Dickinson & Co., and McDonald's Corp. detracted as investors gravitated away from larger, more stable growers and companies that faced specific, pandemic-induced headwinds.

The past year brought unprecedented change, revealing the value of business models with inherent resiliency and adaptability. Perhaps more important, it demonstrated the role of innovation. Even as the economy struggled under the weight of COVID-19, innovation continued to move forward at an accelerating pace. Many first-mover technologies quickly entered the stage of mass adoption as consumers and business adjusted to the new operating environment created by the virus. This raised the question whether future growth projections — and thus shareholder returns — were simply pulled forward, or whether the shifts will be permanent. For our part, we continue to see opportunity in companies that are positioned for long-term, sustainable growth as they capitalize on dynamic and widening addressable markets. We are finding this to be the case not only in growth sectors, but also in more traditional businesses — such as those in the financials, insurance, education and health care industries — that are quickly embracing new solutions to adapt to the disrupting forces.

The hope that economic conditions will return to some level of normalcy seems real with a vaccine now available, but visibility remains clouded due to renewed lock-downs and surging coronavirus cases late in the year. This fueled sharp rotations in and out of specific market segments, such as momentum stocks, cyclicals, and the growth and value styles. In this environment, we believe it's essential to calibrate the portfolio's risk-reward characteristics and ensure the appropriate level of diversification. We therefore remain focused on selecting the right mix of stocks for the portfolio, with an emphasis on companies we think will grow at durable, superior rates and generate long-term shareholder value. As part of our diversification across the stages of the corporate growth life cycle, we maintain positions in growth stocks that could benefit from a broad economic reopening. This includes areas as electronic payments, transportation, industrials, leisure/entertainment, and retail. We also continue to own positions in more richly valued, higher-growth stocks, even though their valuation levels may make them more vulnerable to missed expectations or rising interest rates. We typically keep a portion of the portfolio in this market segment, as long as we the valuations are supported by the strong underlying fundamental outlook of the companies in which we invest.

Sebastian P. Werner, PhD, Director
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

Russell 1000 Growth Index is an unmanaged index that consists of those stocks in the Russell 1000® Index that have higher price-to-book ratios and higher 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.

Contribution and **detraction** incorporate both a stock's total return and its weighting in the Fund.

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.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	99%	98%
Cash Equivalents	1%	2%
	100%	100%

Sector Diversification (As of % of Investment Portfolio excluding Cash Equivalents and Securities Lending Collateral)	**12/31/20**	**12/31/19**
Information Technology	43%	38%
Consumer Discretionary	14%	14%
Communication Services	13%	13%
Health Care	11%	13%
Industrials	8%	10%
Financials	5%	6%
Consumer Staples	3%	3%
Real Estate	2%	2%
Materials	1%	1%
Energy	—	0%
	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, 2020

	Shares	Value ($)
Common Stocks 99.5%		
Communication Services 13.3%		
Entertainment 6.3%		
Activision Blizzard, Inc.	180,281	16,739,091
Live Nation Entertainment, Inc.*	92,388	6,788,670
Netflix, Inc.*	27,664	14,958,755
Roku, Inc.*	18,287	6,071,650
Spotify Technology SA*	50,285	15,822,678
Walt Disney Co.	58,200	10,544,676
		70,925,520
Interactive Media & Services 5.9%		
Alphabet, Inc. "A"*	11,772	20,632,078
Alphabet, Inc. "C"*	13,615	23,851,846
Facebook, Inc. "A"*	40,854	11,159,679
Match Group, Inc.*	73,308	11,083,436
		66,727,039
Wireless Telecommunication Services 1.1%		
T-Mobile U.S., Inc.*	93,932	**12,666,730**
Consumer Discretionary 14.2%		
Diversified Consumer Services 1.5%		
Chegg, Inc.*	84,371	7,621,232
Terminix Global Holdings, Inc.*	173,198	8,834,830
		16,456,062
Hotels, Restaurants & Leisure 1.5%		
Airbnb, Inc. "A"* (a)	6,541	960,219
McDonald's Corp.	52,612	11,289,483
Planet Fitness, Inc. "A"*	68,613	5,326,427
		17,576,129
Internet & Direct Marketing Retail 5.5%		
Amazon.com, Inc.*	19,143	**62,347,411**
Multiline Retail 1.2%		
Dollar General Corp.	65,525	**13,779,908**
Specialty Retail 3.9%		
Burlington Stores, Inc.*	38,954	10,188,419
CarMax, Inc.*	97,053	9,167,626
Home Depot, Inc.	93,255	24,770,393
		44,126,438
Textiles, Apparel & Luxury Goods 0.6%		
Lululemon Athletica, Inc.*	19,291	**6,713,847**
Consumer Staples 2.7%		
Food & Staples Retailing 1.1%		
Costco Wholesale Corp.	33,350	**12,565,613**
Food Products 1.0%		
Mondelez International, Inc. "A"	187,232	**10,947,455**
Personal Products 0.6%		
Estee Lauder Companies, Inc. "A"	26,853	**7,148,000**
Financials 4.7%		
Capital Markets 1.5%		
Intercontinental Exchange, Inc.	143,931	**16,593,805**
Consumer Finance 0.7%		
American Express Co.	67,767	**8,193,708**
Insurance 2.5%		
Progressive Corp.	293,402	**29,011,590**

	Shares	Value ($)
Health Care 11.4%		
Biotechnology 0.6%		
Exact Sciences Corp.*	53,651	**7,108,221**
Health Care Equipment & Supplies 5.8%		
Becton, Dickinson & Co.	45,794	11,458,575
Danaher Corp.	83,548	18,559,353
DexCom, Inc.*	44,269	16,367,134
Hologic, Inc.*	204,506	14,894,172
The Cooper Companies, Inc.	12,584	4,572,019
		65,851,253
Life Sciences Tools & Services 3.1%		
Thermo Fisher Scientific, Inc.	73,777	**34,363,851**
Pharmaceuticals 1.9%		
Bristol-Myers Squibb Co.	127,205	7,890,526
Zoetis, Inc.	81,692	13,520,026
		21,410,552
Industrials 7.5%		
Aerospace & Defense 0.4%		
TransDigm Group, Inc.*	7,134	**4,414,876**
Building Products 0.5%		
Trex Co., Inc.*	70,541	**5,905,693**
Electrical Equipment 1.9%		
AMETEK, Inc.	116,441	14,082,374
Generac Holdings, Inc.*	34,990	7,957,076
		22,039,450
Industrial Conglomerates 1.2%		
Roper Technologies, Inc.	31,789	**13,703,920**
Professional Services 2.5%		
TransUnion	151,296	15,011,589
Verisk Analytics, Inc.	64,571	13,404,294
		28,415,883
Road & Rail 1.0%		
Norfolk Southern Corp.	30,199	7,175,584
Uber Technologies, Inc.*	72,229	3,683,679
		10,859,263
Information Technology 42.3%		
IT Services 7.6%		
Fiserv, Inc.*	145,219	16,534,635
Global Payments, Inc.	74,023	15,946,035
Snowflake, Inc. "A"* (a)	1,420	399,588
Twilio, Inc. "A"* (a)	44,326	15,004,351
Visa, Inc. "A" (a)	174,470	38,161,823
		86,046,432
Semiconductors & Semiconductor Equipment 4.7%		
Advanced Micro Devices, Inc.*	124,699	11,436,145
Analog Devices, Inc.	60,300	8,908,119
Applied Materials, Inc.	71,572	6,176,664
MKS Instruments, Inc.	28,309	4,259,089
NVIDIA Corp.	42,367	22,124,047
		52,904,064
Software 20.9%		
Adobe, Inc.*	47,424	23,717,691
Avalara, Inc.*	22,440	3,700,132

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
DocuSign, Inc.*	45,439	10,101,090
Dynatrace, Inc.*	137,077	5,931,322
Intuit, Inc.	31,506	11,967,554
Microsoft Corp.	429,368	95,500,030
Nuance Communications, Inc.*	344,284	15,179,482
Proofpoint, Inc.*	70,225	9,579,392
RingCentral, Inc. "A"*	18,500	7,010,945
Salesforce.com, Inc.*	62,531	13,915,023
ServiceNow, Inc.*	34,429	18,950,754
Synopsys, Inc.*	56,944	14,762,163
VMware, Inc. "A"* (a)	49,110	6,888,169
		237,203,747
Technology Hardware, Storage & Peripherals 9.1%		
Apple, Inc.	777,527	**103,170,058**

Materials 1.3%

Chemicals 0.8%		
Ecolab, Inc.	41,880	**9,061,157**
Construction Materials 0.5%		
Vulcan Materials Co.	39,207	**5,814,790**

Real Estate 2.1%

	Shares	Value ($)
Equity Real Estate Investment Trusts (REITs)		
Crown Castle International Corp.	35,858	5,708,235
Equinix, Inc.	14,195	10,137,785
Prologis, Inc.	78,858	7,858,988
		23,705,008
Total Common Stocks (Cost $401,024,468)		**1,127,757,473**

Securities Lending Collateral 5.4%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c) (Cost $60,706,321)	60,706,321	**60,706,321**

Cash Equivalents 0.5%

DWS Central Cash Management Government Fund, 0.08% (b) (Cost $5,792,769)	5,792,769	**5,792,769**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $467,523,558)	105.4	**1,194,256,563**
Other Assets and Liabilities, Net	(5.4)	**(61,487,425)**
Net Assets	100.0	**1,132,769,138**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 5.4%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c)								
—	60,706,321 (d)	—	—	—	28,885	—	60,706,321	60,706,321
Cash Equivalents 0.5%								
DWS Central Cash Management Government Fund, 0.08% (b)								
16,868,479	124,031,892	135,107,602	—	—	54,378	—	5,792,769	5,792,769
16,868,479	**184,738,213**	**135,107,602**	**—**	**—**	**83,263**	**—**	**66,499,090**	**66,499,090**

* 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, 2020 amounted to $59,210,469, which is 5.2% 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, 2020.

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, 2020 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 (e)	$1,127,757,473	$ —	$ —	$1,127,757,473
Short-Term Investments (e)	66,499,090	—	—	66,499,090
Total	**$1,194,256,563**	**$ —**	**$ —**	**$1,194,256,563**

(e) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $401,024,468) — including $59,210,469 of securities loaned	$1,127,757,473
Investment in DWS Government & Agency Securities Portfolio (cost $60,706,321)*	60,706,321
Investment in DWS Central Cash Management Government Fund (cost $5,792,769)	5,792,769
Receivable for Fund shares sold	137,191
Dividends receivable	172,863
Interest receivable	4,102
Other assets	22,951
Total assets	1,194,593,670

Liabilities	
Payable upon return of securities loaned	60,706,321
Payable for Fund shares redeemed	556,220
Accrued management fee	347,428
Accrued Trustees' fees	14,385
Other accrued expenses and payables	200,178
Total liabilities	61,824,532
Net assets, at value	**$1,132,769,138**

Net Assets Consist of	
Distributable earnings (loss)	791,693,992
Paid-in capital	341,075,146
Net assets, at value	**$1,132,769,138**

Net Asset Value		
Class A **Net Asset Value**, offering and redemption price per share ($1,126,790,271 ÷ 26,599,512 outstanding shares of beneficial interest, $0.01 par value, unlimited number of shares authorized)	**$**	**42.36**
Class B **Net Asset Value**, offering and redemption price per share ($5,978,867 ÷ 141,745 outstanding shares of beneficial interest, $0.01 par value, unlimited number of shares authorized)	**$**	**42.18**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends	$ 7,079,208
Income distributions — DWS Central Cash Management Government Fund	54,378
Securities lending income, net of borrower rebates	28,885
Total income	7,162,471
Expenses: Management fee	3,572,761
Administration fee	939,450
Services to Shareholders	1,953
Record keeping fee (Class B)	253
Distribution service fee (Class B)	11,831
Custodian fee	8,365
Professional fees	85,119
Reports to shareholders	51,006
Trustees' fees and expenses	31,560
Other	46,999
Total expenses	4,749,297
Net investment income	**2,413,174**

Realized and Unrealized gain (loss)	
Net realized gain (loss) from investments	62,781,949
Change in net unrealized appreciation (depreciation) on investments	260,409,153
Net gain (loss)	**323,191,102**
Net increase (decrease) in net assets resulting from operations	**$325,604,276**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 2,413,174	$ 4,570,151
Net realized gain (loss)	62,781,949	63,513,110
Change in net unrealized appreciation (depreciation)	260,409,153	189,217,615
Net increase (decrease) in net assets resulting from operations	325,604,276	257,300,876
Distributions to shareholders:		
Class A	(67,556,274)	(97,006,648)
Class B	(308,190)	(448,501)
Total distributions	(67,864,464)	(97,455,149)
Fund share transactions:		
Class A		
Proceeds from shares sold	70,444,423	33,974,927
Reinvestment of distributions	67,556,274	97,006,648
Payments for shares redeemed	(129,614,047)	(152,665,013)
Net increase (decrease) in net assets from Class A share transactions	8,386,650	(21,683,438)
Class B		
Proceeds from shares sold	1,384,411	340,905
Reinvestment of distributions	308,190	448,501
Payments for shares redeemed	(1,250,517)	(824,586)
Net increase (decrease) in net assets from Class B share transactions	442,084	(35,180)
Increase (decrease) in net assets	266,568,546	138,127,109
Net assets at beginning of period	866,200,592	728,073,483
Net assets at end of period	**$1,132,769,138**	**$ 866,200,592**

Other Information		
Class A		
Shares outstanding at beginning of period	25,934,145	26,575,319
Shares sold	2,030,040	1,101,903
Shares issued to shareholders in reinvestment of distributions	2,306,462	3,253,073
Shares redeemed	(3,671,135)	(4,996,150)
Net increase (decrease) in Class A shares	665,367	(641,174)
Shares outstanding at end of period	**26,599,512**	**25,934,145**
Class B		
Shares outstanding at beginning of period	127,162	127,775
Shares sold	39,019	11,255
Shares issued to shareholders in reinvestment of distributions	10,547	15,076
Shares redeemed	(34,983)	(26,944)
Net increase (decrease) in Class B shares	14,583	(613)
Shares outstanding at end of period	**141,745**	**127,162**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Capital Growth VIP — Class A

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$33.24**	**$27.27**	**$30.86**	**$26.70**	**$28.22**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.09	.17	.14	.20	.21
Net realized and unrealized gain (loss)	11.69	9.53	(.53)	6.47	.83
Total from investment operations	11.78	9.70	(.39)	6.67	1.04
Less distributions from:					
Net investment income	(.18)	(.14)	(.23)	(.22)	(.22)
Net realized gains	(2.48)	(3.59)	(2.97)	(2.29)	(2.34)
Total distributions	(2.66)	(3.73)	(3.20)	(2.51)	(2.56)
Net asset value, end of period	**$42.36**	**$33.24**	**$27.27**	**$30.86**	**$26.70**
Total Return (%)	39.04	37.14	(1.60)	26.30	4.25
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	1,127	862	725	776	745
Ratio of expenses (%)[b]	.49	.50	.50	.50	.50
Ratio of net investment income (loss) (%)	.25	.55	.46	.70	.82
Portfolio turnover rate (%)	13	11	26	15	35

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.

DWS Capital Growth VIP — Class B

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$33.10**	**$27.16**	**$30.75**	**$26.61**	**$28.12**
Income (loss) from investment operations:					
Net investment income (loss)[a]	(0.00)*	.09	.07	.13	.15
Net realized and unrealized gain (loss)	11.66	9.49	(.54)	6.44	.83
Total from investment operations	11.66	9.58	(.47)	6.57	.98
Less distributions from:					
Net investment income	(.10)	(.05)	(.15)	(.14)	(.15)
Net realized gains	(2.48)	(3.59)	(2.97)	(2.29)	(2.34)
Total distributions	(2.58)	(3.64)	(3.12)	(2.43)	(2.49)
Net asset value, end of period	**$42.18**	**$33.10**	**$27.16**	**$30.75**	**$26.61**
Total Return (%)	38.70	36.79	(1.87)	25.96	4.00
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	6	4	3	6	5
Ratio of expenses (%)[b]	.75	.76	.76	.75	.76
Ratio of net investment income (loss) (%)	(.01)	.29	.21	.45	.58
Portfolio turnover rate (%)	13	11	26	15	35

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.

* Amount is less than $0.005.

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 five diversified funds: DWS Bond VIP, 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 Capital Growth 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). Sales of Class B shares are subject to recordkeeping fees of up to 0.15% and Rule 12b-1 fees under the 1940 Act equal to an annual rate of up to 0.25% 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 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 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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.

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, 2020 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, 2020, the Fund's components of distributable earnings (accumulated losses) on a tax basis are as follows:

Undistributed ordinary income*	$ 5,804,483
Undistributed net long-term capital gains	$ 59,400,643
Net unrealized appreciation (depreciation) on investments	$ 726,488,866

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $467,767,697. The net unrealized appreciation for all investments based on tax cost was $726,488,866. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $727,872,843 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $1,383,977.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 4,641,322	$ 7,032,512
Distributions from long-term capital gains	$ 63,223,142	$ 90,422,637

* 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.

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 statement purposes and a recharacterization will be made within 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 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, 2020, purchases and sales of investment securities (excluding short-term investments) aggregated $128,069,867 and $172,564,194, 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 Fund's average daily net assets, 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, 2020, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.37% of the Fund's average daily net assets.

For the period from January 1, 2020 through September 30, 2021, 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 each class as follows:

Class A	.75%
Class B	1.00%

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $939,450, of which $91,568 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 902	$ 157
Class B	239	44
	$ 1,141	**$ 201**

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, 2020, the Distribution Service Fee aggregated $11,831, of which $1,248 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $8,936, of which $3,240 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 lending agent for the Fund. For the year ended December 31, 2020, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $2,174.

D. Ownership of the Fund

At December 31, 2020, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 64% and 20%, respectively. Three participating insurance companies were the owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 41%, 27% 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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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 Capital Growth VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Capital Growth VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2020, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the two 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, 2020, the results of its operations for the year then ended, the changes in its net assets and its financial highlights for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2016, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/2020	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,227.50	$ 1,225.80
Expenses Paid per $1,000*	$ 2.74	$ 4.20
Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,022.67	$ 1,021.37
Expenses Paid per $1,000*	$ 2.49	$ 3.81

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS Capital Growth VIP	.49%	.75%

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 $2.48 per share from net long-term capital gains during its year ended December 31, 2020.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $65,406,000 as capital gain dividends for its year ended December 31, 2020.

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, 2020 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 Capital Growth VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, the Fund's performance (Class A shares) was in the 1st quartile, 3rd 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-year period and has underperformed its benchmark in the three- and five-year periods ended December 31, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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, 2020

Annual Report

Deutsche DWS Variable Series I

DWS Core Equity VIP

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Contents

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 recent 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.

Performance Summary

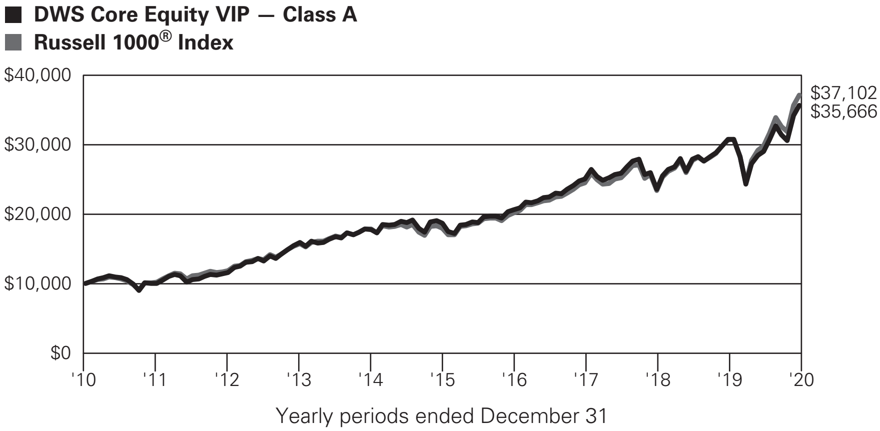
December 31 (Unaudited)

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, 2020 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	$11,613	$14,272	$19,082	$35,666
	Average annual total return	16.13%	12.59%	13.80%	13.56%
Russell 1000 Index	Growth of $10,000	$12,096	$15,137	$20,640	$37,102
	Average annual total return	20.96%	14.82%	15.60%	14.01%

DWS Core Equity VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$11,567	$14,122	$18,791	$34,646
	Average annual total return	15.67%	12.19%	13.45%	13.23%
Russell 1000 Index	Growth of $10,000	$12,096	$15,137	$20,640	$37,102
	Average annual total return	20.96%	14.82%	15.60%	14.01%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

Despite the sharp sell-off that accompanied the emergence of COVID-19 in the first quarter of 2020, the Russell 1000 Index posted a strong gain of 20.96% in 2020. The highly accommodative nature of U.S. Federal Reserve policy, highlighted by the decision to cut short-term interest rates near zero in March, was the key driver of the rally. In addition, investors were cheered by a stronger-than-expected recovery in economic growth in the second half of the year.

The Fund returned 16.13% (Class A shares, unadjusted for contract charges), underperforming the index. The Fund's modest tilts toward value stocks and companies on the smaller end of the index's capitalization range were the primary reasons for its underperformance. As part of our portfolio construction process, we put constraints on these factors, as well as on other factors such as growth, momentum, leverage, and yield. The factor exposures for smaller companies and the value style stayed within our tolerance bands, and in normal market conditions the modest deviation from the baseline would have little impact. The past year was different, however. The growth style outperformed value by a wide margin, with the Russell 1000® Growth and Russell 1000® Value Indexes returning 38.49% and 2.80%, respectively. In addition, larger companies strongly outpaced their smaller peers through the end of October. These trends amplified the effect of the Fund's factor biases, weighing on performance. In an effort to counter this issue, we tightened our factor constraints to minimize, if not eliminate, any bias towards value, growth, or size. As always, we continue to revise and update our industry models to adapt to changes in the investment environment.

The Fund experienced the largest degree of underperformance in the consumer discretionary sector. Our shortfall in the category was almost entirely the result of having a zero weighting in the electric car and batter producer Tesla, Inc. The stock rallied more than 700% in 2020 thanks to the combination of mounting investor enthusiasm for green-energy plays, a 5-for-1 stock split, and its inclusion into the S&P 500® Index. The lack of a position in Tesla cost the Fund nearly 1.5 percentage points of total return. Health care was also an area of relative weakness for the Fund. Hill-Rom Holdings, Inc.,* a maker of medical equipment whose sales were hurt by the effects of COVID-19, was the most notable detractor. Positions in the biotechnology stocks Biogen, Inc. and Amgen, Inc. pressured results, as well. Consumer staples was an additional source of underperformance. Shares of U.S. Foods Holding Corp.* and Molson Coors Beverage Co.,* both of which were adversely affected by COVID-19, were the largest detractors in the sector.

On the positive side, an overweight in Apple, Inc. was a sizable contributor to relative performance. The stock rallied as investors gravitated to a business that was well positioned to generate steady growth irrespective of developments related to coronavirus or the world economy. Stock selection in the real estate sector was an additional positive thanks to a position in Digital Realty Trust, Inc. As a data-center real estate investment trust, the company capitalized on the growing demand for data usage, storage, and connectivity brought about by the shift toward more people working off-site. The Fund was also helped by its positions in T-Mobile US, Inc., which merged with its competitor Sprint Corp.,* and Roku, Inc., a video-streaming company whose shares a climbed as the COVID-19 lockdowns improved the prospects for providers of "stay-at-home" services.

Stocks performed remarkably well in the time since the March lows, which was quite impressive given how dire the investment outlook appeared in the early days of COVID-19. Although it remains to be seen whether the rollout of the vaccine will indeed lead to improving growth, investors have clearly "looked past the valley" in anticipation of stronger economic conditions in 2021. Broader-market valuations increased considerably in the second half of the year as a result. While valuations don't necessarily correlate with near-term performance, stocks could become more volatile in the year ahead if the economic recovery isn't as smooth as the November-December rally would indicate. With this as the backdrop, we believe our steady, rules-based strategy — which strives to evaluate companies in a disciplined and dispassionate manner — is well suited for a time characterized by both continued opportunity and potentially increased risk.

Pankaj Bhatnagar, PhD, Managing Director
Di Kumble, CFA, Managing Director
Arno V. Puskar, Director
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.

The **Russell 1000 Growth Index** is an unmanaged index that consists of those stocks in the Russell 1000 Index that have higher price-to-book ratios and higher forecasted growth values. The **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.

Standard & Poor's 500 Index (S&P 500) 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.

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, 2020.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	99%	99%
Cash Equivalents	1%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
Information Technology	27%	22%
Health Care	14%	16%
Consumer Discretionary	13%	9%
Communication Services	11%	11%
Financials	10%	12%
Industrials	9%	10%
Consumer Staples	6%	7%
Real Estate	3%	3%
Utilities	3%	4%
Materials	2%	2%
Energy	2%	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, 2020

	Shares	Value ($)
Common Stocks 99.4%		
Communication Services 10.8%		
Diversified Telecommunication Services 0.6%		
Verizon Communications, Inc.	11,413	**670,514**
Entertainment 4.2%		
Activision Blizzard, Inc.	9,370	870,004
Netflix, Inc.*	1,298	701,868
Roku, Inc.*	6,219	2,064,832
Spotify Technology SA*	3,180	1,000,619
		4,637,323
Interactive Media & Services 4.0%		
Alphabet, Inc. "A"*	1,152	2,019,041
Alphabet, Inc. "C"*	1,390	2,435,113
		4,454,154
Wireless Telecommunication Services 2.0%		
T-Mobile U.S., Inc.*	16,083	**2,168,793**
Consumer Discretionary 12.6%		
Auto Components 0.4%		
Gentex Corp.	12,992	**440,819**
Hotels, Restaurants & Leisure 2.8%		
Choice Hotels International, Inc.	6,466	690,116
Darden Restaurants, Inc.	3,449	410,845
Vail Resorts, Inc.*	1,416	395,007
Wyndham Hotels & Resorts, Inc.	16,994	1,010,124
Yum China Holdings, Inc.	9,525	543,782
		3,049,874
Household Durables 2.4%		
D.R. Horton, Inc.	24,392	1,681,097
Newell Brands, Inc.	18,007	382,288
PulteGroup, Inc.	12,841	553,704
		2,617,089
Internet & Direct Marketing Retail 5.8%		
Amazon.com, Inc.*	1,975	**6,432,437**
Specialty Retail 0.8%		
Best Buy Co., Inc.	4,196	418,719
Carvana Co.* (a)	2,129	509,980
		928,699
Textiles, Apparel & Luxury Goods 0.4%		
NIKE, Inc. "B"	3,229	**456,807**
Consumer Staples 5.8%		
Beverages 2.6%		
Coca-Cola Co.	17,305	949,006
PepsiCo, Inc.	13,103	1,943,175
		2,892,181
Food & Staples Retailing 2.3%		
Costco Wholesale Corp.	3,625	1,365,828
Kroger Co.	14,224	451,754
Walmart, Inc.	4,923	709,650
		2,527,232
Personal Products 0.3%		
Estee Lauder Companies, Inc. "A"	1,168	**310,910**
Tobacco 0.6%		
Altria Group, Inc.	16,598	**680,518**

	Shares	Value ($)
Energy 2.4%		
Energy Equipment & Services 0.7%		
Baker Hughes Co.	17,009	354,638
Nov, Inc.	28,823	395,740
		750,378
Oil, Gas & Consumable Fuels 1.7%		
Devon Energy Corp.	25,644	405,431
Hess Corp.	9,787	516,656
Marathon Petroleum Corp.	24,247	1,002,856
		1,924,943
Financials 9.8%		
Banks 3.3%		
Bank of America Corp.	27,444	831,828
JPMorgan Chase & Co.	16,299	2,071,114
Wells Fargo & Co.	22,239	671,173
		3,574,115
Capital Markets 4.1%		
Ameriprise Financial, Inc.	5,999	1,165,786
Carlyle Group, Inc.	19,279	606,132
Intercontinental Exchange, Inc.	2,579	297,333
MSCI, Inc.	3,002	1,340,483
T. Rowe Price Group, Inc.	2,554	386,650
The Goldman Sachs Group, Inc.	1,864	491,555
Tradeweb Markets, Inc. "A"	4,481	279,838
		4,567,777
Insurance 2.4%		
Arthur J. Gallagher & Co.	6,494	803,373
Everest Re Group Ltd.	1,810	423,703
MetLife, Inc.	21,480	1,008,486
Progressive Corp.	4,478	442,784
		2,678,346
Health Care 14.2%		
Biotechnology 3.4%		
AbbVie, Inc.	4,155	445,208
Alexion Pharmaceuticals, Inc.*	3,572	558,089
Amgen, Inc.	9,993	2,297,591
Biogen, Inc.*	1,723	421,894
		3,722,782
Health Care Providers & Services 6.5%		
Anthem, Inc.	4,003	1,285,323
Centene Corp.*	20,528	1,232,296
DaVita, Inc.*	12,441	1,460,574
Guardant Health, Inc.*	7,305	941,468
HCA Healthcare, Inc.	8,950	1,471,917
Molina Healthcare, Inc.*	2,498	531,275
Premier, Inc. "A"	8,184	287,258
		7,210,111
Pharmaceuticals 4.3%		
Bristol-Myers Squibb Co.	15,395	954,952
Johnson & Johnson	3,262	513,374
Merck & Co., Inc.	16,368	1,338,902
Pfizer, Inc.	31,056	1,143,171
Viatris, Inc.*	19,723	369,609
Zoetis, Inc.	2,436	403,158
		4,723,166

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Industrials 8.8%		
Aerospace & Defense 2.2%		
Howmet Aerospace, Inc.	20,663	589,722
L3Harris Technologies, Inc.	3,519	665,161
Lockheed Martin Corp.	3,271	1,161,140
		2,416,023
Building Products 0.8%		
Owens Corning	12,125	**918,590**
Commercial Services & Supplies 1.7%		
Republic Services, Inc.	2,892	278,500
Waste Management, Inc.	13,551	1,598,069
		1,876,569
Industrial Conglomerates 0.3%		
Honeywell International, Inc.	1,580	**336,066**
Machinery 2.0%		
AGCO Corp.	3,415	352,052
Allison Transmission Holdings, Inc.	6,515	280,992
Cummins, Inc.	1,311	297,728
Ingersoll Rand, Inc.*	8,819	401,794
Parker-Hannifin Corp.	3,285	894,867
		2,227,433
Professional Services 0.6%		
Equifax, Inc.	3,215	**619,981**
Road & Rail 1.2%		
Norfolk Southern Corp.	2,509	596,163
Union Pacific Corp.	3,790	789,154
		1,385,317
Information Technology 27.3%		
IT Services 3.6%		
DXC Technology Co.	16,671	429,278
Gartner, Inc.*	3,019	483,614
Visa, Inc. "A" (a)	14,168	3,098,967
		4,011,859
Semiconductors & Semiconductor Equipment 4.9%		
Intel Corp.	22,100	1,101,022
NVIDIA Corp.	1,199	626,118
QUALCOMM, Inc.	13,827	2,106,405
Teradyne, Inc.	13,173	1,579,311
		5,412,856
Software 10.9%		
ANSYS, Inc.*	893	324,873
Cadence Design Systems, Inc.*	2,417	329,751
Citrix Systems, Inc.	1,997	259,810
Intuit, Inc.	777	295,143
Microsoft Corp.	32,367	7,199,068
Oracle Corp.	31,934	2,065,810
Salesforce.com, Inc.*	2,979	662,917
Splunk, Inc.*	3,468	589,179
Synopsys, Inc.*	1,211	313,940
		12,040,491
Technology Hardware, Storage & Peripherals 7.9%		
Apple, Inc.	66,242	**8,789,651**

	Shares	Value ($)
Materials 2.5%		
Chemicals 1.3%		
Air Products & Chemicals, Inc.	1,725	471,305
DuPont de Nemours, Inc.	6,227	442,802
Westlake Chemical Corp.	6,569	536,030
		1,450,137
Containers & Packaging 0.5%		
International Paper Co.	5,835	290,116
Sonoco Products Co.	4,367	258,745
		548,861
Metals & Mining 0.7%		
Arconic Corp.*	25,751	**767,379**
Real Estate 2.7%		
Equity Real Estate Investment Trusts (REITs)		
AvalonBay Communities, Inc.	4,113	659,849
Digital Realty Trust, Inc.	2,435	339,707
Iron Mountain, Inc. (a)	31,937	941,503
Prologis, Inc.	10,381	1,034,570
		2,975,629
Utilities 2.5%		
Gas Utilities 0.3%		
UGI Corp.	9,736	**340,370**
Multi-Utilities 1.4%		
Dominion Energy, Inc	6,562	493,462
Public Service Enterprise Group, Inc.	8,340	486,222
WEC Energy Group, Inc.	5,822	535,799
		1,515,483
Water Utilities 0.8%		
American Water Works Co., Inc.	6,261	**960,876**
Total Common Stocks (Cost $64,669,644)		**110,012,539**

Securities Lending Collateral 3.5%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c) (Cost $3,846,941)	3,846,941	**3,846,941**

Cash Equivalents 0.7%

DWS Central Cash Management Government Fund, 0.08% (b) (Cost $740,536)	740,536	**740,536**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $69,257,121)	103.6	**114,600,016**
Other Assets and Liabilities, Net	(3.6)	**(3,983,349)**
Net Assets	100.0	**110,616,667**

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, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 3.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c)								
1,076,250	2,770,691 (d)	—	—	—	1,486	—	3,846,941	3,846,941
Cash Equivalents 0.7%								
DWS Central Cash Management Government Fund, 0.08% (b)								
568,188	14,145,096	13,972,748	—	—	3,113	—	740,536	740,536
1,644,438	**16,915,787**	**13,972,748**	**—**	**—**	**4,599**	**—**	**4,587,477**	**4,587,477**

* 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, 2020 amounted to $3,771,116, which is 3.4% 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, 2020.

MSCI: Morgan Stanley Capital International

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, 2020 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 (e)	$ 110,012,539	$ —	$ —	$ 110,012,539
Short-Term Investments (e)	4,587,477	—	—	4,587,477
Total	**$ 114,600,016**	**$ —**	**$ —**	**$ 114,600,016**

(e) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $64,669,644) — including $3,771,116 of securities loaned	$110,012,539
Investment in DWS Government & Agency Securities Portfolio (cost $3,846,941)*	3,846,941
Investment in DWS Central Cash Management Government Fund (cost $740,536)	740,536
Cash	10,000
Receivable for Fund shares sold	2,805
Dividends receivable	85,888
Interest receivable	159
Other assets	1,993
Total assets	114,700,861
Liabilities	
Payable upon return of securities loaned	3,846,941
Payable for Fund shares redeemed	111,170
Accrued management fee	35,977
Accrued Trustees' fees	1,446
Other accrued expenses and payables	88,660
Total liabilities	4,084,194
Net assets, at value	**$110,616,667**
Net Assets Consist of	
Distributable earnings (loss)	51,189,379
Paid-in capital	59,427,288
Net assets, at value	**$110,616,667**
Net Asset Value	
Class A **Net Asset Value,** offering and redemption price per share ($107,100,146 ÷ 8,760,193 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 12.23**
Class B **Net Asset Value,** offering and redemption price per share ($3,516,521 ÷ 288,118 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 12.21**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $1,478)	$ 1,617,231
Income distributions — DWS Central Cash Management Government Fund	3,113
Securities lending income, net of borrower rebates	1,486
Total income	1,621,830
Expenses: Management fee	388,373
Administration fee	97,144
Services to Shareholders	1,540
Recordkeeping fee (Class B)	2,066
Distribution service fee (Class B)	7,708
Custodian fee	5,390
Professional fees	75,099
Reports to shareholders	34,870
Trustees' fees and expenses	5,206
Other	7,041
Total expenses	624,437
Net investment income	**997,393**
Realized and Unrealized gain (loss)	
Net realized gain (loss) from investments	5,117,424
Change in net unrealized appreciation (depreciation) on investments	8,536,882
Net gain (loss)	**13,654,306**
Net increase (decrease) in net assets resulting from operations	**$14,651,699**

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, 2020	2019
Operations:		
Net investment income	$ 997,393	$ 1,378,690
Net realized gain (loss)	5,117,424	4,633,506
Change in net unrealized appreciation (depreciation)	8,536,882	21,368,817
Net increase (decrease) in net assets resulting from operations	14,651,699	27,381,013
Distributions to shareholders :		
Class A	(5,813,005)	(12,354,795)
Class B	(175,513)	(374,998)
Total distributions	(5,988,518)	(12,729,793)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,502,706	2,580,344
Reinvestment of distributions	5,813,005	12,354,795
Payments of shares redeemed	(16,323,485)	(14,245,198)
Net increase (decrease) in net assets from Class A share transactions	(8,007,774)	689,941
Class B		
Proceeds from shares sold	141,998	20,736
Reinvestment of distributions	175,513	374,998
Payments of shares redeemed	(428,535)	(345,789)
Net increase (decrease) in net assets from Class B share transactions	(111,024)	49,945
Increase (decrease) in net assets	544,383	15,391,106
Net assets at beginning of period	110,072,284	94,681,178
Net assets at end of period	**$110,616,667**	**$110,072,284**

Other Information		
Class A		
Shares outstanding at beginning of period	9,438,162	9,343,340
Shares sold	240,122	247,017
Shares issued to shareholders in reinvestment of distributions	652,414	1,204,171
Shares redeemed	(1,570,505)	(1,356,366)
Net increase (decrease) in Class A shares	(677,969)	94,822
Shares outstanding at end of period	**8,760,193**	**9,438,162**
Class B		
Shares outstanding at beginning of period	295,485	289,832
Shares sold	12,670	2,008
Shares issued to shareholders in reinvestment of distributions	19,676	36,549
Shares redeemed	(39,713)	(32,904)
Net increase (decrease) in Class B shares	(7,367)	5,653
Shares outstanding at end of period	**288,118**	**295,485**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Core Equity VIP — Class A

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$11.31**	**$9.83**	**$14.64**	**$13.16**	**$13.29**
Income (loss) from investment operations:					
Net investment income[a]	.11	.14	.14	.17	.17
Net realized and unrealized gain (loss)	1.47	2.70	(.71)	2.44	1.09
Total from investment operations	1.58	2.84	(.57)	2.61	1.26
Less distributions from:					
Net investment income	(.15)	(.12)	(.27)	(.17)	(.19)
Net realized gains	(.51)	(1.24)	(3.97)	(.96)	(1.20)
Total distributions	(.66)	(1.36)	(4.24)	(1.13)	(1.39)
Net asset value, end of period	**$12.23**	**$11.31**	**$9.83**	**$14.64**	**$13.16**
Total Return (%)	16.13	30.30	(5.69)	21.02	10.48
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	107	107	92	105	163
Ratio of expenses (%)[b]	.62	.62	.61	.57	.57
Ratio of net investment income (%)	1.01	1.32	1.14	1.22	1.34
Portfolio turnover rate (%)	45	40	43	39	43

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.

DWS Core Equity VIP — Class B

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$11.29**	**$9.81**	**$14.62**	**$13.14**	**$13.26**
Income (loss) from investment operations:					
Net investment income[a]	.07	.11	.10	.13	.13
Net realized and unrealized gain (loss)	1.48	2.70	(.72)	2.44	1.10
Total from investment operations	1.55	2.81	(.62)	2.57	1.23
Less distributions from:					
Net investment income	(.12)	(.09)	(.22)	(.13)	(.15)
Net realized gains	(.51)	(1.24)	(3.97)	(.96)	(1.20)
Total distributions	(.63)	(1.33)	(4.19)	(1.09)	(1.35)
Net asset value, end of period	**$12.21**	**$11.29**	**$9.81**	**$14.62**	**$13.14**
Total Return (%)	15.67	29.92	(6.02)	20.68	10.25
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	4	3	3	3	2
Ratio of expenses (%)[b]	.94	.94	.93	.86	.86
Ratio of net investment income (%)	.69	1.00	.82	.94	1.06
Portfolio turnover rate (%)	45	40	43	39	43

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 five diversified funds: DWS Bond VIP, 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 ("ETF's") 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 and ETF's 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 used 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 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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, 2020 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, 2020, the Fund's components of distributable earnings (accumulated losses) on a tax basis are as follows:

Undistributed ordinary income*	$ 888,776
Undistributed net long-term capital gains	$ 5,250,087
Net unrealized appreciation (depreciation) on investments	$ 45,035,131

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $69,564,885. The net unrealized appreciation for all investments based on tax cost was $45,035,131. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $46,036,010 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $1,000,879.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31,	
	2020	**2019**
Distributions from ordinary income*	$ 1,359,627	$ 1,147,698
Distributions from long-term capital gains	$ 4,628,891	$ 11,582,095

* 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, 2020, purchases and sales of investment securities (excluding short-term investments) aggregated $44,581,189 and $57,763,790, 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 Fund's average daily net assets, 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, 2020, 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, 2020 through September 30, 2021 (through September 30, 2020 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) of each class as follows:

Class A	.72%
Class B	1.03%

Effective October 1, 2020 through September 30, 2021, 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 Class B shares at 1.04%.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $97,144, of which $8,948 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 695	$ 127
Class B	137	26
	$ 832	**$ 153**

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, 2020, the Distribution Service Fee aggregated $7,708, of which $731 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $9,344, of which $3,289 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.

Security Lending Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2020, the Fund incurred lending agent fees to Deutsche Bank AG for the amount of $112.

D. Ownership of the Fund

At December 31, 2020, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 57% and 17%, 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 38%, 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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the two 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, 2020, the results of its operations for the year then ended, the changes in its net assets and its financial highlights for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2016, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,230.40	$ 1,228.60
Expenses Paid per $1,000*	$ 3.36	$ 5.21

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,022.12	$ 1,020.46
Expenses Paid per $1,000*	$ 3.05	$ 4.72

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS Core Equity VIP	.60%	.93%

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 $0.51 per share from net long-term capital gains during its year ended December 31, 2020.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $5,814,895 as capital gain dividends for its year ended December 31, 2020.

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, 2020 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 2020.

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, 2019, the Fund's performance (Class A shares) was in the 3rd quartile, 3rd 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 five-year period and has underperformed its benchmark in the one- and three-year periods ended December 31, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS1coreq-2 (R-025822-11 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series I

DWS CROCI® International VIP

Contents

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 recent 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.

In June 2016, citizens of the United Kingdom approved a referendum to leave the European Union and in March 2017, the United Kingdom initiated the formal process of withdrawing from the EU and the withdrawal is expected to take effect on January 31, 2020. Significant uncertainty exists regarding any adverse economic and political effects the United Kingdom's withdrawal may have on the United Kingdom, other EU countries and the global economy.

Performance Summary

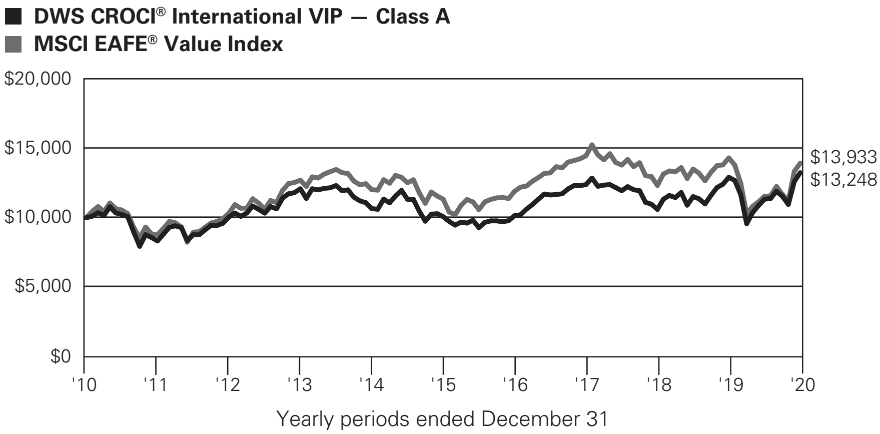
December 31, 2020 (Unaudited)

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, 2020 are 1.01% and 1.29% 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	$10,261	$10,697	$13,142	$13,248
	Average annual total return	2.61%	2.27%	5.62%	2.85%
MSCI EAFE Value Index	Growth of $10,000	$9,737	$9,633	$12,287	$13,933
	Average annual total return	–2.63%	–1.24%	4.20%	3.37%

DWS CROCI® International VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,249	$10,616	$12,988	$12,933
	Average annual total return	2.49%	2.01%	5.37%	2.61%
MSCI EAFE Value Index	Growth of $10,000	$9,737	$9,633	$12,287	$13,933
	Average annual total return	–2.63%	–1.24%	4.20%	3.37%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

The Fund returned 2.61% (Class A, unadjusted for contract charges) in 2020 and outperformed the –2.63% return of its benchmark, the MSCI EAFE Value Index.

Although many segments of the world equity markets posted gains in 2020, international value stocks finished in negative territory. As was the case with most risk assets, foreign equities plunged in February and March when the spread of COVID-19 prompted governments to shut down large swaths of their economies in an effort to contain the virus. The subsequent stimulus provided by global central banks helped arrest the decline in late March, and equities went on to rally through the end of the year.

Prior to November, the gains were largely concentrated in U.S. mega-cap technology stocks and other fast-growing companies. In contrast, both value stocks and the international markets lagged. This trend changed following the approval of a vaccine for COVID-19 in early November. From that point forward, investors — seeing an improving outlook the global economy in 2021 — appeared to grow more comfortable moving beyond the largest growth stocks. While this shift led to strong relative performance for international value stocks in the final two months of the year, it was not enough to push the MSCI EAFE Value Index above the break-even mark for 2020.

The Fund was able to overcome the potential headwinds and finish 2020 with a gain even as the index lost ground. Both stock selection and sector allocations contributed to performance. In terms of selection, we produced the best results in the health care, information technology, and communication services, with smaller contributions from consumer discretionary and consumer staples. Conversely, selection in industrials and financials detracted.

Two health care stocks were among the largest contributors at the individual company level: UCB SA (Belgium), which benefited from its impressive pipeline of new drugs and its promising treatment for psoriasis, and Roche Holding AG (Switzerland), which rose as strength in several key drugs boosted its sales growth. The Fund was also helped by its positions in a number of Japanese stocks, including Toyota Industries Corp., Tokyo Electron, Ltd., and Nintendo Co., Ltd., among others. Japan was hit by COVID-19 to a much lesser extent than Europe or the United Kingdom, a factor that helped its market outperform in 2020.

On the other end of the spectrum, International Airlines Group SA* (IAG) (Spain) was the largest detractor. While all airlines were hurt by the COVID-related shutdowns, IAG was particularly vulnerable since many of its routes were to and from coronavirus hotspots. Central Japan Railway Co.* also pressured results. COVID-19 created an uncertain outlook for the company, prompting analyst downgrades and raising questions about the sustainability of its current dividend. Two banking stocks — Intesa Sanpaolo SpA (Italy) and Banco Bilbao Vizcaya Argentaria SA* (Argentina) — were notable detractors, as well.

With regard to sector allocation, an underweight in energy—which trailed the broader market due to softness in oil prices and concerns that domestic production may have peaked—was a key contributor. An underweight in financials also added value, as the sector was hurt by worries about slower economic growth and the shrinking margin between short- and long-term interest rates. The Fund was further helped by its overweight allocations to the information technology and consumer discretionary sectors. Conversely, an underweight in utilities detracted.

The markets presented a mixed picture at the end of period. Economic growth was still on a shaky footing, and the valuation of the overall market appeared somewhat extended given the outlook for weak corporate earnings in the next six to 12 months. At the same time, however, the combination of stimulative global central bank policies and ultra-low yields on government bonds remained important sources of support for stock prices. In this uncertain environment, our strategy was to stay focused on our disciplined, systematic approach to stock selection. We believe that emphasizing individual stock picking, rather than trying to construct a portfolio on the basis of economic developments or short-term market movements, is the most effective way to add value over time.

Di Kumble, CFA, Managing Director
John Moody, Vice President
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 **Morgan Stanley Capital International (MSCI) Europe, Australasia and Far East (EAFE) Index** is an equity index which captures large- and mid-cap representation across developed markets countries around the world, excluding the United States and Canada. With 928 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

Stock selection refers to the performance of the fund's holdings in a given sector relative to the sector 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.

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.

Consumer discretionary represents industries that produce goods and services that are not necessities in everyday life.

* Not held at December 31, 2020

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio)	**12/31/20**	**12/31/19**
Common Stocks	97%	97%
Preferred Stocks	3%	3%
Cash Equivalents	0%	0%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Cash Equivalents)	**12/31/20**	**12/31/19**
Japan	27%	30%
United Kingdom	14%	19%
France	13%	9%
Germany	10%	5%
Switzerland	10%	9%
Australia	8%	7%
Netherlands	3%	7%
Singapore	3%	2%
Denmark	3%	—
Italy	3%	3%
Sweden	2%	0%
Belgium	2%	4%
Finland	1%	0%
Hong Kong	1%	1%
Ireland	0%	—
Spain	—	3%
New Zealand	—	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Cash Equivalents)	**12/31/20**	**12/31/19**
Health Care	20%	16%
Consumer Discretionary	16%	28%
Financials	15%	14%
Materials	12%	11%
Consumer Staples	11%	4%
Information Technology	10%	4%
Industrials	8%	15%
Communication Services	5%	4%
Utilities	3%	—
Energy	—	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, 2020

	Shares	Value ($)
Common Stocks 96.5%		
Australia 8.5%		
Australia & New Zealand Banking Group Ltd.	85,009	1,495,323
BHP Group Ltd.	112,641	3,681,072
Commonwealth Bank of Australia	3,525	224,201
National Australia Bank Ltd.	61,951	1,087,967
Orica Ltd.	25,381	295,208
(Cost $5,509,441)		**6,783,771**
Belgium 1.8%		
UCB SA (Cost $1,064,242)	13,738	**1,420,536**
Denmark 2.8%		
AP Moller — Maersk AS “B”	688	1,541,401
Novo Nordisk AS ‘‘B”	4,309	299,182
Pandora AS	3,296	370,442
(Cost $1,592,509)		**2,211,025**
Finland 1.0%		
Fortum Oyj	11,910	287,931
Nokia Oyj*	120,649	466,272
(Cost $667,648)		**754,203**
France 12.9%		
Atos SE*	21,119	1,916,558
BNP Paribas SA*	54,004	2,858,946
Danone SA	12,161	800,444
Engie SA*	78,838	1,210,793
Sanofi	30,261	2,927,326
Television Francaise 1*	60,591	489,501
(Cost $8,855,124)		**10,203,568**
Germany 7.3%		
Bayer AG (Registered)	18,582	1,098,265
Beiersdorf AG	12,932	1,495,101
Brenntag AG	13,768	1,069,304
Deutsche Boerse AG	3,838	654,025
Fresenius Medical Care AG & Co. KGaA	4,996	423,292
Fresenius SE & Co. KGaA	10,131	476,829
HeidelbergCement AG	3,318	253,541
Merck KGaA	1,967	342,560
(Cost $5,267,575)		**5,812,917**
Hong Kong 0.6%		
CLP Holdings Ltd. (Cost $440,815)	47,500	**439,337**
Ireland 0.5%		
CRH PLC* (Cost $324,257)	10,322	**430,535**
Italy 2.7%		
Intesa Sanpaolo SpA*	787,944	1,846,646
Snam SpA	55,038	310,660
(Cost $1,934,429)		**2,157,306**
Japan 26.8%		
Advantest Corp.	3,400	256,410
Astellas Pharma, Inc.	22,500	347,620
Bridgestone Corp.	45,991	1,508,734
Dentsu Group, Inc.	11,600	345,008
Fujitsu Ltd.	3,000	434,107
ITOCHU Corp.	10,200	293,485
KDDI Corp.	8,200	243,760
Mitsubishi UFJ Financial Group, Inc.	95,000	419,933
Nintendo Co., Ltd.	2,500	1,595,231
Ono Pharmaceutical Co., Ltd.	36,000	1,084,894
Otsuka Holdings Co., Ltd.	9,200	393,871
Sekisui House Ltd.	48,200	980,996
Seven & i Holdings Co., Ltd.	8,300	294,337
Shin-Etsu Chemical Co., Ltd.	6,009	1,051,893
Shionogi & Co., Ltd.	19,800	1,082,693
Sony Corp.	7,134	717,589
Subaru Corp.	24,057	480,881
Sumitomo Mitsui Financial Group, Inc.	114,056	3,519,175
Takeda Pharmaceutical Co., Ltd.	6,500	236,801
Tokyo Electron Ltd.	4,372	1,632,818
Toyota Industries Corp.	42,232	3,356,365
Toyota Motor Corp.	13,446	1,037,105
(Cost $17,381,244)		**21,313,706**
Netherlands 3.3%		
Koninklijke Ahold Delhaize NV	53,367	1,509,081
Koninklijke KPN NV	358,609	1,091,597
(Cost $2,106,657)		**2,600,678**
Singapore 2.8%		
Singapore Telecommunications Ltd.	214,800	376,768
Venture Corp., Ltd.	125,983	1,856,789
(Cost $1,845,342)		**2,233,557**
Sweden 1.9%		
Alfa Laval AB*	14,333	393,762
Telefonaktiebolaget LM Ericsson “B”	96,735	1,151,550
(Cost $1,084,952)		**1,545,312**
Switzerland 9.7%		
Adecco Group AG (Registered)	26,503	1,778,406
LafargeHolcim Ltd. (Registered)	32,856	1,820,928
Novartis AG (Registered)	8,314	786,457
Roche Holding AG (Genusschein)	9,454	3,308,983
(Cost $6,546,633)		**7,694,774**
United Kingdom 13.9%		
BAE Systems PLC	81,617	544,844
Barratt Developments PLC*	54,190	499,088
British American Tobacco PLC	34,140	1,269,745
Bunzl PLC	9,451	315,930
Ferguson PLC	1,817	221,241
GlaxoSmithKline PLC	61,939	1,139,089
Imperial Brands PLC	54,629	1,153,030
Johnson Matthey PLC	9,841	327,388
Kingfisher PLC*	119,422	441,591
Mondi PLC	13,758	324,851
Persimmon PLC	53,398	2,025,405
Rio Tinto PLC	20,720	1,554,211
Smiths Group PLC	11,770	242,999
Taylor Wimpey PLC*	416,816	949,417
(Cost $9,172,585)		**11,008,829**
Total Common Stocks (Cost $63,793,453)		**76,610,054**

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Preferred Stocks 2.9%		
Germany		
Henkel AG & Co. KGaA (Cost $2,308,516)	20,356	**2,293,699**
Cash Equivalents 0.3%		
DWS Central Cash Management Government Fund, 0.08% (a) (Cost $249,295)	249,295	**249,295**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $66,351,264)	99.7	**79,153,048**
Other Assets and Liabilities, Net	0.3	**234,351**
Net Assets	100.0	**79,387,399**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 0.0%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (a) (b)								
—	— (c)	—	—	—	2,874	—	—	—
Cash Equivalents 0.3%								
DWS Central Cash Management Government Fund, 0.08% (a)								
226,563	7,806,902	7,784,170	—	—	2,446	—	249,295	249,295
226,563	**7,806,902**	**7,784,170**	—	—	**5,320**	—	**249,295**	**249,295**

* Non-income producing security.

(a) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(b) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(c) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

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, 2020 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	$ —	$ 6,783,771	$ —	$ 6,783,771
Belgium	—	1,420,536	—	1,420,536
Denmark	—	2,211,025	—	2,211,025
Finland	—	754,203	—	754,203
France	—	10,203,568	—	10,203,568
Germany	—	5,812,917	—	5,812,917
Hong Kong	—	439,337	—	439,337
Ireland	—	430,535	—	430,535
Italy	—	2,157,306	—	2,157,306
Japan	—	21,313,706	—	21,313,706
Netherlands	—	2,600,678	—	2,600,678
Singapore	—	2,233,557	—	2,233,557
Sweden	—	1,545,312	—	1,545,312
Switzerland	—	7,694,774	—	7,694,774
United Kingdom	—	11,008,829	—	11,008,829
Preferred Stocks	—	2,293,699	—	2,293,699
Short-Term Investments	249,295	—	—	249,295
Total	**$ 249,295**	**$78,903,753**	**$ —**	**$79,153,048**

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2020

Assets	
Investments in non-affiliated securities, at value (cost $66,101,969)	$ 78,903,753
Investment in DWS Central Cash Management Government Fund (cost $249,295)	249,295
Foreign currency, at value (cost $58,519)	60,145
Receivable for Fund shares sold	12,379
Dividends receivable	83,770
Interest receivable	1,024
Foreign taxes recoverable	212,040
Other assets	1,549
Total assets	79,523,955
Liabilities	
Payable for Fund shares redeemed	6,302
Accrued management fee	34,347
Accrued Trustees' fees	1,932
Other accrued expenses and payables	93,975
Total liabilities	136,556
Net assets, at value	**$ 79,387,399**
Net Assets Consist of	
Distributable earnings (loss)	(22,496,484)
Paid-in capital	101,883,883
Net assets, at value	**$ 79,387,399**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($79,029,378 ÷ 10,909,190 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 7.24**
Class B	
Net Asset Value, offering and redemption price per share ($358,021 ÷ 49,324 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 7.26**

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $166,329)	$ 1,961,740
Income distributions — DWS Central Cash Management Government Fund	2,446
Securities lending income, net of borrower rebates	2,874
Total income	1,967,060
Expenses: Management fee	464,326
Administration fee	69,692
Services to shareholders	5,739
Distribution service fee (Class B)	766
Custodian fee	18,217
Professional fees	82,072
Reports to shareholders	51,674
Trustees' fees and expenses	4,259
Other	13,166
Total expenses before expense reductions	709,911
Expense reductions	(87,662)
Total expenses after expense reductions	622,249
Net investment income	**1,344,811**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	(5,428,772)
Foreign currency	(32,100)
	(5,460,872)
Change in net unrealized appreciation (depreciation) on: Investments	5,803,768
Foreign currency	16,599
	5,820,367
Net gain (loss)	**359,495**
Net increase (decrease) in net assets resulting from operations	**$ 1,704,306**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 1,344,811	$ 2,461,031
Net realized gain (loss)	(5,460,872)	(2,705,026)
Change in net unrealized appreciation (depreciation)	5,820,367	15,303,338
Net increase (decrease) in net assets resulting from operations	1,704,306	15,059,343
Distributions to shareholders:		
Class A	(2,471,928)	(2,300,083)
Class B	(9,620)	(8,223)
Total distributions	(2,481,548)	(2,308,306)
Fund share transactions:		
Class A		
Proceeds from shares sold	3,807,686	3,060,066
Reinvestment of distributions	2,471,928	2,300,083
Payments for shares redeemed	(7,817,535)	(9,141,481)
Net increase (decrease) in net assets from Class A share transactions	(1,537,921)	(3,781,332)
Class B		
Proceeds from shares sold	32,846	14,796
Reinvestment of distributions	9,620	8,223
Payments for shares redeemed	(17,279)	(17,636)
Net increase (decrease) in net assets from Class B share transactions	25,187	5,383
Increase (decrease) in net assets	(2,289,976)	8,975,088
Net assets at beginning of period	81,677,375	72,702,287
Net assets at end of period	**$79,387,399**	**$81,677,375**

Other Information		
Class A		
Shares outstanding at beginning of period	11,073,845	11,634,868
Shares sold	608,760	460,287
Shares issued to shareholders in reinvestment of distributions	453,565	345,358
Shares redeemed	(1,226,980)	(1,366,668)
Net increase (decrease) in Class A shares	(164,655)	(561,023)
Shares outstanding at end of period	**10,909,190**	**11,073,845**
Class B		
Shares outstanding at beginning of period	45,067	44,210
Shares sold	5,148	2,213
Shares issued to shareholders in reinvestment of distributions	1,759	1,231
Shares redeemed	(2,650)	(2,587)
Net increase (decrease) in Class B shares	4,257	857
Shares outstanding at end of period	**49,324**	**45,067**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS CROCI® International VIP — Class A

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$7.35**	**$6.22**	**$7.34**	**$6.47**	**$7.15**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.12	.22	.20	.16	.16
Net realized and unrealized gain (loss)	.00*	1.11	(1.25)	1.21	(.13)
Total from investment operations	.12	1.33	(1.05)	1.37	.03
Less distributions from:					
Net investment income	(.23)	(.20)	(.07)	(.50)	(.71)
Net asset value, end of period	**$7.24**	**$7.35**	**$6.22**	**$7.34**	**$6.47**
Total Return (%)[b]	2.61	21.77	(14.39)	21.96	.74
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	79	81	72	92	94
Ratio of expenses before expense reductions (%)[c]	.99	1.11	1.13	1.10	1.12
Ratio of expenses after expense reductions (%)[c]	.87	.87	.87	.84	.84
Ratio of net investment income (loss) (%)	1.88	3.22	2.78	2.24	2.46
Portfolio turnover rate (%)	67	101	59	73	67

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.

DWS CROCI® International VIP — Class B

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$7.36**	**$6.24**	**$7.36**	**$6.48**	**$7.16**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.10	.20	.18	.13	.14
Net realized and unrealized gain (loss)	.01	1.11	(1.24)	1.23	(.13)
Total from investment operations	.11	1.31	(1.06)	1.36	.01
Less distributions from:					
Net investment income	(.21)	(.19)	(.06)	(.48)	(.69)
Net asset value, end of period	**$7.26**	**$7.36**	**$6.24**	**$7.36**	**$6.48**
Total Return (%)[b]	2.49	21.24	(14.57)	21.76	.48
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.36	.33	.28	.33	.27
Ratio of expenses before expense reductions (%)[c]	1.27	1.39	1.41	1.38	1.40
Ratio of expenses after expense reductions (%)[c]	1.12	1.12	1.12	1.09	1.10
Ratio of net investment income (loss) (%)	1.62	2.96	2.54	1.86	2.18
Portfolio turnover rate (%)	67	101	59	73	67

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 five diversified funds: DWS Bond VIP, 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 securities. 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 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, the Fund had no securities on loan.

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, 2020, the Fund had a net tax basis capital loss carryforward of approximately $36,273,000, which may be applied against realized net taxable capital gains indefinitely, including short-term losses ($11,494,000) and long-term losses ($24,779,000).

The Fund has reviewed the tax positions for the open tax years as of December 31, 2020 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, 2020, the Fund's components of distributable earnings (accumulated losses) on a tax basis are as follows:

Undistributed ordinary income*	$ 1,966,767
Capital loss carryforwards	$ (36,273,000)
Net unrealized appreciation (depreciation) on investments	$ 11,790,092

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $67,362,956. The net unrealized appreciation for all investments based on tax cost was $11,790,092. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $13,997,897 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,207,805.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 2,481,548	$ 2,308,306

* 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, 2020, purchases and sales of investment securities (excluding short-term investments) aggregated $47,566,849 and $48,540,271, 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 Fund's average daily net assets, 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, 2020, 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, 2020 through April 30, 2021, the Advisor has contractually agreed to waive all or a portion of 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) of each class as follows:

Class A	.87%
Class B	1.12%

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 87,201
Class B	461
	$ 87,662

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $69,692, of which $6,439 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	**Total Aggregated**	**Unpaid at December 31, 2020**
Class A	$ 705	$ 131
Class B	90	16
	$ 795	**$ 147**

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, 2020, the Distribution Service Fee aggregated $766, of which $75 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $10,029, of which $3,661 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, 2020, five participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 27%, 18%, 13%, 11% and 10%, 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 85% 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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the two 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, 2020, the results of its operations for the year then ended, the changes in its net assets and its financial highlights for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2016, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,167.70	$ 1,167.20
Expenses Paid per $1,000*	$ 4.74	$ 6.10

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,020.76	$ 1,019.51
Expenses Paid per $1,000*	$ 4.42	$ 5.69

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS CROCI® International VIP	.87%	1.12%

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 $147,055 and earned $1,553,186 of foreign source income during the year ended December 31, 2020. Pursuant to Section 853 of the Internal Revenue Code, the Fund designates $0.013 per share as foreign taxes paid and $0.142 per share as income earned from foreign sources for the year ended December 31, 2020.

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 Trusts' 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 Trusts' 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 2020.

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, 2019, the Fund's performance (Class A shares) was in the 2nd quartile, 3rd 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 outperformed its benchmark in the one-, three-, and five-year periods ended December 31, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS1cint-2 (R-025823-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS CROCI® U.S. VIP

Contents

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 recent 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.

Performance Summary

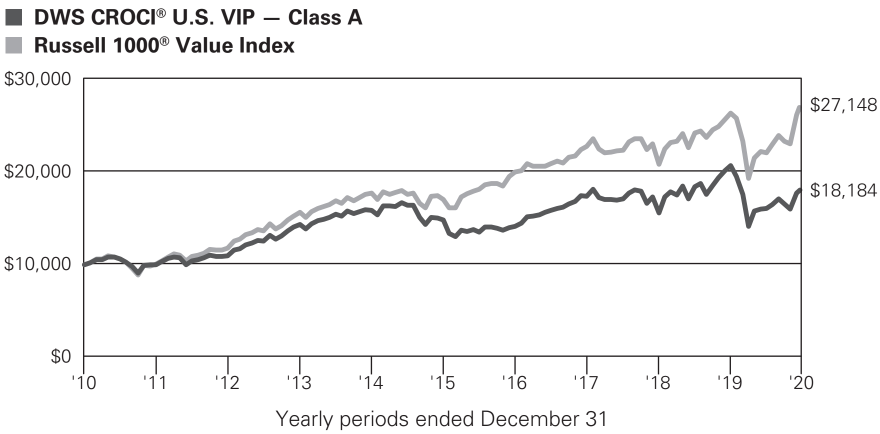
December 31, 2020 (Unaudited)

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, 2020 are 0.84% and 1.16% 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



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	$8,784	$10,453	$12,281	$18,184
	Average annual total return	–12.16%	1.49%	4.20%	6.16%
Russell 1000® Value Index	Growth of $10,000	$10,280	$11,932	$15,915	$27,148
	Average annual total return	2.80%	6.07%	9.74%	10.50%

DWS CROCI® U.S. VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$8,759	$10,362	$12,102	$17,648
	Average annual total return	–12.41%	1.19%	3.89%	5.84%
Russell 1000® Value Index	Growth of $10,000	$10,280	$11,932	$15,915	$27,148
	Average annual total return	2.80%	6.07%	9.74%	10.50%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

The Fund returned –12.16% (Class A shares, unadjusted for contract charges) in 2020 and underperformed the 2.80% return of its benchmark, the Russell 1000® Value Index. After initially selling off in February and March in response to COVID-19 and the associated containment measures, stocks recovered to post solid gains over the remainder of the year. The rally reflected the combination of aggressive monetary and fiscal stimulus, hopes for a renewed economic growth in 2021, and the approval of a coronavirus vaccine in early November.

Continuing a multi-year trend, the value style underperformed growth by a wide margin. While the Russell 1000 Value Index returned 2.80%, the Russell 1000® Growth Index surged 38.49% — a gap of more than 35 percentage points. At a time of heightened uncertainty surrounding the economic outlook, investors demonstrated an ongoing preference for a narrow group of mega-cap technology stocks seen as having the most reliable earnings. The value style strongly outperformed growth in November and December, however. Following the announcement that a vaccine for COVID-19 would soon be available, more economically sensitive market segments that had failed to keep pace over the previous seven months began to outperform.

Stock selection was the key factor in the Fund's underperformance, with sector allocations playing a lesser role. Selection had the largest adverse effect in financials. Our shortfall in the sector was largely the result of positions in regional banks such as Comerica, Inc.*, Citizens Financial Group, Inc.*, and Huntington Bancshares, Inc.*, among others. Banking stocks, in general, lagged in the first ten months of the year due to the combination of slow economic growth and narrowing net interest margins (the difference between the rates at which banks borrow and lend). Discover Financial Services*, which was hurt by declining revenues and the potential for rising loan delinquencies, was also a notable laggard.

Communications services was another challenging area for the Fund. We held positions in ViacomCBS Inc.*, Discovery, Inc., and Fox Corp., all of which are heavily dependent on advertising revenues. When businesses cut back on ad spending in response to the pandemic, the stocks of ad-driven media companies were hit much harder than the market as a whole.

Similarly, the Fund's performance in industrials was hurt by positions in United Airlines Holdings, Inc.* and Delta Airlines, Inc.* Both suffered steep declines once it became evident that the coronavirus would lead to a sharp reduction in air travel. We sold the stocks from the portfolio.

On the positive side, the Fund's holdings in the energy and consumer discretionary sectors outperformed the corresponding benchmark components. At the individual stock level, key contributors included Cabot Oil & Gas Corp.*, Alexion Pharmaceuticals, Inc., and Cummins, Inc.*

With respect to sector allocations, overweight positions in financials and consumer staples had the largest adverse impact on performance. These detractors were offset, to some extent, by underweights in energy and real estate, together with an overweight in utilities.

We recognize that the Fund experienced meaningful underperformance over the past 12 months. In our view, the primary reason for the deficit was our emphasis on the deeper-value segment of the Russell 1000 Value Index. While stocks trading at valuation discounts have been a source of opportunity over time, investors have demonstrated little interest in this area of the market for several years. For our part, we remain focused on identifying undervalued stocks. We would note that the value style outperformed growth over multi-year stretches following the last two recessions and significant market downturns. This was the case both in the span from 2002 through 2006, when the market was recovering from the bursting of the technology "bubble" and the attacks of September 11, 2001, as well as in 2010-2014, in the wake of the global financial crisis. We believe our approach is well suited to capitalize on a similar recovery in value as the world economy bounces back from COVID-19 in the years ahead.

Di Kumble, CFA, Managing Director
John Moody, Vice President
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.

Russell 1000 Growth Index is an unmanaged index that consists of those stocks in the Russell 1000® Index that have higher price-to-book ratios and higher 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, 2020.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	100%	99%
Cash Equivalents	0%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Cash Equivalents and Securities Lending Collateral)	**12/31/20**	**12/31/19**
Health Care	25%	16%
Consumer Staples	24%	—
Information Technology	16%	2%
Consumer Discretionary	12%	2%
Communication Services	11%	10%
Industrials	7%	10%
Financials	5%	38%
Utilities	—	17%
Energy	—	3%
Materials	—	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, 2020

	Shares	Value ($)
Common Stocks 99.2%		
Communication Services 10.2%		
Diversified Telecommunication Services 4.7%		
AT&T, Inc.	110,095	3,166,332
Verizon Communications, Inc.	52,704	3,096,360
		6,262,692
Media 5.5%		
Discovery, Inc. "A"* (a)	132,447	3,985,331
Fox Corp. "A"	114,868	3,344,956
		7,330,287
Consumer Discretionary 12.2%		
Household Durables 4.7%		
D.R. Horton, Inc.	42,942	2,959,563
Garmin Ltd.	27,529	3,294,120
		6,253,683
Internet & Direct Marketing Retail 2.5%		
eBay, Inc.	66,361	**3,334,640**
Multiline Retail 2.5%		
Dollar General Corp.	15,388	**3,236,096**
Specialty Retail 2.5%		
AutoZone, Inc.*	2,826	**3,350,054**
Consumer Staples 23.9%		
Beverages 2.4%		
Molson Coors Beverage Co. "B"	71,296	**3,221,866**
Food & Staples Retailing 2.4%		
Kroger Co.	100,126	**3,180,002**
Food Products 11.9%		
Campbell Soup Co. (a)	64,498	3,118,479
Conagra Brands, Inc.	89,668	3,251,362
General Mills, Inc.	52,549	3,089,881
J M Smucker Co.	27,242	3,149,175
Tyson Foods, Inc. "A"	49,721	3,204,021
		15,812,918
Household Products 2.3%		
Kimberly-Clark Corp.	22,278	**3,003,743**
Tobacco 4.9%		
Altria Group, Inc.	77,706	3,185,946
Philip Morris International, Inc.	40,621	3,363,012
		6,548,958
Financials 5.0%		
Capital Markets		
Bank of New York Mellon Corp.	79,963	3,393,630
State Street Corp.	45,194	3,289,219
		6,682,849
Health Care 24.9%		
Biotechnology 12.5%		
AbbVie, Inc.	32,073	3,436,622
Alexion Pharmaceuticals, Inc.*	25,426	3,972,558
Amgen, Inc.	13,842	3,182,553
Gilead Sciences, Inc.	52,130	3,037,094
Regeneron Pharmaceuticals, Inc.*	6,046	2,920,883
		16,549,710
Pharmaceuticals 12.4%		
Bristol-Myers Squibb Co.	50,113	3,108,510
Johnson & Johnson	21,519	3,386,660
Merck & Co., Inc.	39,180	3,204,924
Pfizer, Inc.	86,209	3,173,353
Viatris, Inc.*	190,468	3,569,370
		16,442,817
Industrials 7.3%		
Aerospace & Defense 2.3%		
Lockheed Martin Corp.	8,480	**3,010,230**
Air Freight & Logistics 5.0%		
CH Robinson Worldwide, Inc.	34,373	3,226,593
Expeditors International of Washington, Inc.	35,714	3,396,759
		6,623,352
Information Technology 15.7%		
Communications Equipment 5.0%		
Cisco Systems, Inc.	76,310	3,414,873
Juniper Networks, Inc.	144,536	3,253,505
		6,668,378
IT Services 5.3%		
Amdocs Ltd.	49,981	3,545,152
International Business Machines Corp.	27,113	3,412,985
		6,958,137
Semiconductors & Semiconductor Equipment 2.7%		
Intel Corp.	70,933	**3,533,882**
Software 2.7%		
Oracle Corp.	56,190	**3,634,931**
Total Common Stocks (Cost $124,263,969)		**131,639,225**
Securities Lending Collateral 3.2%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c) (Cost $4,309,705)	4,309,705	**4,309,705**
Cash Equivalents 0.5%		
DWS Central Cash Management Government Fund, 0.08% (b) (Cost $621,226)	621,226	**621,226**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $129,194,900)	102.9	**136,570,156**
Other Assets and Liabilities, Net	(2.9)	**(3,880,008)**
Net Assets	100.0	**132,690,148**

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, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 3.2%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c)								
3,120,056	1,189,649 (d)	—	—	—	5,430	—	4,309,705	4,309,705
Cash Equivalents 0.5%								
DWS Central Cash Management Government Fund, 0.08% (b)								
845,193	11,485,882	11,709,849	—	—	4,587	—	621,226	621,226
3,965,249	**12,675,531**	**11,709,849**	**—**	**—**	**10,017**	**—**	**4,930,931**	**4,930,931**

* 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, 2020 amounted to $4,251,821, which is 3.2% 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, 2020.

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, 2020 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 (e)	$131,639,225	$ —	$ —	$131,639,225
Short-Term Investment (e)	4,930,931	—	—	4,930,931
Total	**$136,570,156**	**$ —**	**$ —**	**$136,570,156**

(e) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $124,263,969) — including $4,251,821 of securities loaned	$131,639,225
Investment in DWS Government & Agency Securities Portfolio (cost $4,309,705)*	4,309,705
Investment in DWS Central Cash Management Government Fund (cost $621,226)	621,226
Receivable for Fund shares sold	334,068
Dividends receivable	249,644
Interest receivable	550
Other assets	2,659
Total assets	137,157,077

Liabilities	
Payable upon return of securities loaned	4,309,705
Payable for Fund shares redeemed	4,763
Accrued management fee	60,138
Accrued Trustees' fees	2,872
Other accrued expenses and payables	89,451
Total liabilities	4,466,929
Net assets, at value	**$132,690,148**

Net Assets Consist of	
Distributable earnings (loss)	(6,497,749)
Paid-in capital	139,187,897
Net assets, at value	**$132,690,148**

Net Asset Value	
Class A **Net Asset Value,** and redemption price per share ($129,565,247 ÷ 10,025,875 outstanding shares of beneficial interest, no par value, unlimited shares authorized)	**$ 12.92**
Class B **Net Asset Value,** offering and redemption price per share ($3,124,901 ÷ 240,926 outstanding shares of beneficial interest, no par value, unlimited shares authorized)	**$ 12.97**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends	$ 3,714,961
Income distributions — DWS Central Cash Management Government Fund	4,587
Securities lending income, net of borrower rebates	5,430
Total income	3,724,978
Expenses: Management fee	800,446
Administration fee	122,573
Services to Shareholders	5,680
Recordkeeping fee (Class B)	1,990
Distribution service fee (Class B)	7,656
Custodian fee	3,986
Professional fees	74,057
Reports to shareholders	31,173
Trustees' fees and expenses	6,080
Other	7,993
Total expenses before expense reductions	1,061,634
Expense reductions	(185,516)
Total expenses after expense reductions	876,118
Net investment income	**2,848,860**

Realized and Unrealized gain (loss)	
Net realized gain (loss) from investments	(16,282,685)
Change in net unrealized appreciation (depreciation) on investments	(5,587,930)
Net gain (loss)	**(21,870,615)**
Net increase (decrease) in net assets resulting from operations	**$(19,021,755)**

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, 2020	2019
Operations: Net investment income (loss)	$ 2,848,860	$ 3,092,197
Net realized gain (loss)	(16,282,685)	6,704,808
Change in net unrealized appreciation (depreciation)	(5,587,930)	31,036,303
Net increase (decrease) in net assets resulting from operations	(19,021,755)	40,833,308
Distributions to shareholders: Class A	(9,467,191)	(14,271,121)
Class B	(221,204)	(332,950)
Total distributions	(9,688,395)	(14,604,071)
Class A Proceeds from shares sold	6,978,119	3,373,728
Reinvestment of distributions	9,467,191	14,271,121
Payments of shares redeemed	(11,817,632)	(15,030,273)
Net increase (decrease) in net assets from Class A share transactions	4,627,678	2,614,576
Class B Proceeds from shares sold	784,815	146,155
Reinvestment of distributions	221,204	332,950
Payments of shares redeemed	(873,871)	(438,366)
Net increase (decrease) in net assets from Class B share transactions	132,148	40,739
Increase (decrease) in net assets	(23,950,324)	28,884,552
Net assets at beginning of period	156,640,472	127,755,920
Net assets at end of period	**$132,690,148**	**$156,640,472**

Other Information		
Class A Shares outstanding at beginning of period	9,489,452	9,266,278
Shares sold	567,975	231,369
Shares issued to shareholders in reinvestment of distributions	895,666	1,002,890
Shares redeemed	(927,218)	(1,011,085)
Net increase (decrease) in Class A shares	536,423	223,174
Shares outstanding at end of period	**10,025,875**	**9,489,452**
Class B Shares outstanding at beginning of period	226,957	223,302
Shares sold	65,344	9,627
Shares issued to shareholders in reinvestment of distributions	20,809	23,283
Shares redeemed	(72,184)	(29,255)
Net increase (decrease) in Class B shares	13,969	3,655
Shares outstanding at end of period	**240,926**	**226,957**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS CROCI® U.S. VIP — Class A

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$ 16.12**	**$13.46**	**$16.64**	**$13.75**	**$15.29**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.28	.31	.29	.24	.23
Net realized and unrealized gain (loss)	(2.47)	3.92	(1.89)	2.88	(.93)
Total from investment operations	(2.19)	4.23	(1.60)	3.12	(.70)
Less distributions from:					
Net investment income	(.31)	(.30)	(.41)	(.23)	(.14)
Net realized gains on investment transactions	(.70)	(1.27)	(1.17)	—	(.70)
Total distributions	(1.01)	(1.57)	(1.58)	(.23)	(.84)
Net asset value, end of period	**$ 12.92**	**$16.12**	**$13.46**	**$16.64**	**$13.75**
Total Return (%)[b]	(12.16)	32.95	(10.50)	22.88[c]	(4.39)
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	130	153	125	153	227
Ratio of expenses before expense reductions (%)[d]	.84	.84	.84	.82	.81
Ratio of expenses after expense reductions (%)[d]	.69	.70	.72	.72	.74
Ratio of net investment income (loss) (%)	2.28	2.13	1.89	1.59	1.66
Portfolio turnover rate (%)	122	111	100	97	293

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.

DWS CROCI® U.S. VIP — Class B

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$ 16.17**	**$13.50**	**$16.67**	**$13.78**	**$15.31**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.24	.27	.24	.20	.19
Net realized and unrealized gain (loss)	(2.47)	3.92	(1.88)	2.87	(.92)
Total from investment operations	(2.23)	4.19	(1.64)	3.07	(.73)
Less distributions from:					
Net investment income	(.27)	(.25)	(.36)	(.18)	(.10)
Net realized gains on investment transactions	(.70)	(1.27)	(1.17)	—	(.70)
Total distributions	(.97)	(1.52)	(1.53)	(.18)	(.80)
Net asset value, end of period	**$ 12.97**	**$16.17**	**$13.50**	**$16.67**	**$13.78**
Total Return (%)[b]	(12.41)	32.49	(10.71)	22.45[c]	(4.62)
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	3	4	3	4	4
Ratio of expenses before expense reductions (%)[d]	1.16	1.16	1.16	1.15	1.13
Ratio of expenses after expense reductions (%)[d]	1.00	1.02	1.04	1.03	1.05
Ratio of net investment income (loss) (%)	1.96	1.82	1.55	1.31	1.37
Portfolio turnover rate (%)	122	111	100	97	293

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). Sales of Class B shares are subject to recordkeeping fees of up to 0.15% and Rule 12b-1 fees under the 1940 Act equal to an annual rate of up to 0.25% 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 Rule 12b-1 fee 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 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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.

At December 31, 2020, the Fund had a net tax basis capital loss carryforward of approximately $16,383,000, which may be applied against realized net taxable capital gains indefinitely, including short-term losses ($7,570,000) and long-term losses ($8,813,000).

The Fund has reviewed the tax positions for the open tax years as of December 31, 2020 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 2,781,971
Capital loss carryforward	$ (16,383,000)
Net unrealized appreciation (depreciation) on investments	$ 7,104,018

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $129,466,138. The net unrealized appreciation for all investments based on tax cost was $7,104,018. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $10,375,870 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,271,852.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 9,688,395	$ 4,413,315
Distributions from long-term capital gains	$ —	$ 10,190,756

* 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, 2020, purchases and sales of investment transactions (excluding short-term investments) aggregated $153,015,940 and $155,014,545, 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.

Prior to October 1, 2020, under the Investment Management Agreement with the Advisor, the Fund paid a monthly management fee based on the Fund's average daily net assets, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.650%
Next $750 million	.625%
Next $1.5 billion	.600%
Next $2.5 billion	.575%
Next $2.5 billion	.550%
Next $2.5 billion	.525%
Next $2.5 billion	.500%
Over $12.5 billion	.475%

Effective October 1, 2020, under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the Fund's average daily net assets, 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, 2020, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.637% of the Fund's average daily net assets.

For the period from January 1, 2020 through April 30, 2021, the Advisor has contractually agreed to waive all or a portion of its fee 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 year ended December 31, 2020, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 180,597
Class B	4,919
	$ 185,516

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $122,573, of which $10,807 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 432	$ 80
Class B	262	48
	$ 694	**$ 128**

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 the average daily net assets of Class B shares. For the year ended December 31, 2020, the Distribution Service Fee aggregated $7,656, of which $662 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $9,979, of which $3,397 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, 2020, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $408.

D. Ownership of the Fund

At December 31, 2020, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 59% and 35%. Three participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 54%, 16% and 10%.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,133.30	$ 1,131.80
Expenses Paid per $1,000*	$ 3.70	$ 5.36

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,021.67	$ 1,020.11
Expenses Paid per $1,000*	$ 3.51	$ 5.08

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS CROCI® U.S. VIP	.69%	1.00%

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, 35% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2020, 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 CROCI® U.S. VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, the Fund's performance (Class A shares) was in the 1st quartile, 1st 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 outperformed its benchmark in the one- and three-year periods and has underperformed its benchmark in the five-year period ended December 31, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. The Board also 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 higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2018, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2CUS-2 (R-025833-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Investments VIT Funds

DWS Equity 500 Index VIP

Contents

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 recent 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.

Performance Summary

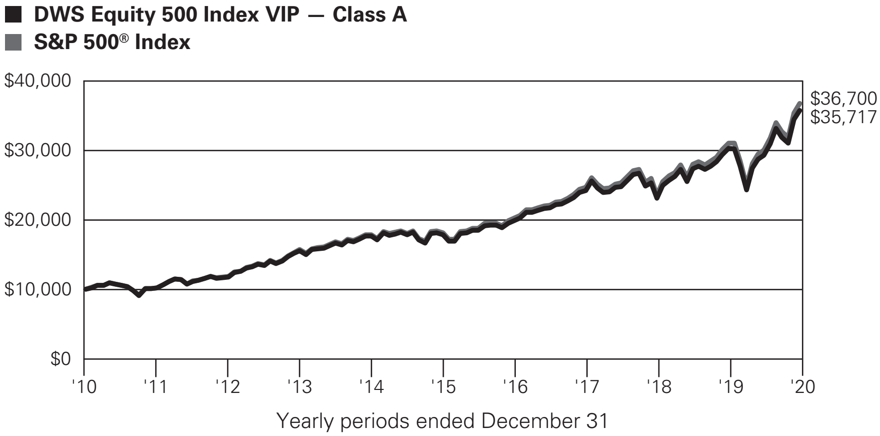
December 31, 2020 (Unaudited)

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, 2020 are 0.35%, 0.72% and 0.74% 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	$11,810	$14,772	$20,038	$35,717
	Average annual total return	18.10%	13.89%	14.91%	13.58%
S&P 500 Index	Growth of $10,000	$11,840	$14,885	$20,304	$36,700
	Average annual total return	18.40%	14.18%	15.22%	13.88%

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$11,763	$14,611	$19,691	$34,654
	Average annual total return	17.63%	13.47%	14.51%	13.23%
S&P 500 Index	Growth of $10,000	$11,840	$14,885	$20,304	$36,700
	Average annual total return	18.40%	14.18%	15.22%	13.88%

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class B2	Growth of $10,000	$11,764	$14,599	$19,653	$34,382
	Average annual total return	17.64%	13.44%	14.47%	13.14%
S&P 500 Index	Growth of $10,000	$11,840	$14,885	$20,304	$36,700
	Average annual total return	18.40%	14.18%	15.22%	13.88%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

The Fund returned 18.10% in 2020 (Class A shares, unadjusted for contract charges). Since the Fund's investment strategy is to replicate the performance of the S&P 500®. 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 in order to keep the portfolio's exposures in line with those of the index. This strategy had a neutral impact on performance.

Although the S&P 500 Index finished 2020 with a positive return, the investment backdrop was in fact quite unsteady for much of the year. From the beginning of the reporting period through mid-February 2020, stocks moved gradually higher thanks to the combination of solid economic growth, supportive U.S. Federal Reserve policy, and signs the United States and China were moving closer to a resolution to their trade dispute. These favorable conditions changed suddenly in mid-February once it became evident that COVID-19 was spreading across the globe. As governments took steps to counter the virus by shutting down broad segments of their economies, equities suffered a large, rapid downturn.

The U.S. Federal Reserve responded to this development by cutting short-term interest rates to zero and initiating a number of programs intended to prop up the economy and arrest the decline in the financial markets. The government also provided fiscal support in the form of a $2 trillion-plus stimulus bill passed by the U.S. Congress. These measures, together with the gradual re-opening of the economy through the summer, contributed to a rally which lasted until the end of August and allowed the index to recapture much of its prior loss.

The positive environment gave way to a more cautious tone in September and October, as rising coronavirus cases sparked concerns about a "second wave." In addition, the possibility of an uncertain result in the U.S. election began to weigh on sentiment. However, both of these issues moved into the background in November as the election passed and multiple coronavirus vaccines were approved for immediate use. These developments helped the index stage a strong rally in the final two months of the year to close near an all-time high.

Tesla, Inc. was added to the S&P 500 Index on December 21, 2020. The market capitalization of the electric car and battery producer stood at over $650 billion on that date, making it the largest company ever to join the S&P 500. It entered the index as the sixth-largest holding with a weighting of approximately 1.7%. Tesla's inclusion led to a modest in increase in the valuation and historic volatility profile of the index, while slightly lowering its dividend.

Continuing a multi-year trend, the growth style outperformed value by a wide margin. For the majority of the year, investors responded to the economic uncertainty by gravitating to companies seen as having the most reliable earnings. This largely worked to the benefit of a narrow group of mega-cap technology- and consumer-related stocks, such as Apple, Inc., Alphabet, Inc. (parent of Google), Amazon.com, Inc., Netflix Corp., and Microsoft Corp. The value style strongly outperformed in November and December, however. Following the announcement that a vaccine for COVID-19 would soon be available, leadership broadened to encompass economically sensitive market segments that had failed to keep pace in the previous seven months. In total, this group accounted for over half of the S&P 500's 18.40% gain in 2020.

At the sector level, information technology, consumer discretionary, communication services, and materials stocks outperformed the broader market. Health care and consumer staples, although registering positive absolute returns, failed to keep pace with the index. The financial, real estate, and utilities sectors experienced narrow losses, while the energy sector moved sharply lower.

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)	**12/31/20**	**12/31/19**
Common Stocks	99%	98%
Cash Equivalents	1%	2%
Government & Agency Obligations	0%	0%
	100%	100%

Sector Diversification (As a % of Common Stocks)	**12/31/20**	**12/31/19**
Information Technology	28%	23%
Health Care	13%	14%
Consumer Discretionary	13%	10%
Communication Services	11%	10%
Financials	10%	13%
Industrials	8%	9%
Consumer Staples	7%	7%
Utilities	3%	3%
Materials	3%	3%
Real Estate	2%	3%
Energy	2%	5%
	100%	100%

Ten Largest Equity Holdings (28.1% of Net Assets)	
1. Apple, Inc. Designs, manufactures and markets personal computers and related computing and mobile communication devices	**6.6%**
2. Microsoft Corp. Develops, manufactures, licenses, sells and supports software products	**5.2%**
3. Amazon.com, Inc. Online retailer that offers a wide range of products, including books, music, videotapes, computers, electronics, home and garden, and numerous products	**4.3%**
4. Alphabet, Inc. Holding company with subsidiaries that provide web-based search, advertisements, maps, software applications, mobile operating systems and a variety of other products	**3.2%**
5. Facebook, Inc. Operates of a social networking web site	**2.0%**
6. Tesla, Inc. Designs, manufactures and sells high-perfomance electric vehicles and electric vehicle powertrain components	**1.7%**
7. Berkshire Hathaway, Inc. Holding company of insurance business and a variety of other businesses	**1.4%**
8. Johnson & Johnson Provider of health care products	**1.3%**
9. JPMorgan Chase & Co. Provider of global financial services	**1.2%**
10. Visa, Inc. Operates a retail electronic payments network and manages 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, 2020

	Shares	Value ($)
Common Stocks 98.8%		
Communication Services 10.6%		
Diversified Telecommunication Services 1.4%		
AT&T, Inc.	148,194	4,262,059
CenturyLink, Inc.	20,970	204,458
Verizon Communications, Inc.	86,072	5,056,730
		9,523,247
Entertainment 2.2%		
Activision Blizzard, Inc.	16,076	1,492,656
Electronic Arts, Inc.	6,033	866,339
Live Nation Entertainment, Inc.*	3,018	221,763
Netflix, Inc.*	9,188	4,968,227
Take-Two Interactive Software, Inc.*	2,389	496,410
Walt Disney Co.*	37,665	6,824,145
		14,869,540
Interactive Media & Services 5.4%		
Alphabet, Inc. "A"*	6,259	10,969,774
Alphabet, Inc. "C"*	6,040	10,581,355
Facebook, Inc. "A"*	50,019	13,663,190
Twitter, Inc.*	16,530	895,100
		36,109,419
Media 1.3%		
Charter Communications, Inc. "A"*	3,033	2,006,481
Comcast Corp. "A"	94,902	4,972,865
Discovery, Inc. "C"*	6,167	161,514
Discovery, Inc. "A"* (a)	3,114	93,700
DISH Network Corp. "A"*	5,223	168,912
Fox Corp. "A"	7,022	204,481
Fox Corp. "B"*	3,037	87,708
Interpublic Group of Companies, Inc.	8,278	194,698
News Corp. "A"	8,235	147,983
News Corp. "B"	2,595	46,113
Omnicom Group, Inc.	4,449	277,484
ViacomCBS, Inc. "B"	11,887	442,910
		8,804,849
Wireless Telecommunication Services 0.3%		
T-Mobile U.S., Inc.*	12,130	**1,635,731**
Consumer Discretionary 12.6%		
Auto Components 0.1%		
Aptiv PLC	5,599	729,494
BorgWarner, Inc.	5,232	202,164
		931,658
Automobiles 2.0%		
Ford Motor Co.	81,045	712,386
General Motors Co.	26,135	1,088,261
Tesla, Inc.* (a)	15,777	11,133,356
		12,934,003
Distributors 0.1%		
Genuine Parts Co.	3,040	305,307
LKQ Corp.*	5,900	207,916
Pool Corp.	826	307,685
		820,908
Hotels, Restaurants & Leisure 1.7%		
Carnival Corp.	15,318	331,788
Chipotle Mexican Grill, Inc.*	580	804,292
Darden Restaurants, Inc.	2,754	328,056
Domino's Pizza, Inc.	830	318,272
Hilton Worldwide Holdings, Inc.	5,725	636,963
Las Vegas Sands Corp.	6,768	403,373
Marriott International, Inc. "A"	5,503	725,956
McDonald's Corp.	15,496	3,325,132
MGM Resorts International	8,731	275,114
Norwegian Cruise Line Holdings Ltd.*	6,755	171,779
Royal Caribbean Cruises Ltd.	3,938	294,129
Starbucks Corp.	24,414	2,611,810
Wynn Resorts Ltd.	2,042	230,399
Yum! Brands, Inc.	6,242	677,631
		11,134,694
Household Durables 0.4%		
D.R. Horton, Inc.	6,881	474,238
Garmin Ltd.	3,130	374,536
Leggett & Platt, Inc.	2,887	127,894
Lennar Corp. "A"	5,683	433,215
Mohawk Industries, Inc.*	1,269	178,865
Newell Brands, Inc.	8,016	170,180
NVR, Inc.*	73	297,830
PulteGroup, Inc.	5,600	241,472
Whirlpool Corp.	1,328	239,691
		2,537,921
Internet & Direct Marketing Retail 4.9%		
Amazon.com, Inc.*	8,873	28,898,740
Booking Holdings, Inc.*	851	1,895,407
eBay, Inc.	13,607	683,752
Etsy, Inc.*	2,617	465,590
Expedia Group, Inc.	2,875	380,650
		32,324,139
Leisure Products 0.0%		
Hasbro, Inc.	2,700	**252,558**
Multiline Retail 0.5%		
Dollar General Corp.	5,089	1,070,217
Dollar Tree, Inc.*	4,889	528,207
Target Corp.	10,415	1,838,560
		3,436,984
Specialty Retail 2.2%		
Advance Auto Parts, Inc.	1,392	219,254
AutoZone, Inc.*	479	567,826
Best Buy Co., Inc.	4,763	475,300
CarMax, Inc.*	3,459	326,737
Home Depot, Inc.	22,398	5,949,357
L Brands, Inc.	4,974	184,983
Lowe's Companies, Inc.	15,227	2,444,086
O'Reilly Automotive, Inc.*	1,497	677,497
Ross Stores, Inc.	7,388	907,320
The Gap, Inc.	4,339	87,604
Tiffany & Co.	2,280	299,706
TJX Companies, Inc.	24,967	1,704,997
Tractor Supply Co.	2,405	338,095
Ulta Beauty, Inc.*	1,189	341,433
		14,524,195

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Textiles, Apparel & Luxury Goods 0.7%		
Hanesbrands, Inc.	7,380	107,600
NIKE, Inc. "B"	26,072	3,688,406
PVH Corp.	1,459	136,986
Ralph Lauren Corp.	987	102,391
Tapestry, Inc.	5,658	175,851
Under Armour, Inc. "A"*	4,284	73,556
Under Armour, Inc. "C"*	4,024	59,877
VF Corp.	6,594	563,194
		4,907,861
Consumer Staples 6.4%		
Beverages 1.6%		
Brown-Forman Corp. "B"	3,842	305,170
Coca-Cola Co.	80,429	4,410,726
Constellation Brands, Inc. "A"	3,510	768,866
Molson Coors Beverage Co. "B"	3,994	180,489
Monster Beverage Corp.*	7,672	709,507
PepsiCo, Inc.	28,764	4,265,701
		10,640,459
Food & Staples Retailing 1.4%		
Costco Wholesale Corp.	9,185	3,460,724
Kroger Co.	16,037	509,335
Sysco Corp.	10,569	784,854
Walgreens Boots Alliance, Inc.	14,875	593,215
Walmart, Inc.	28,872	4,161,899
		9,510,027
Food Products 1.0%		
Archer-Daniels-Midland Co.	11,481	578,757
Campbell Soup Co.	4,276	206,745
Conagra Brands, Inc.	10,328	374,493
General Mills, Inc.	12,653	743,996
Hormel Foods Corp.	5,918	275,838
J M Smucker Co.	2,411	278,712
Kellogg Co.	5,355	333,242
Kraft Heinz Co.	13,446	466,038
Lamb Weston Holdings, Inc.	3,084	242,834
McCormick & Co., Inc.	5,237	500,657
Mondelez International, Inc. "A"	29,723	1,737,904
The Hershey Co.	3,047	464,150
Tyson Foods, Inc. "A"	6,051	389,926
		6,593,292
Household Products 1.6%		
Church & Dwight Co., Inc.	5,211	454,556
Clorox Co.	2,610	527,011
Colgate-Palmolive Co.	17,810	1,522,933
Kimberly-Clark Corp.	7,056	951,360
Procter & Gamble Co.	51,637	7,184,772
		10,640,632
Personal Products 0.2%		
Estee Lauder Companies, Inc. "A"	4,709	**1,253,489**
Tobacco 0.6%		
Altria Group, Inc.	38,584	1,581,944
Philip Morris International, Inc.	32,375	2,680,326
		4,262,270

	Shares	Value ($)
Energy 2.3%		
Energy Equipment & Services 0.2%		
Baker Hughes Co.	14,010	292,109
Halliburton Co.	18,363	347,061
Nov, Inc.	7,880	108,192
Schlumberger NV	29,214	637,742
TechnipFMC PLC	8,238	77,437
		1,462,541
Oil, Gas & Consumable Fuels 2.1%		
Apache Corp.	8,109	115,067
Cabot Oil & Gas Corp.	8,492	138,250
Chevron Corp.	40,062	3,383,236
Concho Resources, Inc.	4,059	236,843
ConocoPhillips	22,307	892,057
Devon Energy Corp.	8,035	127,033
Diamondback Energy, Inc.	3,186	154,202
EOG Resources, Inc.	12,211	608,962
Exxon Mobil Corp.	88,023	3,628,308
Hess Corp.	5,696	300,692
HollyFrontier Corp.	2,933	75,818
Kinder Morgan, Inc.	40,334	551,366
Marathon Oil Corp.	15,786	105,293
Marathon Petroleum Corp.	13,505	558,567
Occidental Petroleum Corp.	17,263	298,822
ONEOK, Inc.	9,331	358,124
Phillips 66	9,074	634,635
Pioneer Natural Resources Co.	3,432	390,870
Valero Energy Corp.	8,459	478,526
Williams Companies, Inc.	25,194	505,140
		13,541,811
Financials 10.3%		
Banks 3.8%		
Bank of America Corp.	158,431	4,802,044
Citigroup, Inc.	43,308	2,670,371
Citizens Financial Group, Inc.	9,000	321,840
Comerica, Inc.	2,807	156,799
Fifth Third Bancorp.	14,598	402,467
First Republic Bank	3,643	535,266
Huntington Bancshares, Inc.	21,277	268,728
JPMorgan Chase & Co.	63,473	8,065,514
KeyCorp	20,578	337,685
M&T Bank Corp.	2,706	344,474
People's United Financial, Inc.	8,619	111,444
PNC Financial Services Group, Inc.	8,806	1,312,094
Regions Financial Corp.	20,139	324,641
SVB Financial Group*	1,069	414,590
Truist Financial Corp.	27,944	1,339,356
U.S. Bancorp.	28,378	1,322,131
Wells Fargo & Co.	85,984	2,594,997
Zions Bancorp. NA	3,464	150,476
		25,474,917
Capital Markets 2.7%		
Ameriprise Financial, Inc.	2,447	475,526
Bank of New York Mellon Corp.	16,866	715,793
BlackRock, Inc.	2,952	2,129,986
Cboe Global Markets, Inc.	2,229	207,564
Charles Schwab Corp.	31,035	1,646,096
CME Group, Inc.	7,470	1,359,913
Franklin Resources., Inc.	5,925	148,066
Intercontinental Exchange, Inc.	11,692	1,347,971
Invesco Ltd.	7,969	138,900

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
MarketAxess Holdings, Inc.	788	449,601
Moody's Corp.	3,358	974,626
Morgan Stanley	29,740	2,038,082
MSCI, Inc.	1,724	769,818
Nasdaq, Inc.	2,415	320,567
Northern Trust Corp.	4,398	409,630
Raymond James Financial, Inc.	2,505	239,653
S&P Global, Inc.	5,005	1,645,294
State Street Corp.	7,306	531,731
T. Rowe Price Group, Inc.	4,705	712,290
The Goldman Sachs Group, Inc.	7,159	1,887,900
		18,149,007
Consumer Finance 0.6%		
American Express Co.	13,561	1,639,661
Capital One Financial Corp.	9,492	938,284
Discover Financial Services	6,356	575,409
Synchrony Financial	11,419	396,353
		3,549,707
Diversified Financial Services 1.4%		
Berkshire Hathaway, Inc. "B"*	40,518	**9,394,909**
Insurance 1.8%		
Aflac, Inc.	13,501	600,389
Allstate Corp.	6,326	695,417
American International Group, Inc.	17,866	676,407
Aon PLC "A"	4,758	1,005,223
Arthur J. Gallagher & Co.	3,984	492,860
Assurant, Inc.	1,258	171,365
Chubb Ltd.	9,390	1,445,309
Cincinnati Financial Corp.	3,190	278,710
Everest Re Group Ltd.	839	196,401
Globe Life, Inc.	2,031	192,864
Hartford Financial Services Group, Inc.	7,514	368,036
Lincoln National Corp.	3,855	193,945
Loews Corp.	4,783	215,331
Marsh & McLennan Companies, Inc.	10,568	1,236,456
MetLife, Inc.	15,836	743,500
Principal Financial Group, Inc.	5,394	267,596
Progressive Corp.	12,192	1,205,545
Prudential Financial, Inc.	8,156	636,739
The Travelers Companies, Inc.	5,259	738,206
Unum Group	4,102	94,100
W.R. Berkley Corp.	2,857	189,762
Willis Towers Watson PLC	2,681	564,833
		12,208,994
Health Care 13.3%		
Biotechnology 1.9%		
AbbVie, Inc.	36,724	3,934,976
Alexion Pharmaceuticals, Inc.*	4,553	711,361
Amgen, Inc.	12,114	2,785,251
Biogen, Inc.*	3,200	783,552
Gilead Sciences, Inc.	26,072	1,518,955
Incyte Corp.*	3,843	334,264
Regeneron Pharmaceuticals, Inc.*	2,179	1,052,697
Vertex Pharmaceuticals, Inc.*	5,410	1,278,599
		12,399,655
Health Care Equipment & Supplies 3.7%		
Abbott Laboratories	36,852	4,034,926
ABIOMED, Inc.*	960	311,232
Align Technology, Inc.*	1,492	797,295
Baxter International, Inc.	10,585	849,341
Becton, Dickinson & Co.	6,029	1,508,577
Boston Scientific Corp.*	29,700	1,067,715
Danaher Corp.	13,142	2,919,364
DENTSPLY SIRONA, Inc.	4,635	242,689
DexCom, Inc.*	1,993	736,852
Edwards Lifesciences Corp.*	12,944	1,180,881
Hologic, Inc.*	5,323	387,674
IDEXX Laboratories, Inc.*	1,767	883,270
Intuitive Surgical, Inc.*	2,443	1,998,618
Medtronic PLC	27,981	3,277,694
ResMed, Inc.	3,006	638,955
STERIS PLC	1,798	340,793
Stryker Corp.	6,789	1,663,577
Teleflex, Inc.	984	404,985
The Cooper Companies, Inc.	1,010	366,953
Varian Medical Systems, Inc.*	1,927	337,244
West Pharmaceutical Services, Inc.	1,555	440,547
Zimmer Biomet Holdings, Inc.	4,282	659,813
		25,048,995
Health Care Providers & Services 2.6%		
AmerisourceBergen Corp.	3,123	305,304
Anthem, Inc.	5,164	1,658,109
Cardinal Health, Inc.	6,137	328,698
Centene Corp.*	12,038	722,641
Cigna Corp.	7,503	1,561,975
CVS Health Corp.	27,205	1,858,101
DaVita, Inc.*	1,587	186,314
HCA Healthcare, Inc.	5,476	900,583
Henry Schein, Inc.*	3,018	201,783
Humana, Inc.	2,745	1,126,191
Laboratory Corp. of America Holdings*	2,011	409,339
McKesson Corp.	3,327	578,632
Quest Diagnostics, Inc.	2,833	337,609
UnitedHealth Group, Inc.	19,760	6,929,437
Universal Health Services, Inc. "B"	1,645	226,187
		17,330,903
Health Care Technology 0.1%		
Cerner Corp.	6,457	**506,745**
Life Sciences Tools & Services 1.2%		
Agilent Technologies, Inc.	6,361	753,715
Bio-Rad Laboratories, Inc. "A"*	448	261,157
Illumina, Inc.*	3,038	1,124,060
IQVIA Holdings, Inc.*	3,982	713,455
Mettler-Toledo International, Inc.*	493	561,862
PerkinElmer, Inc.	2,360	338,660
Thermo Fisher Scientific, Inc.	8,241	3,838,493
Waters Corp.*	1,307	323,378
		7,914,780
Pharmaceuticals 3.8%		
Bristol-Myers Squibb Co.	46,969	2,913,487
Catalent, Inc.*	3,482	362,372
Eli Lilly & Co.	16,527	2,790,419
Johnson & Johnson	54,815	8,626,785
Merck & Co., Inc.	52,653	4,307,015
Perrigo Co. PLC	2,774	124,053
Pfizer, Inc.	115,645	4,256,892

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Viatris, Inc.*	25,002	468,538
Zoetis, Inc.	9,874	1,634,147
		25,483,708

Industrials 8.3%

	Shares	Value ($)
Aerospace & Defense 1.6%		
Boeing Co.	11,036	2,362,366
General Dynamics Corp.	4,826	718,205
Howmet Aerospace, Inc.	8,027	229,091
Huntington Ingalls Industries, Inc.	857	146,101
L3Harris Technologies, Inc.	4,362	824,505
Lockheed Martin Corp.	5,125	1,819,272
Northrop Grumman Corp.	3,226	983,027
Raytheon Technologies Corp.	31,562	2,256,999
Teledyne Technologies, Inc.*	776	304,176
Textron, Inc.	4,820	232,951
TransDigm Group, Inc.*	1,129	698,682
		10,575,375
Air Freight & Logistics 0.7%		
C.H. Robinson Worldwide, Inc.	2,865	268,938
Expeditors International of Washington, Inc.	3,539	336,594
FedEx Corp.	5,023	1,304,071
United Parcel Service, Inc. "B"	14,882	2,506,129
		4,415,732
Airlines 0.3%		
Alaska Air Group, Inc.	2,554	132,808
American Airlines Group, Inc. (a)	12,565	198,150
Delta Air Lines, Inc.	13,111	527,194
Southwest Airlines Co.	12,389	577,451
United Airlines Holdings, Inc.*	6,192	267,804
		1,703,407
Building Products 0.4%		
A.O. Smith Corp.	2,784	152,619
Allegion PLC	1,943	226,126
Carrier Global Corp.	16,913	637,959
Fortune Brands Home & Security, Inc.	2,908	249,274
Johnson Controls International PLC	15,019	699,735
Masco Corp.	5,543	304,477
Trane Technologies PLC	4,982	723,187
		2,993,377
Commercial Services & Supplies 0.4%		
Cintas Corp.	1,822	644,004
Copart, Inc.*	4,304	547,684
Republic Services, Inc.	4,383	422,083
Rollins, Inc.	4,543	177,495
Waste Management, Inc.	8,059	950,398
		2,741,664
Construction & Engineering 0.1%		
Jacobs Engineering Group, Inc.	2,754	300,076
Quanta Services, Inc.	2,888	207,993
		508,069
Electrical Equipment 0.5%		
AMETEK, Inc.	4,731	572,167
Eaton Corp. PLC	8,244	990,434
Emerson Electric Co.	12,389	995,704
Rockwell Automation, Inc.	2,439	611,726
		3,170,031
Industrial Conglomerates 1.2%		
3M Co.	12,007	2,098,703
General Electric Co.	182,259	1,968,397
Honeywell International, Inc.	14,607	3,106,909
Roper Technologies, Inc.	2,177	938,483
		8,112,492
Machinery 1.6%		
Caterpillar, Inc.	11,302	2,057,190
Cummins, Inc.	3,068	696,743
Deere & Co.	6,516	1,753,130
Dover Corp.	2,995	378,119
Flowserve Corp.	2,739	100,932
Fortive Corp.	6,971	493,686
IDEX Corp.	1,594	317,525
Illinois Tool Works, Inc.	5,993	1,221,853
Ingersoll Rand, Inc.*	7,671	349,491
Otis Worldwide Corp.	8,436	569,852
PACCAR, Inc.	7,191	620,439
Parker-Hannifin Corp.	2,671	727,607
Pentair PLC	3,390	179,975
Snap-on, Inc.	1,130	193,388
Stanley Black & Decker, Inc.	3,316	592,105
Westinghouse Air Brake Technologies Corp.	3,761	275,305
Xylem, Inc.	3,776	384,359
		10,911,699
Professional Services 0.3%		
Equifax, Inc.	2,531	488,078
IHS Markit Ltd.	7,726	694,027
Nielsen Holdings PLC	7,557	157,715
Robert Half International, Inc.	2,404	150,202
Verisk Analytics, Inc.	3,350	695,426
		2,185,448
Road & Rail 1.0%		
CSX Corp.	15,881	1,441,201
J.B. Hunt Transport Services, Inc.	1,759	240,367
Kansas City Southern	1,932	394,379
Norfolk Southern Corp.	5,268	1,251,730
Old Dominion Freight Line, Inc.	2,028	395,825
Union Pacific Corp.	14,014	2,917,995
		6,641,497
Trading Companies & Distributors 0.2%		
Fastenal Co.	11,931	582,590
United Rentals, Inc.*	1,525	353,663
W.W. Grainger, Inc.	929	379,348
		1,315,601

Information Technology 27.3%

	Shares	Value ($)
Communications Equipment 0.8%		
Arista Networks, Inc.*	1,122	326,019
Cisco Systems, Inc.	87,917	3,934,286
F5 Networks, Inc.*	1,298	228,370
Juniper Networks, Inc.	7,058	158,876
Motorola Solutions, Inc.	3,515	597,761
		5,245,312
Electronic Equipment, Instruments & Components 0.6%		
Amphenol Corp. "A"	6,191	809,597
CDW Corp.	3,016	397,479
Corning, Inc.	15,785	568,260
FLIR Systems, Inc.	2,670	117,026

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
IPG Photonics Corp.*	752	168,290
Keysight Technologies, Inc.*	3,835	506,565
TE Connectivity Ltd.	6,848	829,087
Vontier Corp.*	2,873	95,958
Zebra Technologies Corp. "A"*	1,124	431,987
		3,924,249
IT Services 5.4%		
Accenture PLC "A"	13,182	3,443,270
Akamai Technologies, Inc.*	3,368	353,606
Automatic Data Processing, Inc.	8,912	1,570,294
Broadridge Financial Solutions, Inc.	2,431	372,429
Cognizant Technology Solutions Corp. "A"	11,093	909,071
DXC Technology Co.	5,417	139,488
Fidelity National Information Services, Inc.	12,882	1,822,288
Fiserv, Inc.*	11,937	1,359,147
FleetCor Technologies, Inc.*	1,720	469,268
Gartner, Inc.*	1,888	302,439
Global Payments, Inc.	6,208	1,337,327
International Business Machines Corp.	18,504	2,329,283
Jack Henry & Associates, Inc.	1,620	262,424
Leidos Holdings, Inc.	2,830	297,490
Mastercard, Inc. "A"	18,304	6,533,430
Paychex, Inc.	6,605	615,454
PayPal Holdings, Inc.*	24,378	5,709,327
VeriSign, Inc.*	2,079	449,896
Visa, Inc. "A" (a)	35,282	7,717,232
Western Union Co.	8,650	189,781
		36,182,944
Semiconductors & Semiconductor Equipment 5.1%		
Advanced Micro Devices, Inc.*	25,023	2,294,859
Analog Devices, Inc.	7,677	1,134,123
Applied Materials, Inc.	19,012	1,640,736
Broadcom, Inc.	8,416	3,684,946
Intel Corp.	85,270	4,248,151
KLA Corp.	3,210	831,101
Lam Research Corp.	2,996	1,414,921
Maxim Integrated Products, Inc.	5,631	499,188
Microchip Technology, Inc.	5,401	745,932
Micron Technology, Inc.*	23,158	1,741,019
NVIDIA Corp.	12,878	6,724,892
Qorvo, Inc.*	2,352	391,067
QUALCOMM, Inc.	23,530	3,584,560
Skyworks Solutions, Inc.	3,441	526,060
Teradyne, Inc.	3,446	413,141
Texas Instruments, Inc.	19,120	3,138,166
Xilinx, Inc.	5,099	722,885
		33,735,747
Software 8.5%		
Adobe, Inc.*	9,983	4,992,698
ANSYS, Inc.*	1,777	646,473
Autodesk, Inc.*	4,570	1,395,404
Cadence Design Systems, Inc.*	5,782	788,838
Citrix Systems, Inc.	2,557	332,666
Fortinet, Inc.*	2,842	422,122
Intuit, Inc.	5,465	2,075,880
Microsoft Corp.	157,329	34,993,116
NortonLifeLock, Inc.	12,582	261,454
Oracle Corp.	39,474	2,553,573
Paycom Software, Inc.*	1,011	457,225
salesforce.com, Inc.*	19,033	4,235,413
ServiceNow, Inc.*	4,058	2,233,645
Synopsys, Inc.*	3,165	820,495
Tyler Technologies, Inc.*	846	369,296
		56,578,298
Technology Hardware, Storage & Peripherals 6.9%		
Apple, Inc.	332,518	44,121,813
Hewlett Packard Enterprise Co.	27,298	323,481
HP, Inc.	28,472	700,127
NetApp, Inc.	4,663	308,877
Seagate Technology PLC	4,746	295,011
Western Digital Corp.	6,335	350,896
Xerox Holding Corp.	3,287	76,226
		46,176,431
Materials 2.6%		
Chemicals 1.8%		
Air Products & Chemicals, Inc.	4,598	1,256,266
Albemarle Corp.	2,249	331,772
Celanese Corp.	2,387	310,167
CF Industries Holdings, Inc.	4,540	175,743
Corteva, Inc.	15,460	598,611
Dow, Inc.	15,375	853,312
DuPont de Nemours, Inc.	15,260	1,085,139
Eastman Chemical Co.	2,832	283,993
Ecolab, Inc.	5,172	1,119,014
FMC Corp.	2,728	313,529
International Flavors & Fragrances, Inc. (a)	2,262	246,196
Linde PLC	10,923	2,878,320
LyondellBasell Industries NV "A"	5,310	486,715
PPG Industries, Inc.	4,896	706,101
The Mosaic Co.	7,119	163,808
The Sherwin-Williams Co.	1,701	1,250,082
		12,058,768
Construction Materials 0.1%		
Martin Marietta Materials, Inc.	1,309	371,717
Vulcan Materials Co.	2,737	405,924
		777,641
Containers & Packaging 0.4%		
Amcor PLC	32,285	379,994
Avery Dennison Corp.	1,739	269,736
Ball Corp.	6,765	630,363
International Paper Co.	8,283	411,831
Packaging Corp. of America	1,992	274,717
Sealed Air Corp.	3,129	143,277
Westrock Co.	5,480	238,544
		2,348,462
Metals & Mining 0.3%		
Freeport-McMoRan Copper & Gold, Inc.	30,212	786,116
Newmont Corp.	16,724	1,001,601
Nucor Corp.	6,343	337,384
		2,125,101
Real Estate 2.4%		
Equity Real Estate Investment Trusts (REITs) 2.3%		
Alexandria Real Estate Equities, Inc.	2,566	457,313
American Tower Corp.	9,238	2,073,561

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
AvalonBay Communities, Inc.	2,871	460,595
Boston Properties, Inc.	2,997	283,306
Crown Castle International Corp.	8,963	1,426,820
Digital Realty Trust, Inc.	5,820	811,948
Duke Realty Corp.	7,800	311,766
Equinix, Inc.	1,852	1,322,661
Equity Residential	7,048	417,805
Essex Property Trust, Inc.	1,383	328,352
Extra Space Storage, Inc.	2,746	318,152
Federal Realty Investment Trust	1,414	120,360
Healthpeak Properties, Inc.	11,351	343,141
Host Hotels & Resorts, Inc.	14,645	214,256
Iron Mountain, Inc. (a)	5,940	175,111
Kimco Realty Corp.	8,970	134,640
Mid-America Apartment Communities, Inc.	2,394	303,296
Prologis, Inc.	15,363	1,531,077
Public Storage	3,155	728,584
Realty Income Corp.	7,290	453,219
Regency Centers Corp.	3,325	151,587
SBA Communications Corp.	2,305	650,310
Simon Property Group, Inc.	6,881	586,812
SL Green Realty Corp.	1,456	86,748
UDR, Inc.	6,094	234,192
Ventas, Inc.	7,900	387,416
Vornado Realty Trust	3,281	122,513
Welltower, Inc.	8,621	557,089
Weyerhaeuser Co.	15,491	519,413
		15,512,043
Real Estate Management & Development 0.1%		
CBRE Group, Inc. "A"*	6,935	**434,963**

Utilities 2.7%

	Shares	Value ($)
Electric Utilities 1.7%		
Alliant Energy Corp.	5,264	271,254
American Electric Power Co., Inc.	10,315	858,930
Duke Energy Corp.	15,313	1,402,058
Edison International	7,825	491,567
Entergy Corp.	4,221	421,425
Evergy, Inc.	4,801	266,504
Eversource Energy	7,104	614,567
Exelon Corp.	20,261	855,419
FirstEnergy Corp.	11,187	342,434
NextEra Energy, Inc.	40,797	3,147,489
NRG Energy, Inc.	5,149	193,345
Pinnacle West Capital Corp.	2,311	184,764
PPL Corp.	15,777	444,911
Southern Co.	21,961	1,349,064
Xcel Energy, Inc.	10,895	726,370
		11,570,101
Gas Utilities 0.0%		
Atmos Energy Corp.	2,617	**249,740**
Independent Power & Renewable Electricity Producers 0.1%		
AES Corp.	14,062	**330,457**
Multi-Utilities 0.8%		
Ameren Corp.	5,206	406,380
CenterPoint Energy, Inc.	11,437	247,497
CMS Energy Corp.	6,017	367,097
Consolidated Edison, Inc.	7,123	514,779
Dominion Energy, Inc	16,959	1,275,317
DTE Energy Co.	4,079	495,231
NiSource, Inc.	7,832	179,666
Public Service Enterprise Group, Inc.	10,485	611,276
Sempra Energy	5,975	761,275
WEC Energy Group, Inc.	6,537	601,600
		5,460,118
Water Utilities 0.1%		
American Water Works Co., Inc.	3,750	**575,512**
Total Common Stocks (Cost $262,463,125)		**658,674,827**

	Principal Amount ($)	Value ($)

Government & Agency Obligations 0.1%

U.S. Treasury Obligation

	Principal Amount ($)	Value ($)
U.S. Treasury Bills, 0.11% **, 1/28/2021 (b) (Cost $924,923)	925,000	**924,964**

Securities Lending Collateral 3.0%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (c) (d) (Cost $19,765,158)	19,765,158	**19,765,158**

Cash Equivalents 1.0%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.08% (c) (Cost $6,798,528)	6,798,528	**6,798,528**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $289,951,734)	102.9	**686,163,477**
Other Assets and Liabilities, Net	(2.9)	**(19,401,660)**
Net Assets	100.0	**666,761,817**

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, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 3.0%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (c) (d)								
251,422	19,513,736 (e)	—	—	—	9,602	—	19,765,158	19,765,158
Cash Equivalents 1.0%								
DWS Central Cash Management Government Fund, 0.08% (c)								
11,512,814	57,002,739	61,717,025	—	—	17,932	—	6,798,528	6,798,528
11,764,236	**76,516,475**	**61,717,025**	**—**	**—**	**27,534**	**—**	**26,563,686**	**26,563,686**

* Non-income producing security.

** Annualized yield at time of purchase; not a coupon rate.

(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, 2020 amounted to $19,550,909, which is 2.9% of net assets.

(b) At December 31, 2020, this security has been pledged, in whole or in part, to cover initial margin requirements for open futures contracts.

(c) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(d) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(e) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

S&P: Standard & Poor's

At December 31, 2020, 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	3/19/2021	43	7,873,528	8,059,920	**186,392**

Currency Abbreviation

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, 2020 in valuing the Fund's investments.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (f)	$ 658,674,827	$ —	$ —	$ 658,674,827
Government & Agency Obligations	—	924,964	—	924,964
Short-Term Investments (f)	26,563,686	—	—	26,563,686
Derivatives (g) Futures Contracts	186,392	—	—	186,392
Total	**$ 685,424,905**	**$ 924,964**	**$ —**	**$ 686,349,869**

(f) See Investment Portfolio for additional detailed categorizations.

(g) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $263,388,048) — including $19,550,909 of securities loaned	$ 659,599,791
Investment in DWS Government & Agency Securities Portfolio (cost $19,765,158)*	19,765,158
Investment in DWS Central Cash Management Government Fund (cost $6,798,528)	6,798,528
Cash	10,000
Receivable for Fund shares sold	125,111
Dividends receivable	489,882
Interest receivable	930
Receivable for variation margin on futures contracts	52,889
Other assets	12,123
Total assets	686,854,412

Liabilities	
Payable upon return of securities loaned	19,765,158
Payable for Fund shares redeemed	86,419
Accrued management fee	79,217
Accrued Trustees' fees	5,611
Other accrued expenses and payables	156,190
Total liabilities	20,092,595
Net assets, at value	**$ 666,761,817**

Net Assets Consist of	
Distributable earnings (loss)	428,567,114
Paid-in capital	238,194,703
Net assets, at value	**$ 666,761,817**

Net Asset Value	
Class A **Net Asset Value,** offering and redemption price per share ($606,707,610 ÷ 24,298,803 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 24.97**
Class B **Net Asset Value,** offering and redemption price per share ($41,805,848 ÷ 1,675,259 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 24.95**
Class B2 **Net Asset Value,** offering and redemption price per share ($18,248,359 ÷ 730,615 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 24.98**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends	$ 10,614,591
Interest	2,669
Income distributions — DWS Central Cash Management Government Fund	17,932
Securities lending income, net of borrower rebates	9,602
Total income	10,644,794
Expenses: Management fee	1,172,488
Administration fee	571,677
Services to shareholders	1,152
Recordkeeping fee (Class B and Class B-2)	70,231
Distribution service fees (Class B and Class B-2)	128,013
Custodian fee	9,440
Professional fees	74,369
Reports to shareholders	49,690
Trustees' fees and expenses	20,636
Other	31,297
Total expenses before expense reductions	2,128,993
Expense reductions	(407,830)
Total expenses after expense reductions	1,721,163
Net investment income (loss)	**8,923,631**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	30,347,974
Futures	760,428
	31,108,402
Change in net unrealized appreciation (depreciation) on: Investments	61,734,646
Futures	49,948
	61,784,594
Net gain (loss)	**92,892,996**
Net increase (decrease) in net assets resulting from operations	**$ 101,816,627**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 8,923,631	$ 9,389,401
Net realized gain (loss)	31,108,402	35,798,268
Change in net unrealized appreciation (depreciation)	61,784,594	107,301,276
Net increase (decrease) in net assets resulting from operations	101,816,627	152,488,945
Distributions to shareholders:		
Class A	(40,621,912)	(36,093,488)
Class B	(2,466,115)	(1,569,495)
Class B2	(1,183,053)	(1,061,799)
Total distributions	(44,271,080)	(38,724,782)
Fund share transactions:		
Class A		
Proceeds from shares sold	19,014,191	15,867,889
Reinvestment of distributions	40,621,912	36,093,488
Payments for shares redeemed	(66,299,729)	(67,585,767)
Net increase (decrease) in net assets from Class A share transactions	(6,663,626)	(15,624,390)
Class B		
Proceeds from shares sold	8,754,512	10,003,444
Reinvestment of distributions	2,466,115	1,569,495
Payments for shares redeemed	(6,399,660)	(4,895,248)
Net increase (decrease) in net assets from Class B share transactions	4,820,967	6,677,691
Class B2		
Proceeds from shares sold	198,779	373,269
Reinvestment of distributions	1,183,053	1,061,799
Payments for shares redeemed	(1,848,331)	(2,353,334)
Net increase (decrease) in net assets from Class B2 share transaction	(466,499)	(918,266)
Increase (decrease) in net assets	55,236,389	103,899,198
Net assets at beginning of period	611,525,428	507,626,230
Net assets at end of period	**$ 666,761,817**	**$ 611,525,428**

Other Information	Years Ended December 31, 2020	2019
Class A		
Shares outstanding at beginning of period	24,258,385	24,962,490
Shares sold	919,928	755,485
Shares issued to shareholders in reinvestment of distributions	2,207,713	1,743,647
Shares redeemed	(3,087,223)	(3,203,237)
Net increase (decrease) in Class A shares	40,418	(704,105)
Shares outstanding at end of period	**24,298,803**	**24,258,385**
Class B		
Shares outstanding at beginning of period	1,426,637	1,109,669
Shares sold	403,823	475,525
Shares issued to shareholders in reinvestment of distributions	133,737	75,675
Shares redeemed	(288,938)	(234,232)
Net increase (decrease) in Class B shares	248,622	316,968
Shares outstanding at end of period	**1,675,259**	**1,426,637**
Class B2		
Shares outstanding at beginning of period	742,685	784,684
Shares sold	9,662	18,043
Shares issued to shareholders in reinvestment of distributions	64,087	51,146
Shares redeemed	(85,819)	(111,188)
Net increase (decrease) in Class B2 shares	(12,070)	(41,999)
Shares outstanding at end of period	**730,615**	**742,685**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Equity 500 Index VIP — Class A

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$23.14**	**$18.90**	**$22.19**	**$19.58**	**$19.40**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.34	.35	.37	.34	.35
Net realized and unrealized gain (loss)	3.23	5.37	(1.31)	3.69	1.74
Total from investment operations	3.57	5.72	(.94)	4.03	2.09
Less distributions from:					
Net investment income	(.39)	(.43)	(.38)	(.37)	(.40)
Net realized gains	(1.35)	(1.05)	(1.97)	(1.05)	(1.51)
Total distributions	(1.74)	(1.48)	(2.35)	(1.42)	(1.91)
Net asset value, end of period	**$24.97**	**$23.14**	**$18.90**	**$22.19**	**$19.58**
Total Return (%)[b]	18.10	31.19	(4.65)	21.53	11.61
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	607	561	472	541	519
Ratio of expenses before expense reductions (%)[c]	.33	.35	.34	.34	.34
Ratio of expenses after expense reductions (%)[c]	.26	.27	.30	.33	.33
Ratio of net investment income (%)	1.56	1.68	1.73	1.67	1.88
Portfolio turnover rate (%)	4	3	3	3	4

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.

DWS Equity 500 Index VIP — Class B

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$23.12**	**$18.89**	**$22.17**	**$19.58**	**$19.40**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.26	.28	.29	.28	.30
Net realized and unrealized gain (loss)	3.23	5.35	(1.29)	3.67	1.74
Total from investment operations	3.49	5.63	(1.00)	3.95	2.04
Less distributions from:					
Net investment income	(.31)	(.35)	(.31)	(.31)	(.35)
Net realized gains	(1.35)	(1.05)	(1.97)	(1.05)	(1.51)
Total distributions	(1.66)	(1.40)	(2.28)	(1.36)	(1.86)
Net asset value, end of period	**$24.95**	**$23.12**	**$18.89**	**$22.17**	**$19.58**
Total Return (%)[b]	17.63	30.66	(4.94)	21.07	11.32
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	42	33	21	25	18
Ratio of expenses before expense reductions (%)[c]	.71	.72	.71	.71	.69
Ratio of expenses after expense reductions (%)[c]	.64	.65	.65	.65	.61
Ratio of net investment income (%)	1.17	1.31	1.38	1.35	1.61
Portfolio turnover rate (%)	4	3	3	3	4

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,				
	2020	**2019**	**2018**	**2017**	**2016**
Selected Per Share Data					
Net asset value, beginning of period	**$23.14**	**$18.90**	**$22.18**	**$19.57**	**$19.39**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.25	.27	.28	.26	.28
Net realized and unrealized gain (loss)	3.24	5.36	(1.30)	3.69	1.74
Total from investment operations	3.49	5.63	(1.02)	3.95	2.02
Less distributions from:					
Net investment income	(.30)	(.34)	(.29)	(.29)	(.33)
Net realized gains	(1.35)	(1.05)	(1.97)	(1.05)	(1.51)
Total distributions	(1.65)	(1.39)	(2.26)	(1.34)	(1.84)
Net asset value, end of period	**$24.98**	**$23.14**	**$18.90**	**$22.18**	**$19.57**
Total Return (%)[b]	17.64	30.64	(5.00)	21.06	11.20
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	18	17	15	17	17
Ratio of expenses before expense reductions (%)[c]	.72	.74	.73	.74	.74
Ratio of expenses after expense reductions (%)[c]	.65	.67	.70	.72	.71
Ratio of net investment income (%)	1.17	1.28	1.32	1.27	1.50
Portfolio turnover rate (%)	4	3	3	3	4

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 to investors: 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 equal to an annual rate of up to 0.25% of Class B and Class B2 shares average daily net assets. In addition, Class B and Class B2 shares are subject to recordkeeping fees equal to an annual rate of up to 0.15% of average daily net assets. 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 record keeping 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 effort 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, the Fund had securities on loan, which were classified as common stock 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, 2020 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, if any, is 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 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, 2020, the Fund's components of distributable earnings (accumulated gains) on a tax basis were as follows:

Undistributed ordinary income*	$ 10,597,926
Undistributed long-term capital gains	$ 30,546,079
Net unrealized appreciation (depreciation) on investments	$ 387,382,678

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $298,780,799. The net unrealized appreciation for all investments based on tax cost was $387,382,678. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $412,266,712 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $24,884,034.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 10,532,208	$ 11,299,761
Distributions from long-term capital gains	$ 33,738,872	$ 27,425,021

* 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 statement purposes and a recharacterization will be made within 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, 2020, 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 disclosed in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2020, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $2,698,000 to $12,763,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2020 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Asset Derivative	**Futures Contracts**
Equity Contracts (a)	$ 186,392

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, 2020 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 (b)	$ 760,428

The above derivative is located in the following Statement of Operations account:

(b) Net realized gain (loss) from futures

Change in Net Unrealized Appreciation (Depreciation)	**Futures Contracts**
Equity Contracts (c)	$ 49,948

The above derivative is located in the following Statement of Operations account:

(c) Change in net unrealized appreciation (depreciation) on futures

C. Purchases and Sales of Securities

During the year ended December 31, 2020, purchases and sales of investment securities (excluding short-term investments) aggregated $21,668,068 and $52,985,172, 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 its average daily net assets, 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, 2020, 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, 2020 through September 30, 2021 (and through April 30, 2021 for Class B shares) the Advisor has contractually agreed to waive all or a portion of 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) of each classes as follows:

Class A	.26%
Class B	.64%
Class B2	.66%

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 370,778
Class B	25,744
Class B2	11,308
	$ 407,830

Administration Fee. Under the Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $571,677, of which $53,902 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, 2020, the Distribution Service Fees were as follows:

Distribution Service Fees	Total Aggregated	Unpaid at December 31, 2020
Class B	$ 87,475	$ 8,685
Class B2	40,538	3,802
	$ 128,013	**$ 12,487**

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent of 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 514	$ 96
Class B	91	17
Class B2	59	11
	$ 664	**$ 124**

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $15,655, of which $3,549 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, 2020, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $723.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

F. Ownership of the Fund

At December 31, 2020, two participating insurance companies were beneficial owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 52% and 14%, respectively. At December 31, 2020, one participating insurance company was beneficial owner of record of 10% or more of the total outstanding Class B shares of the Fund, owning 89%. At December 31, 2020, two participating insurance companies were beneficial owners of record of 10% or more of the total outstanding Class B2 shares of the Fund, each owning 84% and 16%, respectively.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the two 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, 2020, the results of its operations for the year then ended, the changes in its net assets and its financial highlights for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2016, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**	**Class B2**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,220.40	$ 1,217.70	$ 1,217.90
Expenses Paid per $1,000*	$ 1.45	$ 3.57	$ 3.62

Hypothetical 5% Fund Return	**Class A**	**Class B**	**Class B2**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,023.83	$ 1,021.92	$ 1,021.87
Expenses Paid per $1,000*	$ 1.32	$ 3.25	$ 3.30

* 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 366.

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 $1.32 per share from net long-term capital gains during its year ended December 31, 2020.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $33,710,000 as capital gain dividends for its year ended December 31, 2020.

For corporate shareholders, 98% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2020 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, contact your insurance provider.

Proxy Voting

The Fund's policies and procedures for voting proxies for portfolio securities and information about how the Fund 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 Fund'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 2020.

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, 2019, the Fund's performance (Class A shares) was in the 2nd quartile, 2nd 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).

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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 and NTI 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 and NTI 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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, 2020

Annual Report

Deutsche DWS Variable Series II

DWS Global Equity VIP

Contents

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. 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 recent 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.

Performance Summary

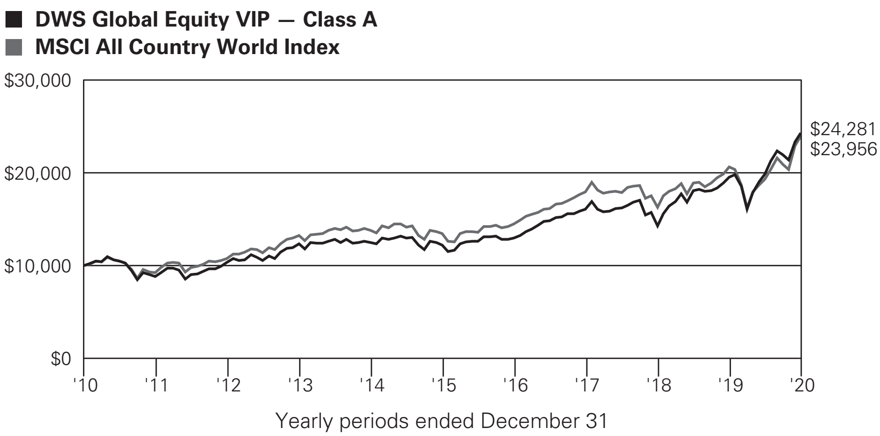
December 31, 2020 (Unaudited)

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, 2020 is 1.22% 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 MSCI All Country World Index is an unmanaged equity index which captures large and mid-capitalization representation across 23 developed markets and 26 emerging markets countries. It covers approximately 85% of the global investable equity opportunity set.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Prior to July 12, 2013, the Fund was named DWS Diversified International Equity VIP and had a subadvisor and a different investment management team that operated with a different investment strategy. Performance would have been different if the fund's current investment strategy had been in effect.

Comparative Results

DWS Global Equity VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,452	$15,081	$19,850	$24,281
	Average annual total return	24.52%	14.68%	14.70%	9.28%
MSCI All Country World Index	Growth of $10,000	$11,625	$13,332	$17,828	$23,956
	Average annual total return	16.25%	10.06%	12.26%	9.13%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

Class A shares of the Fund gained 24.52% (unadjusted for contract charges) in 2020 and strongly outperformed the 16.25% return of the MSCI All Country World Index. The Fund outpaced the index in the three-, five-, and 10-year periods that ended on December 31, 2020.

After a difficult start brought about by the emergence of COVID-19, global equities rebounded to close the year with a healthy gain. The recovery reflected optimism that the aggressive stimulus provided by world governments and central banks would sustain the economy until the virus had dissipated. The approval of multiple vaccines for COVID-19 also led to an improvement in the economic outlook, fueling an impressive rally in the major equity indexes in the final two months of the year.

Our emphasis on growth stocks was a key factor in the Fund's outperformance in 2020. The growth style delivered a return that was well ahead of value, creating a tailwind for our strategy relative to the blended benchmark.

The Fund's holdings outpaced the index by the widest margin in health care, led by positions in Lonza Group AG and Danaher Corp. Financials were an additional area of strength, with the largest contributions coming from Progressive Corp. and Brookfield Asset Management, Inc. We also added value through stock selection in communication services and information technology, where the top contributors were Spotify Technology SA and ServiceNow, Inc., respectively. The consumer discretionary sector was the only area where we underperformed to a meaningful extent, with the bulk of the shortfall resulting from a zero weighting in Tesla, Inc.

Amid the elevated uncertainty associated with COVID-19, we remained guided by our longstanding approach of investing in high-quality, innovative businesses that we believe can grow irrespective of the macroeconomic environment. As part of this process, we added new holdings in stocks we viewed as being especially well suited to navigate the cross-currents resulting from the pandemic. Some of these were immediate beneficiaries, such as Amazon.com, Inc. — which saw an accelerated adoption of ecommerce and cloud services — as well as Hologic, Inc. and Quidel Corp., which were quick to provide coronavirus tests in volume. We also established positions in RingCentral, Inc., which we believed would experience accelerating demand for its cloud-based, enterprise communication services, and Terminix Global Holdings, Inc., where the generally positive trends in the pest control market were augmented by corporate restructuring. Later in the year, as the likelihood of a vaccine increased, we looked for secular growth stocks that could benefit from a reopening. For instance, we added a position Match Group, Inc., an operator of several online dating sites and apps, and PPD, Inc., a contract research organization positioned to capitalize on a step-up in pharmaceutical- and biotechnology-related funding.

From a regional perspective, the Fund remained well diversified across Europe, China, and North America. Although we emphasize the developed markets, we look for growing businesses in the emerging markets (as well as companies with a large portion of their revenues from this segment) on the belief that the category features attractive long-term growth prospects. At the sector level, the Fund was overweight in technology, health care, and industrials, and its largest underweights were in energy and materials. This positioning is the result of our bottom-up stock selection process, rather than a top-down view.

We continue to see opportunities in companies that are positioned for long-term, sustainable growth as they capitalize on dynamic and widening addressable markets. We are finding this to be the case not only in growth sectors, but also in more traditional businesses (such as those in the financials, insurance, education, and health care industries) that are quickly embracing new solutions to adapt to the disrupting forces. Many companies in these areas also stand to benefit from the falling costs and increasing productivity that technology-enabled innovation provides.

With visibility remaining clouded due to renewed lockdowns and surging coronavirus cases around the world, we believe it's essential to calibrate the portfolio's risk-reward characteristics carefully and ensure the appropriate level of diversification across industries, regions, and stages of the corporate life cycle.

Sebastian P. Werner, PhD, Director
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

MSCI All Country World Index is an unmanaged equity index which captures large and mid-capitalization representation across 23 developed markets and 26 emerging markets countries. It covers approximately 85% of the global investable equity opportunity set.

Index returns do not reflect fees or expenses and it is not possible to invest directly into an index.

Stock selection refers to the performance of the fund's holdings in a given sector relative to the sector as a whole.

Contribution incorporates both a stock's total return and its weighting in the Fund.

Underweight means the Fund holds a lower weighting in a given sector or security than the benchmark. **Overweight** means it holds a higher weighting.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	99%	99%
Cash Equivalent	1%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
Information Technology	27%	21%
Health Care	17%	15%
Financials	15%	20%
Consumer Discretionary	11%	11%
Communication Services	11%	8%
Industrials	8%	10%
Consumer Staples	7%	7%
Materials	3%	4%
Energy	1%	3%
Real Estate	—	1%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
United States	57%	52%
China	7%	7%
Germany	6%	9%
Canada	5%	7%
Switzerland	5%	5%
Japan	4%	4%
France	3%	4%
United Kingdom	3%	3%
Ireland	3%	3%
Sweden	2%	1%
Argentina	2%	2%
Other	3%	3%
	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, 2020

	Shares	Value ($)
Common Stocks 98.9%		
Argentina 1.9%		
Globant SA* (Cost $140,221)	2,720	**591,899**
Brazil 1.0%		
Pagseguro Digital Ltd. "A"* (Cost $222,301)	5,800	**329,904**
Canada 5.1%		
Agnico Eagle Mines Ltd.	4,650	327,872
Alimentation Couche-Tard, Inc. "B"	10,340	352,384
Brookfield Asset Management, Inc. "A"	22,840	944,175
(Cost $638,294)		**1,624,431**
China 6.8%		
Alibaba Group Holding Ltd. (ADR)*	2,400	558,552
New Oriental Education & Technology Group, Inc. (ADR)*	1,490	276,857
Ping An Insurance (Group) Co. of China Ltd. "H"	41,500	509,754
Tencent Holdings Ltd.	11,200	813,563
(Cost $1,107,564)		**2,158,726**
France 3.4%		
Cie de St-Gobain SA*	5,400	249,154
LVMH Moet Hennessy Louis Vuitton SE	275	171,674
Schneider Electric SE	971	140,956
TOTAL SE	4,000	172,590
VINCI SA	3,450	343,708
(Cost $981,501)		**1,078,082**
Germany 6.0%		
adidas AG*	485	177,118
Allianz SE (Registered)	2,055	504,458
Deutsche Boerse AG	3,650	621,988
Evonik Industries AG	5,530	180,842
Fresenius Medical Care AG & Co. KGaA	5,055	428,291
(Cost $1,432,327)		**1,912,697**
Ireland 2.9%		
Experian PLC	11,041	419,442
Kerry Group PLC "A" (a)	49	7,101
Kerry Group PLC "A" (a)	3,451	500,151
(Cost $484,487)		**926,694**
Japan 3.6%		
Kao Corp.	2,800	216,126
Keyence Corp.	1,200	675,410
SMC Corp.	435	265,729
(Cost $691,434)		**1,157,265**
Luxembourg 0.9%		
Eurofins Scientific SE* (Cost $77,647)	3,600	**302,750**
Singapore 0.9%		
DBS Group Holdings Ltd. (Cost $279,300)	15,200	**288,575**
Sweden 1.9%		
Assa Abloy AB "B"	6,700	165,388
Spotify Technology SA* (b)	1,445	454,684
(Cost $343,592)		**620,072**
Switzerland 5.0%		
Lonza Group AG (Registered)	1,524	982,594
Nestle SA (Registered)	5,185	611,332
(Cost $404,923)		**1,593,926**
United Kingdom 3.3%		
Aon PLC "A" (b)	1,500	316,905
Compass Group PLC	8,360	155,666
Halma PLC	8,200	275,112
Spirax-Sarco Engineering PLC	1,950	302,324
(Cost $447,073)		**1,050,007**
United States 56.2%		
Activision Blizzard, Inc.	6,311	585,976
Alphabet, Inc. "A"*	450	788,688
Amazon.com, Inc.*	141	459,227
AMETEK, Inc.	4,195	507,343
Amphenol Corp. "A"	5,600	732,312
Apple, Inc.	4,620	613,028
Applied Materials, Inc.	5,750	496,225
AZEK Co., Inc.*	4,300	165,335
Becton, Dickinson & Co.	1,171	293,008
Certara, Inc.*	1,408	47,478
ContextLogic, Inc. "A"* (c)	4,860	88,646
Danaher Corp.	4,980	1,106,257
DexCom, Inc.*	760	280,987
Ecolab, Inc.	2,280	493,301
EPAM Systems, Inc.*	1,800	645,030
Exact Sciences Corp.*	2,005	265,642
Fiserv, Inc.*	4,400	500,984
Hologic, Inc.*	3,500	254,905
Intuit, Inc.	1,050	398,843
Johnson & Johnson	1,700	267,546
JPMorgan Chase & Co.	4,550	578,168
LivePerson, Inc.*	1,600	99,568
MasterCard, Inc. "A"	1,740	621,076
Match Group, Inc.*	1,905	288,017
McDonald's Corp.	1,800	386,244
Microsoft Corp.	4,640	1,032,029
Mondelez International, Inc. "A"	8,435	493,194
NVIDIA Corp.	1,130	590,086
PPD, Inc*	9,800	335,356
Progressive Corp.	9,700	959,136
Quidel Corp.*	955	171,566
RingCentral, Inc. "A"*	550	208,434
Schlumberger NV	6,700	146,261
ServiceNow, Inc.*	1,375	756,841
T-Mobile U.S., Inc.*	3,000	404,550
Terminix Global Holdings, Inc.*	8,100	413,181
TJX Companies, Inc.	4,731	323,080
Vroom, Inc.*	4,000	163,880
YETI Holdings, Inc.*	6,800	465,596
Zoetis, Inc.	3,260	539,530
(Cost $8,390,740)		**17,966,554**
Total Common Stocks (Cost $15,641,404)		**31,601,582**

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Securities Lending Collateral 0.4%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (d) (e) (Cost $117,216)	117,216	**117,216**
Cash Equivalents 0.9%		
DWS Central Cash Management Government Fund, 0.08% (d) (Cost $302,262)	302,262	**302,262**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $16,060,882)	100.2	**32,021,060**
Other Assets and Liabilities, Net	(0.2)	**(76,607)**
Net Assets	100.0	**31,944,453**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 0.4%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (d) (e)								
836,078	—	718,862 (f)	—	—	6,859	—	117,216	117,216
Cash Equivalents 0.9%								
DWS Central Cash Management Government Fund, 0.08% (d)								
364,206	5,341,887	5,403,831	—	—	1,093	—	302,262	302,262
1,200,284	**5,341,887**	**6,122,693**	**—**	**—**	**7,952**	**—**	**419,478**	**419,478**

* Non-income producing security.

(a) Securities with the same description are the same corporate entity but trade on different stock exchanges.

(b) Listed on the New York Stock Exchange.

(c) 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, 2020 amounted to $118,778, which is 0.4% of net assets.

(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, 2020.

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, 2020 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				
Argentina	$ 591,899	$ —	$ —	$ 591,899
Brazil	329,904	—	—	329,904
Canada	1,624,431	—	—	1,624,431
China	835,409	1,323,317	—	2,158,726
France	—	1,078,082	—	1,078,082
Germany	—	1,912,697	—	1,912,697
Ireland	—	926,694	—	926,694
Japan	—	1,157,265	—	1,157,265
Luxembourg	—	302,750	—	302,750
Singapore	—	288,575	—	288,575
Sweden	454,684	165,388	—	620,072
Switzerland	—	1,593,926	—	1,593,926
United Kingdom	316,905	733,102	—	1,050,007
United States	17,966,554	—	—	17,966,554
Short-Term Investments (g)	419,478	—	—	419,478
Total	**$ 22,539,264**	**$ 9,481,796**	**$ —**	**$ 32,021,060**

(g) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $15,641,404) — including $118,778 of securities loaned	$31,601,582
Investment in DWS Government & Agency Securities Portfolio (cost $117,216)*	117,216
Investment in DWS Central Cash Management Government Fund (cost $302,262)	302,262
Foreign currency, at value (cost $114,598)	116,524
Receivable for investments sold	32,435
Receivable for Fund shares sold	45
Dividends receivable	9,487
Interest receivable	327
Foreign taxes recoverable	7,375
Other assets	593
Total assets	32,187,846

Liabilities	
Cash overdraft	32,435
Payable upon return of securities loaned	117,216
Payable for Fund shares redeemed	3,011
Accrued management fee	13,315
Accrued Trustees' fees	822
Other accrued expenses and payables	76,594
Total liabilities	243,393
Net assets, at value	**31,944,453**

Net Assets Consist of	
Distributable earnings (loss)	17,384,773
Paid-in capital	14,559,680
Net assets, at value	**31,944,453**

Net Asset Value	
Class A	
Net asset value, offering and redemption price per share ($31,944,453 ÷ 2,081,012 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 15.35**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $18,732)	$ 341,401
Income distributions — DWS Central Cash Management Government Fund	1,093
Securities lending income, net of borrower rebates	6,859
Total income	349,353
Expenses: Management fee	186,533
Administration fee	27,987
Services to shareholders	179
Custodian fee	6,799
Professional fees	72,955
Reports to shareholders	28,283
Trustees' fees and expenses	2,956
Other	6,886
Total expenses before expense reductions	332,578
Expense reductions	(91,520)
Total expenses after expense reductions	241,058
Net investment income	**108,295**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	1,392,461
Foreign currency	2,207
	1,394,668
Change in net unrealized appreciation (depreciation) on: Investments	4,804,272
Foreign currency	3,440
	4,807,712
Net gain (loss)	**6,202,380**
Net increase (decrease) in net assets resulting from operations	**$6,310,675**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 108,295	$ 197,722
Net realized gain (loss)	1,394,668	987,156
Change in net unrealized appreciation (depreciation)	4,807,712	7,411,902
Net increase (decrease) in net assets resulting from operations	6,310,675	8,596,780
Distributions to shareholders:		
Class A	(1,173,276)	(2,329,682)
	(1,173,276)	(2,329,682)
Fund share transactions:		
Class A		
Proceeds from shares sold	850,800	1,084,314
Reinvestment of distributions	1,173,276	2,329,682
Payments for shares redeemed	(5,118,359)	(4,708,430)
Net increase (decrease) in net assets from Class A share transactions	(3,094,283)	(1,294,434)
Increase (decrease) in net assets	2,043,116	4,972,664
Net assets at beginning of period	29,901,337	24,928,673
Net assets at end of period	**31,944,453**	**29,901,337**

Other Information		
Class A		
Shares outstanding at beginning of period	2,310,277	2,415,204
Shares sold	63,092	87,985
Shares issued to shareholders in reinvestment of distributions	107,739	200,144
Shares redeemed	(400,096)	(393,056)
Net increase (decrease) in Class A shares	(229,265)	(104,927)
Shares outstanding at end of period	**2,081,012**	**2,310,277**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Global Equity VIP — Class A

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$12.94**	**$10.32**	**$11.70**	**$9.48**	**$9.00**
Income (loss) from investment operations:					
Net investment income[a]	.05	.08	.06	.05	.04
Net realized and unrealized gain (loss)	2.90	3.55	(1.35)	2.22	.51
Total from investment operations	2.95	3.63	(1.29)	2.27	.55
Less distributions from:					
Net investment income	(.09)	(.06)	(.09)	(.05)	(.07)
Net realized gains	(.45)	(.95)	—	—	—
Total distributions	(.54)	(1.01)	(.09)	(.05)	(.07)
Net asset value, end of period	**$15.35**	**$12.94**	**$10.32**	**$11.70**	**$9.48**
Total Return (%)[b]	24.52	36.26	(11.12)	24.04	6.11[c]
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	32	30	25	31	43
Ratio of expenses before expense reductions (%)[d]	1.16	1.22	1.22	1.06	1.03
Ratio of expenses after expense reductions (%)[d]	.84	.88	.92	.95	.95
Ratio of net investment income (%)	.38	.69	.51	.49	.49
Portfolio turnover rate (%)	13	12	43	19	46

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reimbursed.

[c] Includes a reimbursement by the Advisor for a realized loss on a trade executed incorrectly, which otherwise would have reduced total return by 0.31%.

[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 Global Equity 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 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), 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 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 effort 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. Due to the increased market values of securities on loan on December 31, 2020, the value of the related collateral was less than the value of securities on loan at period end. On the next business day, additional collateral was received, and the value of collateral exceeded the value of the securities on loan. 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'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.

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, 2020 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 foreign denominated investments 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 112,997
Undistributed long-term capital gains	$ 1,365,388
Net unrealized appreciation (depreciation) on investments	$ 15,903,745

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $16,117,315. The net unrealized appreciation for all investments based on tax cost was $15,903,745. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $16,238,771 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $335,026.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 483,878	$ 144,985
Distributions from long-term capital gains	$ 689,398	$ 2,184,697

* 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. 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, 2020, purchases and sales of investment transactions (excluding short-term investments) aggregated $3,602,234 and $7,808,353, 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.

Pursuant to the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the Fund's average daily net assets, computed and accrued daily and payable monthly, at the following annual rates:

First $1.5 billion	.650%
Next $1.75 billion	.635%
Next $1.75 billion	.620%
Over $5 billion	.605%

Accordingly, for the year ended December 31, 2020, 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, 2020 through April 30, 2021, the Advisor has contractually agreed to waive its fee 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 shares at 0.84%.

For the year ended December 31, 2020, fees waived and/or expenses reimbursed were $91,520.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid DIMA an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $27,987, of which $2,584 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, 2020, the amounts charged to the Fund by DSC aggregated $91, of which $16 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $8,945, of which $3,214 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 Fees. Deutsche Bank AG serves as lending agent for the Fund. For the year ended December 31, 2020, the Fund incurred lending agent fees to Deutsche Bank AG in the amount of $517.

D. Ownership of the Fund

At December 31, 2020, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 99%.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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 Global Equity VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Global Equity VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,220.20
Expenses Paid per $1,000*	$ 4.69

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,020.91
Expenses Paid per $1,000*	$ 4.27

* 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 366.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Global Equity VIP	.84%

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 $.32 per share from net long-term capital gains during its year ended December 31, 2020.

For corporate shareholders, 35% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2020 qualified for the dividends received deduction.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $1,509,000 as capital gain dividends for its year ended December 31, 2020.

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 Equity VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, the Fund's performance (Class A shares) was in the 1st quartile, 2nd 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-, three- and five-year periods ended December 31, 2019.

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 0.10% fee paid to DIMA under the Fund's administrative services agreement, were equal to the median of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). 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") 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2GE-2 (R-025828-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS Global Income Builder VIP

Contents

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.

Although allocation among different asset categories generally limits risk, fund management may favor an asset category that underperforms other assets or markets as a whole. Stocks may decline in value. 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. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. 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. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the recent 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

Performance Summary

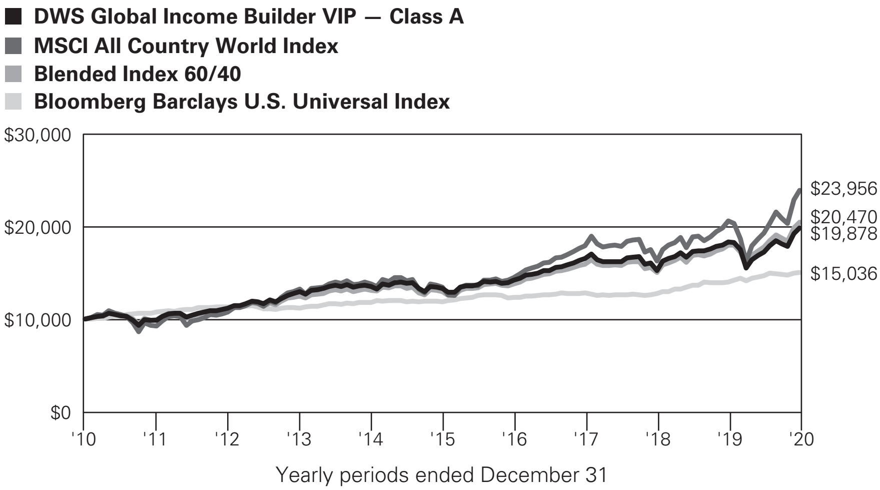
December 31, 2020 (Unaudited)

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 ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2020 are 0.68% and 1.10% 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 All Country World Index is an unmanaged equity index which captures large and mid-capitalization representation across 23 developed markets and 26 emerging markets countries. It covers approximately 85% of the global investable equity opportunity set.

The Blended Index 60/40 consists of an equally weighted blend of 60% MSCI All Country World Index and 40% Bloomberg Barclays U.S. Universal Index.

Bloomberg Barclays U.S. Universal Index measures the performance of U.S. dollar-denominated taxable bonds that are rated either investment grade or high yield. The index includes U.S. Treasury bonds, investment-grade and high yield U.S. corporate bonds, mortgage-backed securities, and Eurodollar bonds.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Comparative Results

DWS Global Income Builder VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$10,828	$12,014	$14,955	$19,878
	Average annual total return	8.28%	6.31%	8.38%	7.11%
MSCI All Country World Index	Growth of $10,000	$11,625	$13,332	$17,828	$23,956
	Average annual total return	16.25%	10.06%	12.26%	9.13%
Blended Index 60/40	Growth of $10,000	$11,378	$12,833	$15,808	$20,470
	Average annual total return	13.78%	8.67%	9.59%	7.43%
Bloomberg Barclays U.S. Universal Index	Growth of $10,000	$10,758	$11,727	$12,684	$15,036
	Average annual total return	7.58%	5.45%	4.87%	4.16%

DWS Global Income Builder VIP		1-Year	Life of Class*
Class B	Growth of $10,000	$10,790	$12,178
	Average annual total return	7.90%	7.66%
MSCI All Country World Index	Growth of $10,000	$11,625	$13,334
	Average annual total return	16.25%	11.39%
Blended Index 60/40	Growth of $10,000	$11,378	$12,932
	Average annual total return	13.78%	9.80%
Bloomberg Barclays U.S. Universal Index	Growth of $10,000	$10,758	$11,974
	Average annual total return	7.58%	6.99%

The growth of $10,000 is cumulative.

* Class B commenced operations on May 1, 2018.

Management Summary

December 31, 2020 (Unaudited)

The Fund returned 8.28% during the 12 months ended December 31, 2020 (Class A shares, unadjusted for contract charges) and underperformed the 13.78% return of its benchmark, the Blended Index 60/40. The index consists of a blend of 60% MSCI All Country World Index and 40% Bloomberg Barclays U.S. Universal Index. The two indexes returned 16.25% and 7.58%, respectively.

The financial markets produced robust, broad-based returns in 2020. Higher-risk assets, after experiencing pronounced weakness at the start of the year due to the spread of COVID-19, began to recover in late March once world central banks and governments responded with enormous monetary and fiscal stimulus. Investors, seeing the potential for these actions to help support the economy and markets until the virus was contained, bid up stock prices across the board. The bond market's credit sectors, while also facing challenges in early 2020, rebounded to finish the year with healthy total returns.

The Fund's underperformance was largely the result of our emphasis on dividend-paying, value-oriented stocks within the equity portfolio. The universe of higher-yielding stocks lagged the equity benchmark by a wide margin, reflecting the category's lower weighting in mega-cap technology stocks and larger allocations to defensive sectors that underperformed. While this aspect of our strategy detracted in the past 12 months, we believe it is consistent with the Fund's objective of delivering income over the long term.

Our decision to devote a portion of the Fund's bond allocation to income-producing alternative investments — including convertible bonds and preferred stocks — was a key contributor to performance. All three categories performed very well from April onward, with convertibles leading the way, while the returns for bonds were relatively muted. We maintain this allocation on the belief that these areas continue to offer better longer-term total return potential than bonds.

The fixed-income portfolio outpaced the Bloomberg Barclays U.S. Universal Index and contributed to relative performance thanks to robust security selection in both investment-grade corporates and high yield. A position in emerging-market bonds was an additional positive. Conversely, the Fund lost some relative performance through underweight positions in U.S. Treasuries and investment-grade corporate bonds.

The Fund used derivatives during the past 12 months. On the equity side, we used futures on stock indexes to achieve our desired weightings in a more efficient manner than buying and selling individual securities. In the bond portfolio, we used credit default swaps, derivatives to currency exposure, and interest-rate futures and swaps to manage duration. The use of derivatives was a net contributor in the aggregate. Derivatives are used to achieve the fund's risk and return objectives and should be evaluated within the context of the entire portfolio rather than as a standalone strategy.

We actively adjusted the Fund's risk profile in response to the shifting environment. We established a defensive posture in late 2019 via an underweight in stocks, as we believed expectations for both economic growth and corporate earnings were too high. Although we didn't anticipate the emergence of COVID-19, the defensive approach proved helpful once the markets turned lower in the first quarter of 2020. We continued to reduce risk during the downturn, and then we gradually increased it over the span from early April through the end of the year. We accomplished this both by adding to the equity weighting and increasing the risk profile of the bond portfolio. The Fund finished 2020 with an equity allocation that was close to the 60% level of the benchmark.

We believe the strength in the financial markets reflects some real, positive developments occurring in the global economy. Central banks are providing ample liquidity and government spending appears poised to rise significantly both in the United States and overseas, which should provide a tailwind for economic growth and corporate fundamentals in the year ahead. With that said, we remain on the lookout for potential risk factors given the magnitude of the rally in recent months. We believe our multifaceted strategy, which seeks to capitalize on opportunities while providing the flexibility to response to market volatility, can continue to add value in this environment.

Dokyoung Lee, CFA, Director
Di Kumble, CFA, Managing Director
Thomas M. Farina, CFA, Managing Director
Scott Agi, CFA, Director
Darwei Kung, Managing Director
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

Blended Index 60/40 consists of an equally weighted blend of 60% MSCI All Country World Index and 40% Bloomberg Barclays U.S. Universal Index.

MSCI All Country World Index is an unmanaged equity index which captures large and mid-capitalization representation across 23 developed markets and 26 emerging markets countries. It covers approximately 85% of the global investable equity opportunity set.

Bloomberg Barclays U.S. Universal Index measures the performance of U.S. dollar-denominated taxable bonds that are rated either investment grade or high yield. The index includes U.S. Treasury bonds, investment-grade and high yield U.S. corporate bonds, mortgage-backed securities, and Eurodollar bonds.

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 an investment's total return and its weighting in the Fund.

Convertible securities are bonds that can be exchanged for equity at a pre-stated price. Convertibles generally offer higher income than is available from a common stock, but more appreciation potential than bonds.

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.

Derivatives are contracts whose value is based on the performance of an underlying financial asset. Derivatives afford leverage, but when used by investors who are able to handle the inherent risks, can enhance returns or protect a portfolio. Derivatives experience significant losses if the underlying security moves contrary to the investor's expectations.

Duration is a measure of bond price volatility. Duration can be defined as the approximate percentage change in price for a 100 basis point (one single percentage point) change in market interest rate levels. A duration of 5, for example, means that the price of a bond should rise by approximately 5% for a one percentage point drop in interest rates, and fall by 5% for a one percentage point rise in interest rates.

Futures contracts are contractual agreements to buy or sell a particular commodity or financial instrument at a pre-determined price in the future.

A **swap** is a derivative in which two counterparties exchange cash flows of one party's financial instrument for those of the other party's financial instrument for a set period of time. The prices of **credit default swaps**, which are designed to offset credit risk, typically move in the opposite direction of the index or security they track.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	12/31/20	12/31/19
Equity	**61%**	**64%**
Common Stocks	57%	60%
Preferred Stocks	4%	4%
Fixed Income	**37%**	**35%**
Corporate Bonds	15%	9%
Asset-Backed	5%	6%
Commercial Mortgage-Backed Securities	4%	5%
Mortgage-Backed Securities Pass-Throughs	4%	1%
Collateralized Mortgage Obligations	3%	8%
Exchange-Traded Funds	3%	3%
Short-Term U.S. Treasury Obligations	2%	2%
Government & Agency Obligations	1%	1%
Cash Equivalents	**2%**	**1%**
	100%	100%

Sector Diversification (As a % of Equities, Corporate Bonds and Preferred Securities)	12/31/20	12/31/19
Information Technology	20%	15%
Financials	19%	19%
Communication Services	10%	10%
Consumer Discretionary	9%	9%
Health Care	9%	9%
Industrials	7%	7%
Utilities	6%	8%
Consumer Staples	6%	6%
Energy	5%	7%
Materials	5%	4%
Real Estate	4%	6%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Cash Equivalents, Exchange-Traded Funds and Securities Lending Collateral)	12/31/2020	12/31/2019
United States	63%	68%
Japan	5%	4%
Canada	3%	2%
United Kingdom	3%	3%
Switzerland	3%	4%
Australia	2%	2%
Germany	2%	2%
Hong Kong	2%	1%
Ireland	2%	1%
France	1%	2%
Other	14%	11%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 8.

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, 2020

	Shares	Value ($)
Common Stocks 59.4%		
Communication Services 5.2%		
Diversified Telecommunication Services 2.4%		
AT&T, Inc.	14,200	408,392
BCE, Inc.	7,850	335,671
Deutsche Telekom AG (Registered)	13,448	247,003
Elisa Oyj	3,058	167,806
Koninklijke KPN NV	51,725	157,450
Nippon Telegraph & Telephone Corp.	9,683	247,421
Orange SA	13,001	154,738
Swisscom AG (Registered)	292	157,724
Telenor ASA	13,038	222,782
Telia Co. AB	47,053	194,650
Telstra Corp., Ltd.	69,261	159,627
TELUS Corp.	9,921	196,487
Verizon Communications, Inc.	6,371	374,296
		3,024,047
Entertainment 0.6%		
Activision Blizzard, Inc.	1,150	106,777
NetEase, Inc. (ADR)	2,191	209,832
Netflix, Inc.*	427	230,892
Nintendo Co., Ltd.	360	229,713
		777,214
Interactive Media & Services 1.0%		
Alphabet, Inc. "A"*	69	120,932
Alphabet, Inc. "C"*	79	138,399
Facebook, Inc. "A"*	1,826	498,790
Pinterest, Inc. "A"*	2,135	140,697
Tencent Holdings Ltd. (ADR)	4,761	342,268
		1,241,086
Media 0.5%		
Charter Communications, Inc. "A"*	308	203,757
Comcast Corp. "A"	5,405	283,222
Interpublic Group of Companies, Inc.	6,572	154,574
		641,553
Wireless Telecommunication Services 0.7%		
China Mobile Ltd. (ADR) (a)	10,165	290,109
KDDI Corp.	6,520	193,819
SoftBank Corp.	18,300	229,160
Vodafone Group PLC	86,146	142,498
		855,586
Consumer Discretionary 6.0%		
Auto Components 0.1%		
Denso Corp.	3,163	**188,292**
Automobiles 1.4%		
Bayerische Motoren Werke AG	2,053	183,845
NIO, Inc. (ADR)*	5,689	277,282
Porsche Automobil Holding SE (Preference)	3,462	243,742
Tesla, Inc.*	821	579,355
Toyota Motor Corp.	3,279	252,913
Volkswagen AG (Preference)	1,025	191,991
		1,729,128
Diversified Consumer Services 0.2%		
GSX Techedu, Inc. (ADR)*	996	51,503
TAL Education Group (ADR)*	2,016	144,164
		195,667
Hotels, Restaurants & Leisure 0.6%		
Evolution Gaming Group AB 144A	1,429	145,734
McDonald's Corp.	606	130,035
Restaurant Brands International, Inc.	1,734	106,023
Starbucks Corp.	2,324	248,622
Yum! Brands, Inc.	1,064	115,508
		745,922
Household Durables 0.6%		
Electrolux AB "B"	12,046	280,325
Garmin Ltd.	1,460	174,704
Newell Brands, Inc.	10,658	226,269
Sekisui House Ltd.	6,606	134,450
		815,748
Internet & Direct Marketing Retail 2.2%		
Alibaba Group Holding Ltd. (ADR)*	1,040	242,039
Amazon.com, Inc.*	534	1,739,201
JD.com, Inc. (ADR)*	3,874	340,525
MercadoLibre, Inc.*	100	167,522
Pinduoduo, Inc. (ADR)*	1,347	239,321
Wayfair, Inc. "A"* (a)	378	85,356
		2,813,964
Multiline Retail 0.4%		
Target Corp.	1,357	239,551
Wesfarmers Ltd.	5,530	215,428
		454,979
Specialty Retail 0.5%		
Best Buy Co., Inc.	1,497	149,386
Home Depot, Inc.	1,227	325,916
Lowe's Companies, Inc.	1,344	215,725
		691,027
Consumer Staples 3.9%		
Beverages 0.6%		
Coca-Cola Co.	6,663	365,399
PepsiCo, Inc.	2,334	346,132
		711,531
Food & Staples Retailing 0.7%		
Koninklijke Ahold Delhaize NV	5,854	165,536
Tesco PLC	69,159	219,200
Walgreens Boots Alliance, Inc.	4,223	168,413
Walmart, Inc.	1,563	225,307
Woolworths Group Ltd.	5,073	153,795
		932,251
Food Products 1.0%		
Bunge Ltd.	2,214	145,194
General Mills, Inc.	2,696	158,525
Kellogg Co.	2,197	136,720
Kraft Heinz Co.	5,955	206,400
Nestle SA (Registered)	2,689	317,044
WH Group Ltd. 144A	163,697	137,552
Wilmar International Ltd.	61,200	216,004
		1,317,439

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Household Products 0.6%		
Colgate-Palmolive Co.	1,270	108,598
Kimberly-Clark Corp.	1,068	143,998
Procter & Gamble Co.	2,572	357,868
Reckitt Benckiser Group PLC	1,954	175,272
		785,736
Personal Products 0.3%		
Unilever PLC	5,335	**322,283**
Tobacco 0.7%		
Japan Tobacco, Inc.	16,200	329,994
Philip Morris International, Inc.	6,561	543,185
		873,179
Energy 1.2%		
Energy Equipment & Services 0.1%		
Baker Hughes Co.	6,231	**129,917**
Oil, Gas & Consumable Fuels 1.1%		
Chevron Corp.	1,600	135,120
ENEOS Holdings, Inc.	48,000	171,965
Kinder Morgan, Inc.	11,800	161,306
TC Energy Corp.	5,753	233,889
TOTAL SE	5,583	240,892
Valero Energy Corp.	2,564	145,046
Williams Companies, Inc.	17,100	342,855
		1,431,073
Financials 9.0%		
Banks 4.6%		
Bank of America Corp.	5,218	158,158
Bank of Montreal	3,034	230,678
Bank of Nova Scotia	2,951	159,501
BOC Hong Kong Holdings Ltd.	94,457	286,734
Canadian Imperial Bank of Commerce	1,741	148,701
Citizens Financial Group, Inc.	5,812	207,837
Commonwealth Bank of Australia	4,518	287,359
DBS Group Holdings Ltd.	18,836	357,605
Fifth Third Bancorp.	4,961	136,775
Hang Seng Bank Ltd.	11,607	200,357
Huntington Bancshares, Inc.	10,606	133,954
JPMorgan Chase & Co.	1,969	250,201
KeyCorp.	10,832	177,753
Mitsubishi UFJ Financial Group, Inc.	48,803	215,726
Mizuho Financial Group, Inc.	24,488	311,023
National Australia Bank Ltd.	10,112	177,584
Nordea Bank Abp*	16,599	136,406
Oversea-Chinese Banking Corp., Ltd.	28,981	220,645
PNC Financial Services Group, Inc.	910	135,590
Regions Financial Corp.	11,637	187,588
Royal Bank of Canada	3,680	302,373
Sberbank of Russia PJSC (ADR)	13,114	190,153
Sumitomo Mitsui Financial Group, Inc.	9,398	289,973
Toronto-Dominion Bank	5,779	326,519
Truist Financial Corp.	2,919	139,908
U.S. Bancorp.	4,238	197,448
United Overseas Bank Ltd.	16,928	289,491
		5,856,040
Capital Markets 1.4%		
3i Group PLC	8,237	131,008
Apollo Global Management, Inc.	5,323	260,721
BlackRock, Inc.	236	170,283
Blackstone Group, Inc. "A"	1,957	126,833
Franklin Resources., Inc.	7,101	177,454
Hong Kong Exchanges & Clearing Ltd.	2,026	111,470
Magellan Financial Group Ltd.	4,652	193,805
Partners Group Holding AG	203	241,856
Standard Life Aberdeen PLC	48,288	186,585
T. Rowe Price Group, Inc.	1,275	193,022
		1,793,037
Diversified Financial Services 0.2%		
ORIX Corp.	11,400	**175,267**
Insurance 2.8%		
Admiral Group PLC	4,476	177,837
Allianz SE (Registered)	1,232	302,429
Fidelity National Financial, Inc.	3,007	117,544
Legal & General Group PLC	47,095	173,084
Manulife Financial Corp.	17,433	310,203
Medibank Private Ltd.	65,592	151,079
MetLife, Inc.	3,034	142,446
MS&AD Insurance Group Holdings, Inc.	3,845	117,145
Muenchener Rueckversicherungs-Gesellschaft AG (Registered)	503	152,001
NN Group NV	4,040	174,914
Phoenix Group Holdings PLC	24,498	236,263
Poste Italiane SpA 144A	15,516	158,193
Prudential Financial, Inc.	3,826	298,696
Sampo Oyj "A"	5,877	248,731
Sompo Holdings, Inc.	2,918	118,015
Swiss Re AG	3,297	312,529
Zurich Insurance Group AG	828	351,046
		3,542,155
Health Care 6.1%		
Biotechnology 1.1%		
AbbVie, Inc.	5,609	601,005
Amgen, Inc.	1,309	300,965
BeiGene Ltd. (ADR)*	525	135,655
Gilead Sciences, Inc.	4,685	272,948
		1,310,573
Health Care Equipment & Supplies 0.6%		
Abbott Laboratories	2,588	283,360
Coloplast AS "B"	607	92,282
DexCom, Inc.*	223	82,447
Medtronic PLC	2,419	283,362
		741,451
Health Care Providers & Services 0.5%		
Cardinal Health, Inc.	2,960	158,538
CVS Health Corp.	3,105	212,071
UnitedHealth Group, Inc.	804	281,947
		652,556
Health Care Technology 0.2%		
M3, Inc.	1,600	151,312
Veeva Systems, Inc. "A"*	360	98,010
		249,322

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Pharmaceuticals 3.7%		
Astellas Pharma, Inc.	8,615	133,100
AstraZeneca PLC	2,347	237,536
Bayer AG (Registered)	5,218	308,403
Bristol-Myers Squibb Co.	4,798	297,620
Chugai Pharmaceutical Co., Ltd.	5,059	270,328
Eli Lilly & Co.	1,700	287,028
GlaxoSmithKline PLC	13,595	250,019
Hikma Pharmaceuticals PLC	4,677	161,393
Johnson & Johnson	2,585	406,827
Merck & Co., Inc.	4,636	379,225
Novartis AG (Registered)	4,231	400,229
Novo Nordisk AS ''B''	2,939	204,060
Orion Oyj "B"	3,045	139,800
Pfizer, Inc.	11,203	412,382
Roche Holding AG (Genusschein)	1,160	406,010
Sanofi	2,477	239,615
Takeda Pharmaceutical Co., Ltd.	5,339	194,505
		4,728,080
Industrials 4.3%		
Aerospace & Defense 0.4%		
BAE Systems PLC	31,969	213,413
Lockheed Martin Corp.	405	143,767
Raytheon Technologies Corp.	2,592	185,354
		542,534
Air Freight & Logistics 0.6%		
Deutsche Post AG (Registered)	4,566	230,100
FedEx Corp.	739	191,859
United Parcel Service, Inc. "B"	2,230	375,532
		797,491
Building Products 0.1%		
Johnson Controls International PLC	3,410	**158,872**
Commercial Services & Supplies 0.1%		
Quad Graphics, Inc.	2	8
Waste Management, Inc.	1,165	137,388
		137,396
Construction & Engineering 0.3%		
Bouygues SA	3,870	159,207
HOCHTIEF AG	1,536	152,216
		311,423
Electrical Equipment 0.4%		
ABB Ltd. (Registered)	6,455	183,064
Eaton Corp. PLC	1,737	208,683
Emerson Electric Co.	1,748	140,487
		532,234
Industrial Conglomerates 0.8%		
3M Co.	1,116	195,066
CK Hutchison Holdings Ltd.	32,373	225,810
Honeywell International, Inc.	910	193,557
Jardine Matheson Holdings Ltd.	2,558	143,167
Siemens AG (Registered)	1,364	199,417
		957,017
Machinery 0.2%		
Cummins, Inc.	586	133,081
Kone Oyj "B"	1,266	102,830
		235,911

	Shares	Value ($)
Professional Services 0.2%		
Adecco Group AG (Registered)	2,528	169,634
Thomson Reuters Corp.	1,390	113,764
		283,398
Road & Rail 0.3%		
Uber Technologies, Inc.*	3,182	162,282
Union Pacific Corp.	952	198,225
		360,507
Trading Companies & Distributors 0.9%		
Fastenal Co.	2,043	99,760
ITOCHU Corp.	8,271	237,982
Mitsubishi Corp.	12,498	308,302
Mitsui & Co., Ltd.	14,263	261,570
Sumitomo Corp.	17,301	229,716
		1,137,330
Information Technology 15.4%		
Communications Equipment 0.4%		
Cisco Systems, Inc.	8,635	386,416
Telefonaktiebolaget LM Ericsson "B"	11,870	141,303
		527,719
Electronic Equipment, Instruments & Components 0.9%		
Amphenol Corp. "A"	910	119,001
CDW Corp.	824	108,595
Cognex Corp.	1,528	122,676
Corning, Inc.	4,865	175,140
Keyence Corp.	257	144,650
Murata Manufacturing Co., Ltd.	2,455	221,831
TE Connectivity Ltd.	1,517	183,663
		1,075,556
IT Services 3.1%		
Accenture PLC "A"	1,226	320,244
Afterpay Ltd.*	2,005	184,339
Automatic Data Processing, Inc.	1,155	203,511
Broadridge Financial Solutions, Inc.	706	108,159
Fujitsu Ltd.	1,355	196,072
GDS Holdings Ltd. (ADR)*	1,202	112,555
Infosys Ltd. (ADR)	16,239	275,251
International Business Machines Corp.	3,341	420,565
MasterCard, Inc. "A"	573	204,527
Okta, Inc.*	601	152,810
Paychex, Inc.	2,628	244,877
PayPal Holdings, Inc.*	1,382	323,664
Shopify, Inc. "A"*	356	401,984
Square, Inc. "A"*	1,983	431,580
Twilio, Inc. "A"* (a)	412	139,462
Visa, Inc. "A"	505	110,459
Western Union Co.	4,014	88,067
		3,918,126
Semiconductors & Semiconductor Equipment 3.5%		
Advanced Micro Devices, Inc.*	2,163	198,369
Analog Devices, Inc.	1,158	171,071
Applied Materials, Inc.	1,528	131,866
Broadcom, Inc.	1,163	509,220
Enphase Energy, Inc.*	1,300	228,111
Intel Corp.	4,527	225,535
KLA Corp.	890	230,430

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Lam Research Corp.	462	218,189
Marvell Technology Group Ltd.	2,609	124,032
NVIDIA Corp.	721	376,506
QUALCOMM, Inc.	3,006	457,934
Skyworks Solutions, Inc.	721	110,227
SolarEdge Technologies, Inc.*	600	191,472
Taiwan Semiconductor Manufacturing Co., Ltd. (ADR)	5,383	586,962
Texas Instruments, Inc.	2,255	370,113
Tokyo Electron Ltd.	395	147,521
United Microelectronics Corp. (ADR) (a)	20,100	169,443
		4,447,001
Software 3.9%		
Adobe, Inc.*	695	347,583
Autodesk, Inc.*	429	130,991
DocuSign, Inc.*	755	167,836
Intuit, Inc.	537	203,979
Microsoft Corp.	9,314	2,071,620
Oracle Corp.	4,489	290,393
Paycom Software, Inc.*	392	177,282
salesforce.com, Inc.*	940	209,178
SAP SE	1,038	137,653
ServiceNow, Inc.*	564	310,443
Splunk, Inc.*	532	90,381
Trade Desk, Inc. "A"*	323	258,723
Workday, Inc. "A"*	532	127,473
Zoom Video Communications, Inc. "A"*	599	202,055
Zscaler, Inc.*	1,356	270,807
		4,996,397
Technology Hardware, Storage & Peripherals 3.6%		
Apple, Inc.	22,039	2,924,355
Hewlett Packard Enterprise Co.	11,595	137,401
HP, Inc.	7,832	192,589
Logitech International SA (Registered)	1,567	153,825
NetApp, Inc.	3,746	248,135
Samsung Electronics Co., Ltd. (GDR) (Registered)	191	348,575
Seagate Technology PLC	5,761	358,104
Seiko Epson Corp.	15,586	231,382
		4,594,366
Materials 3.2%		
Chemicals 1.1%		
Air Products & Chemicals, Inc.	597	163,112
BASF SE	1,981	156,463
Dow, Inc.	6,085	337,717
Linde PLC	411	108,303
LyondellBasell Industries NV "A"	2,383	218,426
Nutrien Ltd.	5,133	246,952
Sociedad Quimica y Minera de Chile SA (ADR)	3,210	157,579
		1,388,552
Construction Materials 0.2%		
LafargeHolcim Ltd. (Registered)	4,939	**273,727**
Containers & Packaging 0.3%		
Amcor PLC	15,179	178,657
International Paper Co.	3,575	177,749
		356,406
Metals & Mining 1.5%		
Anglo American PLC	3,930	130,893
B2Gold Corp.	25,136	140,796
BHP Group Ltd.	11,105	362,908
BHP Group PLC	9,788	257,989
Rio Tinto Ltd.	3,603	317,763
Rio Tinto PLC	6,321	474,139
Vale SA (ADR)	13,248	222,037
		1,906,525
Paper & Forest Products 0.1%		
UPM-Kymmene Oyj	3,838	**143,270**
Real Estate 1.8%		
Equity Real Estate Investment Trusts (REITs) 1.4%		
Ascendas Real Estate Investment Trust	39,043	88,332
CapitaLand Integrated Commercial Trust	103,306	169,259
Crown Castle International Corp.	883	140,565
Link REIT	17,400	158,387
Medical Properties Trust, Inc.	12,525	272,920
Omega Healthcare Investors, Inc.	6,700	243,344
Prologis, Inc.	929	92,584
Public Storage	495	114,310
Realty Income Corp.	1,642	102,083
VICI Properties, Inc.	10,592	270,096
WP Carey, Inc.	1,819	128,385
		1,780,265
Real Estate Management & Development 0.4%		
New World Development Co., Ltd.	34,474	160,657
Sun Hung Kai Properties Ltd.	11,235	145,052
Wharf Real Estate Investment Co., Ltd.	32,000	166,798
		472,507
Utilities 3.3%		
Electric Utilities 2.4%		
American Electric Power Co., Inc.	1,587	132,149
CLP Holdings Ltd.	10,214	94,471
Duke Energy Corp.	2,108	193,008
EDP — Energias de Portugal SA	35,803	225,635
Endesa SA	10,334	282,902
Enel SpA	27,939	283,293
Entergy Corp.	1,301	129,892
Exelon Corp.	3,174	134,006
Fortum Oyj	13,314	321,874
Iberdrola SA	10,698	152,876
NextEra Energy, Inc.	2,584	199,356
OGE Energy Corp.	3,065	97,651
PPL Corp.	7,426	209,413
Red Electrica Corp. SA	8,578	176,027
Southern Co.	3,513	215,804
SSE PLC	11,570	237,205
		3,085,562
Gas Utilities 0.2%		
Snam SpA	44,224	**249,621**
Multi-Utilities 0.7%		
Consolidated Edison, Inc.	1,633	118,017
Dominion Energy, Inc	2,838	213,418
DTE Energy Co.	1,161	140,957
National Grid PLC	13,523	160,427

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Public Service Enterprise Group, Inc.	2,398	139,803
Sempra Energy	971	123,715
		896,337
Total Common Stocks (Cost $56,074,014)		**75,292,153**

Preferred Stocks 4.2%

Financials 2.7%

	Shares	Value ($)
AGNC Investment Corp. Series C, 7.0%	14,427	367,744
Capital One Financial Corp. Series G, 5.2%	10,000	265,200
Citigroup, Inc. Series S, 6.3%	15,000	383,400
Fifth Third Bancorp. Series I, 6.625%	10,000	291,200
JPMorgan Chase & Co. Series AA, 6.1%	15,000	386,250
KeyCorp. Series E, 6.125%	10,000	292,700
Morgan Stanley Series K, 5.85%	10,000	288,500
The Goldman Sachs Group, Inc. Series J, 5.5%	17,000	464,610
Truist Financial Corp. Series H, 5.625%	10,000	259,900
Wells Fargo & Co. Series Y, 5.625%	15,000	401,100
		3,400,604

Real Estate 0.9%

	Shares	Value ($)
Kimco Realty Corp. Series L, 5.125%	15,000	394,050
Prologis, Inc. Series Q, 8.54%	164	11,316
Simon Property Group, Inc. Series J, 8.375%	8,000	564,400
VEREIT, Inc. Series F, 6.7%	5,203	130,856
		1,100,622

Utilities 0.6%

	Shares	Value ($)
Dominion Energy, Inc. Series A, 5.25%	30,000	**785,400**
Total Preferred Stocks (Cost $5,298,828)		**5,286,626**

Warrants 0.0%

Materials

	Shares	Value ($)
Hercules Trust II, Expiration Date 3/31/2029* (b) (Cost $30,283)	170	**8,109**

Corporate Bonds 15.2%

Communication Services 2.7%

	Principal Amount ($)(c)	Value ($)
Arches Buyer, Inc., 144A, 4.25%, 6/1/2028	30,000	30,381
AT&T, Inc.:		
1.65%, 2/1/2028	50,000	51,015
2.25%, 2/1/2032	95,000	96,370
2.75%, 6/1/2031	135,000	144,264
3.65%, 6/1/2051	100,000	104,709
CCO Holdings LLC:		
144A, 4.75%, 3/1/2030	100,000	107,900
144A, 5.875%, 5/1/2027	250,000	259,687
Charter Communications Operating LLC:		
3.7%, 4/1/2051	140,000	145,384
5.05%, 3/30/2029	100,000	121,586
CSC Holdings LLC:		
144A, 3.375%, 2/15/2031	200,000	196,250
144A, 4.125%, 12/1/2030	200,000	209,120
Discovery Communications LLC, 144A, 4.0%, 9/15/2055	50,000	55,965
Netflix, Inc.:		
4.375%, 11/15/2026	100,000	110,875
5.5%, 2/15/2022	175,000	183,094
5.875%, 11/15/2028	140,000	167,825
NortonLifeLock, Inc., 3.95%, 6/15/2022	275,000	280,844
T-Mobile U.S.A., Inc.:		
144A, 2.05%, 2/15/2028	30,000	31,205
144A, 2.25%, 11/15/2031	115,000	118,029
144A, 3.3%, 2/15/2051	50,000	51,441
144A, 3.6%, 11/15/2060	25,000	26,536
144A, 4.375%, 4/15/2040	60,000	73,222
144A, 4.5%, 4/15/2050	80,000	98,671
VeriSign, Inc.:		
4.625%, 5/1/2023	300,000	302,625
5.25%, 4/1/2025	300,000	340,875
Verizon Communications, Inc., 2.65%, 11/20/2040	40,000	40,391
ViacomCBS, Inc., 4.2%, 5/19/2032	55,000	66,283
		3,414,547

Consumer Discretionary 1.4%

	Principal Amount ($)(c)	Value ($)
1011778 BC Unlimited Liability Co., 144A, 4.375%, 1/15/2028	225,000	231,750
Carnival Corp., 144A, 7.625%, 3/1/2026	97,000	105,681
Dollar General Corp., 4.125%, 4/3/2050	20,000	25,311
Ford Motor Credit Co. LLC:		
3.37%, 11/17/2023	350,000	356,926
3.375%, 11/13/2025	261,000	268,141
Hilton Domestic Operating Co., Inc., 144A, 4.0%, 5/1/2031	125,000	131,889
Nissan Motor Co., Ltd., 144A, 4.345%, 9/17/2027	395,000	436,288
QVC, Inc., 4.75%, 2/15/2027	185,000	198,413
		1,754,399

Consumer Staples 0.4%

	Principal Amount ($)(c)	Value ($)
Albertsons Companies, Inc.:		
144A, 3.25%, 3/15/2026	100,000	101,500
144A, 3.5%, 3/15/2029	50,000	50,593
Altria Group, Inc.:		
3.875%, 9/16/2046	20,000	21,126
4.45%, 5/6/2050	40,000	47,289
Anheuser-Busch InBev Worldwide, Inc.:		
4.439%, 10/6/2048	50,000	62,236
5.55%, 1/23/2049	121,000	172,047
BAT Capital Corp., 2.726%, 3/25/2031	60,000	62,144
Keurig Dr Pepper, Inc., 3.8%, 5/1/2050	15,000	17,966
Smithfield Foods, Inc., 144A, 3.0%, 10/15/2030	40,000	42,323
		577,224

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	Principal Amount ($)(c)	Value ($)
Energy 2.4%		
BP Capital Markets America, Inc., 2.939%, 6/4/2051	75,000	76,615
Cheniere Corpus Christi Holdings LLC, 5.875%, 3/31/2025	200,000	232,755
Devon Energy Corp., 5.0%, 6/15/2045	60,000	70,672
Energy Transfer Operating LP, 5.5%, 6/1/2027	100,000	117,700
Enterprise Products Operating LLC, 4.2%, 1/31/2050	172,000	202,066
Hess Corp., 5.8%, 4/1/2047	70,000	89,066
Marathon Petroleum Corp., 4.7%, 5/1/2025	110,000	126,011
MPLX LP, 2.65%, 8/15/2030	35,000	36,680
Occidental Petroleum Corp.:		
5.5%, 12/1/2025	10,000	10,426
6.125%, 1/1/2031	15,000	16,053
Petrobras Global Finance BV, 5.093%, 1/15/2030	625,000	698,437
Petroleos Mexicanos, 6.84%, 1/23/2030	625,000	654,238
Plains All American Pipeline LP, 3.8%, 9/15/2030	50,000	53,753
Saudi Arabian Oil Co., 144A, 2.25%, 11/24/2030	625,000	636,465
		3,020,937
Financials 3.1%		
AerCap Ireland Capital DAC:		
3.15%, 2/15/2024	300,000	314,479
4.625%, 10/15/2027	300,000	339,720
Air Lease Corp., 3.0%, 2/1/2030	125,000	128,325
Avolon Holdings Funding Ltd., 144A, 4.25%, 4/15/2026	40,000	43,095
Banco Nacional de Panama, 144A, 2.5%, 8/11/2030	200,000	200,000
Bank of America Corp.:		
2.676%, 6/19/2041	60,000	62,514
4.3%, Perpetual (d)	102,000	105,168
Barclays PLC, 2.852%, 5/7/2026	200,000	214,788
Blackstone Secured Lending Fund, 144A, 3.625%, 1/15/2026	155,000	159,429
BPCE SA, 144A, 4.875%, 4/1/2026	300,000	352,798
Charles Schwab Corp., 4.0%, Perpetual (d)	125,000	131,562
Citigroup, Inc.:		
2.572%, 6/3/2031	130,000	138,562
4.0%, Perpetual (d)	300,000	307,875
HSBC Holdings PLC, 4.6%, Perpetual (d)	250,000	254,405
JPMorgan Chase & Co., 2.956%, 5/13/2031	55,000	60,313
Morgan Stanley, 1.794%, 2/13/2032	45,000	45,322
OneMain Finance Corp., 4.0%, 9/15/2030	25,000	25,940
Park Aerospace Holdings Ltd., 144A, 5.25%, 8/15/2022	12,000	12,594
REC Ltd., 144A, 4.75%, 5/19/2023	200,000	213,312
Societe Generale SA, 144A, 5.375%, Perpetual (d)	250,000	265,092
The Goldman Sachs Group, Inc., 4.4%, Perpetual (a) (d)	31,000	31,698
Truist Financial Corp., 4.8%, Perpetual (d)	300,000	316,868
Westpac Banking Corp., 5.0%, Perpetual (d)	200,000	211,325
		3,935,184
Health Care 1.3%		
AbbVie, Inc., 4.875%, 11/14/2048	75,000	101,435
Bausch Health Companies, Inc., 144A, 5.25%, 2/15/2031	50,000	52,236
Biogen, Inc., 3.15%, 5/1/2050	50,000	51,846
CVS Health Corp., 5.05%, 3/25/2048	175,000	237,174
Fresenius Medical Care U.S. Finance III, Inc., 144A, 2.375%, 2/16/2031	150,000	152,453
Gilead Sciences, Inc., 2.8%, 10/1/2050	50,000	49,621
HCA, Inc., 5.25%, 6/15/2026	300,000	355,051
Hologic, Inc., 144A, 3.25%, 2/15/2029	60,000	61,050
Teva Pharmaceutical Finance Netherlands III BV, 3.15%, 10/1/2026	625,000	600,788
		1,661,654
Industrials 1.5%		
Adani Ports & Special Economic Zone Ltd., 144A, 4.2%, 8/4/2027	200,000	214,637
Boeing Co.:		
1.95%, 2/1/2024	105,000	108,137
2.7%, 5/1/2022	135,000	138,796
2.75%, 2/1/2026	145,000	152,475
4.508%, 5/1/2023	140,000	151,317
4.875%, 5/1/2025	98,000	111,711
5.04%, 5/1/2027	60,000	70,144
Delta Air Lines, Inc., 144A, 4.5%, 10/20/2025	30,000	32,066
Gartner, Inc., 144A, 3.75%, 10/1/2030	60,000	63,226
General Electric Co.:		
3.45%, 5/1/2027	50,000	56,552
3.625%, 5/1/2030	40,000	45,715
GFL Environmental, Inc.:		
144A, 3.75%, 8/1/2025	100,000	102,500
144A, 4.0%, 8/1/2028	150,000	151,125
Nielsen Finance LLC, 144A, 5.625%, 10/1/2028	110,000	119,521
Prime Security Services Borrower LLC:		
144A, 5.25%, 4/15/2024	255,000	272,212
144A, 6.25%, 1/15/2028	70,000	75,151
		1,865,285
Information Technology 0.4%		
Booz Allen Hamilton, Inc., 144A, 3.875%, 9/1/2028	40,000	41,200
Broadcom, Inc., 5.0%, 4/15/2030	70,000	85,093
Dell International LLC, 144A, 8.35%, 7/15/2046	60,000	90,769
Open Text Corp., 144A, 3.875%, 2/15/2028	175,000	182,000
Oracle Corp., 3.6%, 4/1/2050	25,000	29,127

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($)(c)	Value ($)
Qorvo, Inc., 144A, 3.375%, 4/1/2031	50,000	51,625
Seagate HDD Cayman:		
144A, 3.125%, 7/15/2029	35,000	35,004
144A, 3.375%, 7/15/2031	25,000	25,135
		539,953
Materials 0.4%		
LYB International Finance III LLC, 3.625%, 4/1/2051	30,000	32,782
MEGlobal Canada ULC, 144A, 5.0%, 5/18/2025	256,000	288,000
Nutrition & Biosciences, Inc., 144A, 3.468%, 12/1/2050	57,000	61,918
Reynolds Group Issuer, Inc, 144A, 4.0%, 10/15/2027	40,000	41,000
Valvoline, Inc., 144A, 3.625%, 6/15/2031 (e)	20,000	20,525
WRKCo., Inc., 3.0%, 6/15/2033	30,000	32,960
		477,185
Real Estate 0.7%		
American Tower Corp.:		
(REIT), 2.95%, 1/15/2051	35,000	35,084
(REIT), 3.8%, 8/15/2029	165,000	191,835
Equinix, Inc., (REIT), 2.15%, 7/15/2030	34,000	34,583
Iron Mountain, Inc.:		
144A, (REIT), 5.0%, 7/15/2028	55,000	58,430
144A, (REIT), 5.25%, 7/15/2030	105,000	113,400
MPT Operating Partnership LP, (REIT), 3.5%, 3/15/2031	195,000	201,338
Office Properties Income Trust, (REIT), 4.15%, 2/1/2022	60,000	61,088
Omega Healthcare Investors, Inc.:		
(REIT), 4.5%, 4/1/2027	50,000	56,238
(REIT), 4.75%, 1/15/2028	60,000	68,357
VEREIT Operating Partnership LP, (REIT), 2.85%, 12/15/2032	30,000	31,369
Welltower, Inc., (REIT), 2.75%, 1/15/2031	40,000	42,325
		894,047
Utilities 0.9%		
ENN Energy Holdings, Ltd., 144A, 2.625%, 9/17/2030	200,000	201,112
NextEra Energy Operating Partners LP:		
144A, 3.875%, 10/15/2026	190,000	202,825
144A, 4.25%, 7/15/2024	275,000	294,250
Pacific Gas and Electric Co.:		
2.5%, 2/1/2031	20,000	20,073
3.3%, 8/1/2040	70,000	69,864
3.5%, 8/1/2050	25,000	24,848
Perusahaan Listrik Negara PT, 144A, 2.875%, 10/25/2025	EUR 260,000	342,458
		1,155,430
Total Corporate Bonds (Cost $18,134,382)		**19,295,845**

	Principal Amount ($)(c)	Value ($)
Asset-Backed 5.6%		
Automobile Receivables 3.0%		
AmeriCredit Automobile Receivables Trust, "C", Series 2019-2, 2.74%, 4/18/2025	720,000	749,917
Avis Budget Rental Car Funding AESOP LLC, "C", Series 2019-1A, 144A, 4.53%, 3/20/2023	100,000	101,686
CPS Auto Receivables Trust, "E", Series 2015-C, 144A, 6.54%, 8/16/2021	500,000	501,014
Flagship Credit Auto Trust, "C", Series 2019-4, 144A, 2.77%, 12/15/2025	1,100,000	1,144,751
GMF Floorplan Owner Revolving Trust, "C", Series 2019-1, 144A, 3.06%, 4/15/2024	260,000	266,666
Hertz Vehicle Financing II LP, "B", Series 2017-2A, 144A, 4.2%, 10/25/2023	500,000	501,363
Hyundai Auto Receivables Trust, "C", Series 2019-B, 2.4%, 6/15/2026	500,000	522,243
		3,787,640
Credit Card Receivables 0.6%		
Fair Square Issuance Trust, "A", Series 2020-AA, 144A, 2.9%, 9/20/2024	800,000	**808,927**
Miscellaneous 2.0%		
DB Master Finance LLC, "A2I", Series 2019-1A, 144A, 3.787%, 5/20/2049	217,250	222,625
Domino's Pizza Master Issuer LLC, "A23", Series 2017-1A, 144A, 4.118%, 7/25/2047	329,800	353,315
MVW Owner Trust, "A", Series 2019-1A, 144A, 2.89%, 11/20/2036	321,537	333,653
RR 8 Ltd., "A1B", Series 2020-8A, 144A, 3-month USD-LIBOR + 1.450%, 1.687%**, 4/15/2033	490,000	491,517
Sierra Timeshare Receivables Funding LLC, "A", Series 2020-2A, 144A, 1.33%, 7/20/2037	497,991	500,316
Taco Bell Funding LLC, "A2I", Series 2018-1A, 144A, 4.318%, 11/25/2048	490,000	497,002
Wendy's Funding LLC, "A2I", Series 2018-1A, 144A, 3.573%, 3/15/2048	155,200	159,986
		2,558,414
Total Asset-Backed (Cost $7,021,431)		**7,154,981**
Mortgage-Backed Securities Pass-Throughs 3.8%		
Federal Home Loan Mortgage Corp., 6.0%, 3/1/2038	2,072	2,433

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($)(c)	Value ($)
Federal National Mortgage Association:		
2.0%, 1/1/2051 (e)	2,300,000	2,388,826
4.5%, 9/1/2035	3,147	3,526
6.0%, 1/1/2024	3,838	4,030
Government National Mortgage Association, 2.0%, 1/1/2051 (e)	2,300,000	2,404,029
Total Mortgage-Backed Securities Pass-Throughs (Cost $4,778,652)		**4,802,844**

Commercial Mortgage-Backed Securities 3.9%

	Principal Amount ($)(c)	Value ($)
BX Commercial Mortgage Trust, "D", Series 2018-IND, 144A, 1-month USD-LIBOR + 1.300%, 1.459%**, 11/15/2035	175,000	174,561
CFK Trust, "A", Series 2020-MF2, 144A, 2.387%, 3/15/2039	750,000	781,479
Citigroup Commercial Mortgage Trust:		
"A", Series 2020-555, 144A, 2.647%, 12/10/2041	700,000	736,572
"D", Series 2019-PRM, 144A, 4.35%, 5/10/2036	500,000	520,119
Credit Suisse Commercial Mortgage Trust, "B", Series 2020-TMIC, 144A, 1-month USD-LIBOR + 5.000%, 5.25%**, 12/15/2035	700,000	701,357
FHLMC Multifamily Structured Pass-Through Certificates:		
"X1", Series K043, Interest Only, 0.528%**, 12/25/2024	4,797,953	89,866
"X1P", Series KL05, Interest Only, 0.892%**, 6/25/2029	4,800,000	320,019
"X1", Series K110, Interest Only, 1.698%**, 4/25/2030	3,497,690	463,175
GMAC Commercial Mortgage Securities, Inc., "G", Series 2004-C1, 144A, 5.455%, 3/10/2038	394,448	248,023
MTRO Commercial Mortgage Trust, "C", Series 2019-TECH, 144A, 1-month USD-LIBOR + 1.300%, 1.459%**, 12/15/2033	250,000	242,780
Multifamily Connecticut Avenue Securities Trust, "M7", Series 2019-01, 144A, 1-month USD-LIBOR + 1.700%, 1.848%**, 10/15/2049	366,604	356,358
NYT Mortgage Trust, "B", Series 2019-NYT, 144A, 1-month USD-LIBOR + 1.400%, 1.559%**, 12/15/2035	350,000	348,051
Total Commercial Mortgage-Backed Securities (Cost $5,081,623)		**4,982,360**

Collateralized Mortgage Obligations 3.1%

	Principal Amount ($)(c)	Value ($)
Connecticut Avenue Securities Trust:		
"1M2", Series 2019-R03, 144A, 1-month USD-LIBOR + 2.150%, 2.298%**, 9/25/2031	97,755	97,636
"1M2", Series 2019-R02, 144A, 1-month USD-LIBOR + 2.300%, 2.448%**, 8/25/2031	137,774	137,598
Fannie Mae Connecticut Avenue Securities:		
"1M2", Series 2018-C06, 1-month USD-LIBOR + 2.000%, 2.148%**, 3/25/2031	105,735	105,054
"1M2", Series 2018-C01, 1-month USD-LIBOR + 2.250%, 2.398%**, 7/25/2030	125,384	124,755
"1M2", Series 2018-C05, 1-month USD-LIBOR + 2.350%, 2.498%**, 1/25/2031	393,628	394,128
Federal Home Loan Mortgage Corp., "H", Series 2278, 6.5%, 1/15/2031	98	109
Federal National Mortgage Association:		
"4", Series 406, Interest Only, 4.0%, 9/25/2040	274,043	37,521
"I", Series 2003-84, Interest Only, 6.0%, 9/25/2033	79,014	15,649
Freddie Mac Structured Agency Credit Risk Debt Notes:		
"M2", Series 2020-DNA2, 144A, 1-month USD-LIBOR + 1.850%, 1.998%**, 2/25/2050	1,000,000	993,863
"M2", Series 2019-DNA3, 144A, 1-month USD-LIBOR + 2.050%, 2.198%**, 7/25/2049	260,254	258,800
"M2", Series 2019-DNA2, 144A, 1-month USD-LIBOR + 2.450%, 2.598%**, 3/25/2049	367,855	366,920
"M2", Series 2019-DNA1, 144A, 1-month USD-LIBOR + 2.650%, 2.798%**, 1/25/2049	53,202	53,067
Government National Mortgage Association:		
"PI", Series 2015-40, Interest Only, 4.0%, 4/20/2044	102,791	5,130
"IV", Series 2009-69, Interest Only, 5.5%, 8/20/2039	103,013	16,622
"IN", Series 2009-69, Interest Only, 5.5%, 8/20/2039	109,248	17,869
"IJ", Series 2009-75, Interest Only, 6.0%, 8/16/2039	71,420	11,918
JPMorgan Mortgage Trust:		
"A11", Series 2019-9, 144A, 1-month USD-LIBOR + 0.900%, 1.05%**, 5/25/2050	192,811	193,041
"AM", Series 2016-3, 144A, 3.35%**, 10/25/2046	395,988	401,169
New Residential Mortgage Loan Trust:		
"A1", Series 2019-NQM3, 144A, 2.802%**, 7/25/2049	297,879	301,572
"A1", Series 2019-NQM2, 144A, 3.6%, 4/25/2049	105,752	106,561

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($)(c)	Value ($)
STACR Trust, "M2", Series 2018-DNA3, 144A, 1-month USD-LIBOR + 2.100%, 2.248%**, 9/25/2048	324,324	320,636
Total Collateralized Mortgage Obligations (Cost $3,901,934)		**3,959,618**

Government & Agency Obligations 1.7%

Sovereign Bonds

Federative Republic of Brazil, 3.875%, 6/12/2030	200,000	211,000
Perusahaan Penerbit SBSN Indonesia III, 144A, 2.8%, 6/23/2030	200,000	212,126
Republic of Indonesia, 2.85%, 2/14/2030	625,000	674,306
Republic of Kazakhstan, 144A, 1.55%, 11/9/2023	EUR 270,000	341,101
Republic of Philippines, 2.457%, 5/5/2030	625,000	673,688
Total Government & Agency Obligations (Cost $2,068,536)		**2,112,221**

Short-Term U.S. Treasury Obligations 1.7%

U.S. Treasury Bills:		
0.101%***, 8/12/2021 (f)	175,000	174,907
0.125%***, 8/12/2021	250,000	249,868
0.142%***, 6/17/2021 (g)	1,700,000	1,699,361
Total Short-Term U.S. Treasury Obligations (Cost $2,123,578)		**2,124,136**

	Shares	Value ($)

Exchange-Traded Funds 3.0%

SPDR Bloomberg Barclays Convertible Securities ETF (Cost $2,468,571)	46,280	**3,831,521**

Securities Lending Collateral 0.6%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (h) (i) (Cost $693,562)	693,562	**693,562**

Cash Equivalents 1.9%

DWS Central Cash Management Government Fund, 0.08% (h) (Cost $2,394,743)	2,394,743	**2,394,743**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $110,070,137)	104.1	**131,938,719**
Other Assets and Liabilities, Net	(4.1)	**(5,184,255)**
Net Assets	100.0	**126,754,464**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 0.6%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (h) (i)								
1,105,478	—	411,916 (j)	—	—	12,173	—	693,562	693,562
Cash Equivalents 1.9%								
DWS Central Cash Management Government Fund, 0.08% (h)								
1,544,128	63,175,398	62,324,783	—	—	15,583	—	2,394,743	2,394,743
2,649,606	**63,175,398**	**62,736,699**	**—**	**—**	**27,756**	**—**	**3,088,305**	**3,088,305**

* Non-income producing security.

** Variable or floating rate security. These securities are shown at their current rate as of December 31, 2020. 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.

*** Annualized yield at time of purchase; not a coupon rate.

(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, 2020 amounted to $666,666, which is 0.5% of net assets.

(b) Investment was valued using significant unobservable inputs.

(c) Principal amount stated in U.S. dollars unless otherwise noted.

(d) Perpetual, callable security with no stated maturity date.

(e) When-issued, delayed delivery or forward commitment securities included.

(f) At December 31, 2020, this security has been pledged, in whole or in part, to cover initial margin requirements for open centrally cleared swap contracts.

(g) At December 31, 2020, this security has been pledged, in whole or in part, to cover initial margin requirements for open futures contracts.

The accompanying notes are an integral part of the financial statements.

(h) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(i) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(j) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

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

ASX: Australian Securities Exchange

GDR: Global Depositary Receipt

Interest Only: Interest Only (IO) bonds represent the "interest only" portion of payments on a pool of underlying mortgages or mortgage-backed securities. IO securities are subject to prepayment risk of the pool of underlying mortgages.

LIBOR: London Interbank Offered Rate

MSCI: Morgan Stanley Capital International

PJSC: Public Joint Stock Company

REIT: Real Estate Investment Trust

SBSN: Surat Berharga Syariah Negara (Islamic Based Government Securities)

S&P: Standard & Poor's

SPDR: Standard & Poor's Depositary Receipt

Included in the portfolio are investments in mortgage or asset-backed securities which are interests in separate pools of mortgages or assets. Effective maturities of these investments may be shorter than stated maturities due to prepayments.

At December 31, 2020, open futures contracts purchased were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Appreciation (Depreciation) ($)
3 Month Euro Euribor Interest Rate	EUR	12/13/2021	2	614,158	614,216	58
3 Month Euro Swiss Franc (Euroswiss) Interest Rate	CHF	12/13/2021	2	569,131	569,129	(2)
3 Month Euroyen	JPY	12/13/2021	2	484,463	484,480	17
3 Month Sterling (Short Sterling) Interest Rate	GBP	12/15/2021	3	512,790	513,146	356
90 Day Eurodollar Time Deposit	USD	12/13/2021	2	498,700	498,950	250
ASX 90 Day Bank Accepted Bills	AUD	12/9/2021	3	2,312,347	2,312,508	161
MSCI E-Mini Emerging Market Index	USD	3/19/2021	81	5,150,977	5,217,210	66,233
Ultra Long U.S. Treasury Bond	USD	3/22/2021	10	2,164,714	2,135,625	(29,089)
Total net unrealized appreciation						**37,984**

At December 31, 2020, open futures contracts sold were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Depreciation ($)
5 Year U.S. Treasury Note	USD	3/31/2021	19	2,391,281	2,397,117	(5,836)
S&P 500 E-Mini Index	USD	3/19/2021	12	2,215,735	2,249,280	(33,545)
TOPIX Index	JPY	3/11/2021	17	2,890,185	2,970,946	(80,761)
Total unrealized depreciation						**(120,142)**

At December 31, 2020, open interest rate swap contracts were as follows:

Centrally Cleared Swaps

Cash Flows Paid by the Fund/ Frequency	Cash Flows Received by the Fund/ Frequency	Effective/ Expiration Date	Notional Amount ($)	Currency	Value ($)	Upfront Payments Paid/ (Received) ($)	Unrealized Depreciation ($)
Fixed — 2.0% Semi-Annually	Floating — 3-Month LIBOR Quarterly	1/21/2020 1/21/2030	1,800,000	USD	(200,558)	(40,434)	**(160,124)**

LIBOR: London Interbank Offered Rate; 3-month LIBOR rate as of December 31, 2020 is 0.238%.

As of December 31, 2020, the Fund had the following open forward foreign currency contracts:

Contracts to Deliver		In Exchange For		Settlement Date	Unrealized Depreciation ($)	Counterparty
EUR	800,000	USD	939,411	2/5/2021	(38,637)	Bank of America

The accompanying notes are an integral part of the financial statements.

Currency Abbreviations

AUD Australian Dollar	GBP British Pound
CHF Swiss Franc	JPY Japanese Yen
EUR Euro	USD United States Dollar

For information on the Fund's policy and additional disclosures regarding futures contracts, interest rate swap contracts and forward foreign currency 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, 2020 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				
Communication Services	$ 4,035,095	$ 2,504,391	$ —	$ 6,539,486
Consumer Discretionary	5,798,007	1,836,720	—	7,634,727
Consumer Staples	2,905,739	2,036,680	—	4,942,419
Energy	1,148,133	412,857	—	1,560,990
Financials	4,880,339	6,486,160	—	11,366,499
Health Care	4,493,390	3,188,592	—	7,681,982
Industrials	2,637,685	2,816,428	—	5,454,113
Information Technology	18,000,589	1,558,576	—	19,559,165
Materials	1,951,328	2,117,152	—	4,068,480
Real Estate	1,364,287	888,485	—	2,252,772
Utilities	2,047,189	2,184,331	—	4,231,520
Preferred Stocks (k)	5,286,626	—	—	5,286,626
Warrants	—	—	8,109	8,109
Fixed Income Investments (k)				
Corporate Bonds	—	19,295,845	—	19,295,845
Asset-Backed	—	7,154,981	—	7,154,981
Mortgage-Backed Securities Pass-Throughs	—	4,802,844	—	4,802,844
Commercial Mortgage-Backed Securities	—	4,982,360	—	4,982,360
Collateralized Mortgage Obligations	—	3,959,618	—	3,959,618
Government & Agency Obligations	—	2,112,221	—	2,112,221
Short-Term U.S. Treasury Obligations	—	2,124,136	—	2,124,136
Exchange-Traded Funds	3,831,521	—	—	3,831,521
Short-Term Investments (k)	3,088,305	—	—	3,088,305
Derivatives (l)				
Futures Contracts	67,075	—	—	67,075
Total	**$ 61,535,308**	**$ 70,462,377**	**$ 8,109**	**$ 132,005,794**

Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (l)				
Futures Contracts	$ (149,233)	$ —	$ —	$ (149,233)
Interest Rate Swap Contracts	—	(160,124)	—	(160,124)
Forward Foreign Currency Contracts	—	(38,637)	—	(38,637)
Total	**$ (149,233)**	**$ (198,761)**	**$ —**	**$ (347,994)**

(k) See Investment Portfolio for additional detailed categorizations.

(l) Derivatives include unrealized appreciation (depreciation) on open futures contracts, interest rate swap contracts and forward foreign currency contracts.

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2020

Assets	
Investments in non-affiliated securities, at value (cost $106,981,832) — including $666,666 of securities loaned	$128,850,414
Investment in DWS Government & Agency Securities Portfolio (cost $693,562)*	693,562
Investment in DWS Central Cash Management Government Fund (cost $2,394,743)	2,394,743
Cash	20,000
Foreign currency, at value (cost $101,917)	86,829
Receivable for investments sold	35,000
Receivable for Fund shares sold	1,327
Dividends receivable	124,218
Interest receivable	233,394
Receivable for variation margin on centrally cleared swaps	3,641
Foreign taxes recoverable	77,381
Other assets	2,607
Total assets	132,523,116

Liabilities	
Payable upon return of securities loaned	693,562
Payable for investments purchased — when-issued/delayed delivery securities	4,793,802
Payable for Fund shares redeemed	37,152
Payable for variation margin on futures contracts	15,338
Unrealized depreciation on forward foreign currency contracts	38,637
Accrued management fee	39,367
Accrued Trustees' fees	2,683
Other accrued expenses and payables	148,111
Total liabilities	5,768,652
Net assets, at value	**$126,754,464**

Net Assets Consist of	
Distributable earnings (loss)	25,919,499
Paid-in capital	100,834,965
Net assets, at value	**$126,754,464**

Net Asset Value		
Class A **Net Asset Value,** offering and redemption price per share ($126,742,285 ÷ 5,056,269 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$**	**25.07**
Class B **Net Asset Value,** offering and redemption price per share ($12,179 ÷ 487 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$**	**25.01**

* Represents collateral on securities loaned.

The accompanying notes are an integral part of the financial statements.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $107,329)	$2,462,134
Interest	1,271,929
Income distributions — DWS Central Cash Management Government Fund	15,583
Securities lending income, net of borrower rebates	12,173
Total income	3,761,819
Expenses: Management fee	442,071
Administration fee	116,532
Services to Shareholders	685
Distribution service fees (Class B)	28
Custodian fee	21,373
Professional fees	97,135
Reports to shareholders	54,184
Trustees' fees and expenses	5,726
Other	28,733
Total expenses before expense reductions	766,467
Expense reductions	(18)
Total expenses after expense reductions	766,449
Net investment income	**2,995,370**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	(253,441)
Swap contracts	477,028
Futures	1,538,385
Forward foreign currency contracts	(42,436)
Foreign currency	69,705
	1,789,241
Change in net unrealized appreciation (depreciation) on: Investments	4,642,313
Swap contracts	(137,505)
Futures	(28,164)
Forward foreign currency contracts	(32,854)
Foreign currency	(12,136)
	4,431,654
Net gain (loss)	**6,220,895**
Net increase (decrease) in net assets resulting from operations	**$9,216,265**

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, 2020	2019
Operations:		
Net investment income	$ 2,995,370	$ 3,775,658
Net realized gain (loss)	1,789,241	2,358,917
Change in net unrealized appreciation (depreciation)	4,431,654	17,107,421
Net increase (decrease) in net assets resulting from operations	9,216,265	23,241,996
Distributions to shareholders:		
Class A	(6,579,884)	(5,055,619)
Class B	(575)	(391)
Total distributions	(6,580,459)	(5,056,010)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,458,485	3,126,739
Reinvestment of distributions	6,579,884	5,055,619
Payments for shares redeemed	(14,768,561)	(16,140,970)
Net increase (decrease) in net assets from Class A share transactions	(5,730,192)	(7,958,612)
Class B		
Reinvestment of distributions	575	391
Net increase (decrease) in net assets from Class B share transactions	575	391
Increase (decrease) in net assets	(3,093,811)	10,227,765
Net assets at beginning of period	129,848,275	119,620,510
Net assets at end of period	**$126,754,464**	**$129,848,275**

Other Information		
Class A		
Shares outstanding at beginning of period	5,271,275	5,608,755
Shares sold	106,312	133,321
Shares issued to shareholders in reinvestment of distributions	324,451	220,866
Shares redeemed	(645,769)	(691,667)
Net increase (decrease) in Class A shares	(215,006)	(337,480)
Shares outstanding at end of period	**5,056,269**	**5,271,275**
Class B		
Shares outstanding at beginning of period	458.6	441.5
Shares issued to shareholders in reinvestment of distributions	28.4	17.1
Net increase (decrease) in Class B shares	28.4	17.1
Shares outstanding at end of period	**487**	**458.6**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Global Income Builder VIP — Class A

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$24.63**	**$21.33**	**$26.56**	**$23.50**	**$22.93**
Income (loss) from investment operations:					
Net investment income[a]	.57	.69	.80	.71	.61
Net realized and unrealized gain (loss)	1.16	3.54	(2.67)	3.10	.91
Total from investment operations	1.73	4.23	(1.87)	3.81	1.52
Less distributions from:					
Net investment income	(.74)	(.90)	(.98)	(.75)	(.95)
Net realized gains	(.55)	(.03)	(2.38)	—	—
Total distributions	(1.29)	(.93)	(3.36)	(.75)	(.95)
Net asset value, end of period	**$25.07**	**$24.63**	**$21.33**	**$26.56**	**$23.50**
Total Return (%)	8.28	20.16	(7.66)[b]	16.54	6.81
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	127	130	120	147	185
Ratio of expenses before expense reductions (%)[c]	.64	.68	.69	.63	.62
Ratio of expenses after expense reductions (%)[c]	.64	.68	.68	.63	.62
Ratio of net investment income (loss) (%)	2.51	2.96	3.34	2.85	2.66
Portfolio turnover rate (%)	137	182	70	122	135

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.

DWS Global Income Builder VIP — Class B

	Years Ended December 31,		Period Ended
	2020	2019	12/31/18[a]
Selected Per Share Data			
Net asset value, beginning of period	**$ 24.61**	**$ 21.30**	**$ 22.65**
Income (loss) from investment operations:			
Net investment income[b]	.50	.65	.50
Net realized and unrealized gain (loss)	1.15	3.55	(1.85)
Total from investment operations	1.65	4.20	(1.35)
Less distributions from:			
Net investment income	(.70)	(.86)	—
Net realized gains	(.55)	(.03)	—
Total distributions	(1.25)	(.89)	—
Net asset value, end of period	**$ 25.01**	**$ 24.61**	**$ 21.30**
Total Return (%)[c]	7.90	20.01	(5.96)**
Ratios to Average Net Assets and Supplemental Data			
Net assets, end of period ($ thousands)	12	11	9
Ratio of expenses before expense reductions (%)[d]	1.10	1.10	1.15*
Ratio of expenses after expense reductions (%)[d]	.93	.86	.86*
Ratio of net investment income (loss) (%)	2.20	2.77	3.30*
Portfolio turnover rate (%)	137	182	70[e]

a For the period from May 1, 2018 (commencement of operations) to December 31, 2018.

b Based on average shares outstanding during the period.

c Total return would have been lower had certain expenses not been reduced.

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.

e Represents the Fund's portfolio turnover rate for the year ended December 31, 2018.

* Annualized

** Not annualized

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS Global Income Builder 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). Sales of Class B shares are subject to recordkeeping fees of up to 0.15% and Rule 12b-1 fees under the 1940 Act equal to an annual rate of up to 0.25% 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 Rule 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 and 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.

Debt securities 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. 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.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and are categorized as Level 2.

Swap contracts are valued daily based upon prices supplied by a Board approved pricing vendor, if available, and otherwise are valued at the price provided by the broker-dealer. Swap contracts are generally 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 effort 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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, 2020

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Common Stocks	$663,602	$ —	$ —	$ —	$663,602
Corporate Bonds	29,960	—	—	—	29,960
Total Borrowings	**$693,562**	**$ —**	**$ —**	**$ —**	**$693,562**
Gross amount of recognized liabilities for securities lending transactions					$693,562

When-Issued/Delayed Delivery Securities. The Fund may purchase or sell 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 or sell a security, the transaction is recorded and the value of the transaction 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. 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.

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, 2020 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 foreign denominated investments, forward currency contracts, futures contracts, swap contracts 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 3,031,181
Undistributed long-term capital gains	$ 1,789,328
Net unrealized appreciation (depreciation) on investments	$ 21,085,539

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $110,627,722. The net unrealized appreciation for all investments based on tax cost was $21,085,539. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $22,865,547 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $1,780,008.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 4,875,936	$ 4,909,285
Distributions from long-term capital gains	$ 1,704,523	$ 146,725

* 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. 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. All discounts and premiums are accreted/amortized for both tax and financial reporting purposes, with the exception of securities in default of principal.

B. Derivative Instruments

Swaps. A swap is a contract between two parties to exchange future cash flows at periodic intervals based on the notional amount of the swap. A bilateral swap is a transaction between the fund and a counterparty where cash flows are exchanged between the two parties. A centrally cleared swap is a transaction executed between the fund and a counterparty, then cleared by a clearing member through a central clearinghouse. The central clearinghouse serves as the counterparty, with whom the fund exchanges cash flows.

The value of a swap is adjusted daily, and the change in value, if any, is recorded as unrealized appreciation or depreciation in the Statement of Assets and Liabilities. Gains or losses are realized when the swap expires or is closed. Certain risks may arise when entering into swap transactions including counterparty default; liquidity; or unfavorable changes in interest rates or the value of the underlying reference security, commodity or index. In connection with bilateral swaps, securities and/or cash may be identified as collateral in accordance with the terms of the swap agreement to provide assets of value and recourse in the event of default. The maximum counterparty credit risk is the net present value of the cash flows to be received from or paid to the counterparty over the term of the swap, to the extent that this amount is beneficial to the Fund, in addition to any related collateral posted to the counterparty by the Fund. This risk may be partially reduced by a master netting arrangement between the Fund and the counterparty. Upon entering into a centrally cleared swap, 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 notional amount of the swap. Subsequent payments ("variation margin") are made or received by the Fund dependent upon the daily fluctuations in the value of the swap. In a cleared swap transaction, counterparty risk is minimized as the central clearinghouse acts as the counterparty.

An upfront payment, if any, made by the Fund is recorded as an asset in the Statement of Assets and Liabilities. An upfront payment, if any, received by the Fund is recorded as a liability in the Statement of Assets and Liabilities. Payments received or made at the end of the measurement period are recorded as realized gain or loss in the Statement of Operations.

Interest Rate Swaps. Interest rate swaps are agreements in which the Fund agrees to pay to the counterparty a fixed rate payment in exchange for the counterparty agreeing to pay to the Fund a variable rate payment, or the Fund agrees to receive from the counterparty a fixed rate payment in exchange for the counterparty agreeing to receive from the Fund a variable rate payment. The payment obligations are based on the notional amount of the swap. For the year ended December 31, 2020, the Fund entered into interest rate swap agreements to gain exposure to different parts of the yield curve while managing overall duration.

A summary of the open interest rate swap contracts as of December 31, 2020 is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in interest rate swap contracts had a total notional amount generally indicative of a range from $800,000 to $5,600,000.

Credit Default Swaps. Credit default swaps are agreements between a buyer and a seller of protection against predefined credit events for the reference entity. The Fund may enter into credit default swaps to gain exposure to an underlying issuer's credit quality characteristics without directly investing in that issuer or to hedge against the risk of a credit event on debt securities. As a seller of a credit default swap, the Fund is required to pay the par (or other agreed-upon) value of the referenced entity to the counterparty with the occurrence of a credit event by a third party, such as a U.S. or foreign corporate issuer, on the reference entity, which would likely result in a loss to the Fund. In return, the Fund receives from the counterparty a periodic stream of payments over the term of the swap provided that no credit event has occurred. If no credit event occurs, the Fund keeps the stream of payments with no payment obligations. The Fund may also buy credit default swaps, in which case the Fund functions as the counterparty referenced above. This involves the risk that the swap may expire worthless. It also involves counterparty risk that the seller may fail to satisfy its payment obligations to the Fund with the occurrence of a credit event. When the Fund sells a credit default swap, it will cover its commitment. This may be achieved by, among other methods, maintaining cash or liquid assets equal to the aggregate notional value of the reference entities for all outstanding credit default swaps sold by the Fund. For the year ended December 31, 2020, the Fund entered into credit default swap agreements to gain exposure to the underlying issuer's credit quality characteristics and to hedge the risk of default or other specified credit events on portfolio assets.

Under the terms of a credit default swap, the Fund receives or makes periodic payments based on a specified interest rate on a fixed notional amount. These payments are recorded as a realized gain or loss in the Statement of Operations. Payments received or made as a result of a credit event or termination of the swap are recognized, net of a proportional amount of the upfront payment, as realized gains or losses in the Statement of Operations.

There were no open credit default swap contracts as of December 31, 2020. For the year ended December 31, 2020, the investment in credit default swap contracts sold had a total notional value generally indicative of a range from $0 to $2,576,000.

Futures Contracts. 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, 2020, the Fund entered into interest rate futures to gain exposure to different parts of the yield curve while managing overall duration. The Fund also entered into interest rate futures contracts for non-hedging purposes to seek to enhance potential gains. In addition, the Fund entered into equity index futures as a means of gaining exposure to the equity asset class without investing directly into such asset class and to manage the risk of stock market volatility.

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.

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 disclosed in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2020 is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $12,345,000 to $42,318,000, and the investment in futures contracts sold had a total notional value generally indicative of a range from approximately $6,988,000 to $12,281,000.

Forward Foreign Currency Contracts. 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, 2020, 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, to facilitate transactions in foreign currency denominated securities and for non-hedging purposes to seek to enhance potential gains.

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, 2020 is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in forward currency contracts short vs. U.S. dollars had a total contract value generally indicative of a range from approximately $617,000 to $1,175,000, and the investment in forward currency contracts long vs. U.S. dollars had a total contract value generally indicative of a range from $0 to approximately $567,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2020 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Asset Derivatives	**Futures Contracts**
Equity Contracts (a)	$ 66,233
Interest Rate Contracts (a)	842
	$ 67,075

The above derivative is located in the following Statement of Assets and Liabilities accounts:

(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.

Liability Derivatives	**Forward Contracts**	**Swap Contracts**	**Futures Contracts**	**Total**
Equity Contracts (b)	$ —	$ —	$ (114,306)	$ (114,306)
Interest Rate Contracts (b)	—	(160,124)	(34,927)	(195,051)
Foreign Exchange Contracts (c)	(38,637)	—	`—	(38,637)
	$ (38,637)	**$ (160,124)**	**$ (149,233)**	**$ (347,994)**

Each of the above derivatives is located in the following Statement of Assets and Liabilities accounts:

(b) Includes cumulative depreciation of futures and centrally cleared swap contracts as disclosed in the Investment Portfolio. Unsettled variation margin is disclosed separately within the Statement of Assets and Liabilities.

(c) 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, 2020, 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**	**Swap Contracts**	**Futures Contracts**	**Total**
Equity Contracts (d)	$ —	$ —	$ 251,402	$ 251,402
Credit Contracts (d)	—	970,253	—	970,253
Interest Rate Contracts (d)	—	(493,225)	1,286,983	793,758
Foreign Exchange Contracts (d)	(42,436)	—	—	(42,436)
	$ (42,436)	**$ 477,028**	**$ 1,538,385**	**$ 1,972,977**

Each of the above derivatives is located in the following Statement of Operations accounts:

(d) Net realized gain (loss) from forward foreign currency contracts, swap contracts and futures, respectively

Change in Net Unrealized Appreciation (Depreciation)	Forward Contracts	Swap Contracts	Futures Contracts	Total
Equity Contracts (e)	$ —	$ —	$ (100,076)	$ (100,076)
Credit Contracts (e)	—	(13,370)	—	(13,370)
Interest Rate Contracts (e)	—	(124,135)	71,912	(52,223)
Foreign Exchange Contracts (e)	(32,854)	—	—	(32,854)
	$ (32,854)	**$ (137,505)**	**$ (28,164)**	**$ (198,523)**

Each of the above derivatives is located in the following Statement of Operations accounts:

(e) Change in net unrealized appreciation (depreciation) on forward foreign currency contracts, swap contracts and futures, respectively

As of December 31, 2020, 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 tables:

Counterparty	Gross Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments and Derivatives Available for Offset	Collateral Pledged	Net Amount of Derivative Liabilities
Bank of America	$ 38,637	$ —	$ —	$ 38,637

C. Purchases and Sales of Securities

During the year ended December 31, 2020, purchases and sales of investment transactions, excluding short-term investments, were as follows:

	Purchases	Sales
Non-U.S. Treasury Obligations	$ 153,938,303	$ 155,711,395
U.S. Treasury Obligations	$ 5,785,426	$ 5,869,052

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 or delegates such responsibility to the Fund's subadvisor.

Under the Investment Management Agreement, the Fund pays a monthly management fee based on the Fund's average daily net assets, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.370%
Next $750 million	.345%
Over $1 billion	.310%

Accordingly, for the year ended December 31, 2020, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waiver/reimbursements) of 0.37% of the Fund's average daily net assets.

For the period from January 1, 2020 through September 30, 2021 (and through April 30, 2020 for Class B shares), 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 each class as follows:

Class A	.71%
Class B	.86%

Effective May 1, 2020 through September 30, 2021, 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 B shares at 0.96%.

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for Class B are $18.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid DIMA an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $116,532, of which $10,321 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 average daily net assets of Class B shares. For the year ended December 31, 2020, the Distribution Service Fee was as follows:

Distribution Fee	**Total Aggregated**	**Unpaid at December 31, 2020**
Class B	$ 28	$ 2

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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	**Total Aggregated**	**Unpaid at December 31 , 2020**
Class A	$ 480	$ 89
Class B	22	4
	$ 502	**$ 93**

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $13,086, of which $5,495 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, 2020, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $1,099.

E. Ownership of the Fund

At December 31, 2020, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 68%.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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 Global Income Builder VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Global Income Builder VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, Class B 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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 1/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 6/30/20	$ 1,151.10	$ 1,148.80
Expenses Paid per $1,000*	$ 3.35	$ 5.19

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 1/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 6/30/20	$ 1,022.02	$ 1,020.31
Expenses Paid per $1,000*	$ 3.15	$ 4.88

* 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 366.

Annualized Expense Ratio	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS Global Income Builder VIP	.62%	.96%

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 $0.34 per share from net long-term capital gains during its year ended December 31, 2020.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $1,987,000 as capital gain dividends for its year ended December 31, 2020.

For corporate shareholders, 26% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2020 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 Income Builder VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, 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 underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be equal to the median of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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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VS2GIB-2 (R-025825-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series I

DWS Global Small Cap VIP

Contents

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 recent 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.

Performance Summary

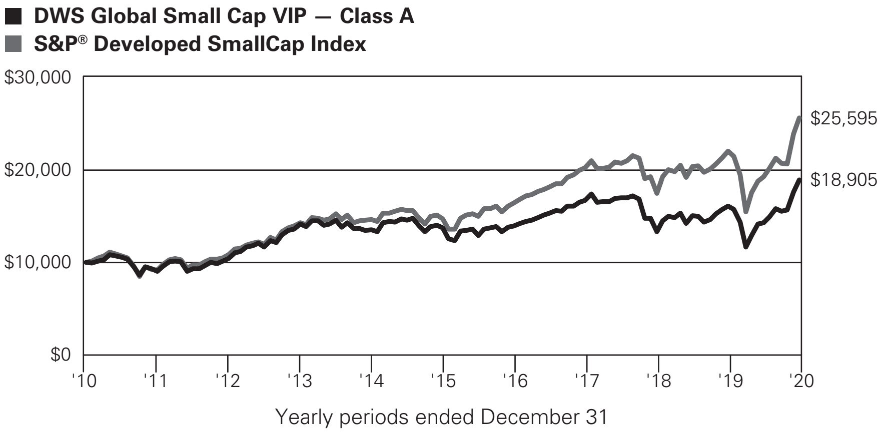
December 31, 2020 (Unaudited)

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, 2020, are 1.11% and 1.40% 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	$11,736	$11,315	$13,795	$18,905
	17.36%	4.21%	6.65%	6.58%
S&P Developed SmallCap Index	$11,620	$12,634	$17,384	$25,595
	16.20%	8.11%	11.69%	9.85%

DWS Global Small Cap VIP	1-Year	3-Year	5-Year	10-Year
Class B	$11,694	$11,222	$13,601	$18,413
	16.94%	3.92%	6.34%	6.30%
S&P Developed SmallCap Index	$11,620	$12,634	$17,384	$25,595
	16.20%	8.11%	11.69%	9.85%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

DWS Global Small Cap VIP returned 17.36% in 2020 (Class A shares, unadjusted for contract charges) and outperformed the 16.20% return of its benchmark, the S&P Developed SmallCap Index.

After a benign start to the year, equities moved sharply lower beginning in mid-February amid mounting concerns about the impact of COVID-19 on the global economy. The downturn, while large in magnitude, proved relatively short in duration. In late March, world central banks slashed interest rates and announced a number of measures to promote economic growth and financial-market liquidity. In addition, governments augmented the monetary stimulus with fiscal spending packages. These actions helped foster investor confidence that government support would help keep the economy afloat until the effects of COVID-19 dissipated, sparking a rally that lasted from late March to the end of August. Although the market's advance paused in the autumn due to rising global coronavirus cases and uncertainty surrounding the U.S. elections, it resumed in November and December following the approval of vaccines for COVID-19. Small caps performed particularly well in the final two months of 2020, as the prospect of a vaccine made investors more comfortable looking for opportunities outside of the U.S. mega-cap technology sector. Still, small companies trailed large caps for the full year.

The Fund's relative performance improved considerably in comparison to 2019. Much of the Fund's previous underperformance was the result of the large deviations in its regional and sector weightings from those of the benchmark. We worked to reduce these divergences gradually over the past 12 to 18 months, with the goal of limiting the effect of allocation factors so individual stock selection would be a larger driver of results. We believe the benefits of this process were visible in the Fund's positive relative performance in 2020.

Stock selection contributed to the Fund's results in the past year, with the largest advantage occurring in the real estate sector. Here, we benefited from an emphasis on data center and industrial real estate investment trusts (REITs) over COVID-sensitive areas such as retail and hotels/restaurants. The Fund's top performers in the sector included PATRIZIA AG and Americold Realty Trust. Consumer discretionary was also a source of strength, primarily as a result of positions in YETI Holdings, Inc. and TopBuild Corp., a U.S.-based producer of insulation and other building materials.

The Fund's holdings outperformed in the information technology sector, as well. Five9, Inc., a provider of cloud-based contact-center software that uses artificial intelligence to add value for its customers, was a top contributor. The company exhibited solid growth as corporations moved from call-center to at-home customer contact models. Inphi Corp., a producer of fifth generation (5G) mobile communications chips that was acquired at a premium in October, also performed very well. Varonis Systems, Inc., a designer and developer of security software solutions that experienced rising demand as corporations switched to work-from-home approaches, was an additional contributor of note.

On the negative side, we lost some relative performance in health care from positions in Sawai Pharmaceutical Co. Ltd. and Cardiovascular Systems, Inc. Elsewhere, key detractors included Thermon Group Holdings, Inc., a producer of industrial heating solutions, and Talgo SA, a Spanish train manufacturer.

The Fund closed the period with slight overweights in the United States and Europe, together with a small underweight in Asia ex-Japan. At the sector level, it had narrow overweights in higher-growth sectors — especially technology and health care — and it was modestly underweight in utilities, real estate, and materials. With this said, we continue to pursue an approach that seeks to keep the Fund's allocations within a tighter band relative to the corresponding index weightings.

We believe the investment backdrop remains favorable for small-cap stocks. Economic growth appears set to improve in 2021, creating supportive conditions for smaller companies. Inflation pressures also appear to be mounting, which could be a tailwind given that rising inflation has been correlated with outperformance for small caps over time. In this environment, we believe our large, global investment universe provides highly fertile territory to identify growing, undervalued, and undiscovered companies.

Peter Barsa, Director*
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

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.

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 fund.

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.

* Pankaj Bhatnagar, Managing Director, was added to the team on February 1, 2021.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	94%	94%
Cash Equivalents	4%	5%
Exchange-Traded Funds	2%	1%
Convertible Preferred Stock	—	0%
	100%	100%

Geographical Diversification (As of % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
United States	61%	59%
Japan	10%	10%
United Kingdom	5%	6%
Germany	3%	3%
Canada	3%	3%
Italy	2%	3%
Sweden	2%	1%
Luxembourg	2%	2%
France	2%	3%
Others	10%	10%
	100%	100%

Sector Diversification (As of % of Investment Portfolio excluding Exchange-Traded Funds, Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
Industrials	21%	20%
Information Technology	19%	17%
Health Care	16%	14%
Consumer Discretionary	13%	11%
Financials	10%	12%
Real Estate	8%	11%
Materials	6%	6%
Consumer Staples	3%	3%
Communication Services	3%	3%
Energy	1%	3%
Utilities	0%	—
	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, 2020

	Shares	Value ($)
Common Stocks 94.4%		
Austria 1.5%		
Wienerberger AG (Cost $921,227)	36,328	**1,155,099**
Bermuda 0.9%		
Lazard Ltd. "A" (a) (Cost $345,986)	16,265	**688,010**
Canada 3.3%		
First Quantum Minerals Ltd.	17,977	322,708
Linamar Corp.	12,569	665,725
Pan American Silver Corp.	16,342	563,606
Quebecor, Inc. "B"	39,795	1,024,184
(Cost $1,630,801)		**2,576,223**
France 1.7%		
Alten SA*	3,084	350,560
SPIE SA*	44,518	967,862
(Cost $1,436,752)		**1,318,422**
Germany 3.3%		
Deutz AG*	88,069	551,819
PATRIZIA AG	41,336	1,328,568
United Internet AG (Registered)	16,617	699,984
(Cost $1,143,291)		**2,580,371**
Hong Kong 0.8%		
Techtronic Industries Co., Ltd. (Cost $55,347)	45,541	**652,127**
India 0.7%		
WNS Holdings Ltd. (ADR)* (Cost $193,879)	7,251	**522,435**
Ireland 1.5%		
Avadel Pharmaceuticals PLC (ADR)* (b)	21,583	144,174
Dalata Hotel Group PLC*	129,550	599,656
Ryanair Holdings PLC*	21,445	425,295
(Cost $897,940)		**1,169,125**
Italy 2.3%		
Buzzi Unicem SpA	42,400	1,013,634
Cerved Group SpA*	23,914	217,073
Moncler SpA*	10,050	616,771
(Cost $1,425,848)		**1,847,478**
Japan 10.0%		
Ai Holdings Corp.	34,117	687,416
Anicom Holdings, Inc.	92,800	967,934
Anritsu Corp.	14,200	317,556
BML, Inc.	27,700	862,271
Kura Sushi, Inc.	4,800	291,876
Kusuri No Aoki Holdings Co., Ltd.	12,158	1,058,889
Optex Group Co., Ltd.	17,000	311,341
Sawai Pharmaceutical Co., Ltd.	12,600	571,449
Syuppin Co., Ltd.	49,200	431,265
Topcon Corp.	23,400	291,057
UT Group Co., Ltd.*	31,024	967,433
Zenkoku Hosho Co., Ltd.	22,400	1,026,788
(Cost $4,817,419)		**7,785,275**

	Shares	Value ($)
Korea 0.7%		
i-SENS, Inc. (Cost $569,030)	18,843	**522,496**
Luxembourg 1.9%		
B&M European Value Retail SA (Cost $936,561)	209,951	**1,487,890**
Spain 1.5%		
Fluidra SA	28,658	733,120
Talgo SA 144A*	88,107	446,762
(Cost $905,242)		**1,179,882**
Sweden 2.0%		
MIPS AB	7,101	446,306
Nobina AB 144A*	129,243	1,091,097
(Cost $861,296)		**1,537,403**
Switzerland 0.6%		
Landis & Gyr Group AG (Cost $477,066)	5,994	**471,290**
United Kingdom 5.2%		
Arrow Global Group PLC*	95,792	268,783
Clinigen Group PLC	44,130	407,832
Domino's Pizza Group PLC	106,754	461,611
Electrocomponents PLC	121,547	1,450,187
Johnson Service Group PLC*	265,435	509,845
Scapa Group PLC*	249,121	636,377
Ultra Electronics Holdings PLC	13,329	378,294
(Cost $3,017,442)		**4,112,929**
United States 56.5%		
Advanced Drainage Systems, Inc.	3,618	302,392
Affiliated Managers Group, Inc.	4,203	427,445
Agilysys, Inc.* (b)	13,712	526,267
Americold Realty Trust (REIT)	21,223	792,255
Amicus Therapeutics, Inc.*	16,774	387,312
Arena Pharmaceuticals, Inc.*	8,863	680,944
AZEK Co., Inc.*	2,537	97,548
Bandwidth, Inc. "A"*	2,002	307,647
Blucora, Inc.*	8,810	140,167
Builders FirstSource, Inc.*	20,777	847,909
Cardiovascular Systems, Inc.*	8,842	386,926
Casey's General Stores, Inc.	6,443	1,150,849
Cleveland-Cliffs, Inc. (b)	46,669	679,501
CMC Materials, Inc.	4,593	694,921
Contango Oil & Gas Co.* (b)	121,886	279,119
Cornerstone OnDemand, Inc.*	11,453	504,390
Dril-Quip, Inc.*	6,783	200,913
Ducommun, Inc.*	26,024	1,397,489
EastGroup Properties, Inc. (REIT)	4,274	590,068
Envestnet, Inc.*	9,595	789,573
Essential Properties Realty Trust, Inc. (REIT)	24,757	524,848
Five9, Inc.*	12,256	2,137,446
Four Corners Property Trust, Inc. (REIT)	27,967	832,578
Fox Factory Holding Corp.*	10,960	1,158,582
Green Dot Corp. "A"*	6,498	362,588
H&E Equipment Services, Inc.	12,714	379,004
Heron Therapeutics, Inc.*	22,446	475,070
Hillenbrand, Inc.	10,258	408,268

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Hudson Pacific Properties, Inc. (REIT)	8,486	203,834
Hyster-Yale Materials Handling, Inc.	5,590	332,885
Inphi Corp.*	12,265	1,968,165
iRhythm Technologies, Inc.*	3,824	907,091
Jack in the Box, Inc.	6,611	613,501
Jefferies Financial Group, Inc.	33,124	814,850
LivePerson, Inc.* (b)	5,940	369,646
Lumentum Holdings, Inc.*	8,748	829,310
Masonite International Corp.*	7,831	770,101
Molina Healthcare, Inc.*	4,393	934,303
National Storage Affiliates Trust (REIT)	15,303	551,367
Neurocrine Biosciences, Inc.*	7,688	736,895
Option Care Health, Inc.*	29,553	462,209
Outset Medical, Inc.*	816	46,381
Pacira BioSciences, Inc.*	15,060	901,190
Physicians Realty Trust (REIT)	38,643	687,845
Providence Service Corp.*	13,082	1,813,601
QAD, Inc. "A"	15,954	1,007,974
QTS Realty Trust, Inc. "A", (REIT)	10,438	645,903
Quidel Corp.*	1,819	326,783
Rush Enterprises, Inc. "A"	35,598	1,474,449
SJW Group	4,322	299,774
South State Corp.	12,286	888,278
Synovus Financial Corp.	22,074	714,535
Tandem Diabetes Care, Inc.*	3,297	315,457
Tenneco, Inc. "A"*	14,372	152,343
Thermon Group Holdings, Inc.* (b)	34,510	539,391
Titan Machinery, Inc.*	28,018	547,752
TopBuild Corp.*	6,718	1,236,649
Translate Bio, Inc.*	8,367	154,204
Travere Therapeutics, Inc.*	26,114	711,737
TriState Capital Holdings, Inc.*	27,098	471,505
Varonis Systems, Inc.*	10,791	1,765,516
Vital Farms, Inc.* (b)	589	14,908
Vroom, Inc.*	1,119	45,845
WEX, Inc.*	2,214	450,615
YETI Holdings, Inc.*	21,295	1,458,069
Zions Bancorp. NA	10,965	476,320
(Cost $25,574,095)		**44,103,200**
Total Common Stocks (Cost $45,209,222)		**73,709,655**

Exchange-Traded Funds 1.7%

United States

	Shares	Value ($)
iShares Russell 2000 ETF (Cost $990,476)	6,798	**1,332,816**

Securities Lending Collateral 1.5%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (c) (d) (Cost $1,184,652)	1,184,652	**1,184,652**

Cash Equivalents 3.9%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.08% (c) (Cost $3,011,728)	3,011,728	**3,011,728**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $50,396,078)	101.5	**79,238,851**
Other Assets and Liabilities, Net	(1.5)	**(1,141,647)**
Net Assets	100.0	**78,097,204**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 1.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (c) (d)								
1,799,761	—	615,109 (e)	—	—	23,360	—	1,184,652	1,184,652
Cash Equivalents 3.9%								
DWS Central Cash Management Government Fund, 0.08% (c)								
3,272,911	7,493,713	7,754,896	—	—	14,361	—	3,011,728	3,011,728
5,072,672	**7,493,713**	**8,370,005**	**—**	**—**	**37,721**	**—**	**4,196,380**	**4,196,380**

* 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, 2020 amounted to $1,574,824, which is 2.0% of net assets.
(c) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.
(d) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates. In addition, the Fund held non-cash U.S. Treasury securities collateral having a value of $497,915.
(e) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

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, 2020 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				
Austria	$ —	$ 1,155,099	$ —	$ 1,155,099
Bermuda	688,010	—	—	688,010
Canada	2,576,223	—	—	2,576,223
France	—	1,318,422	—	1,318,422
Germany	—	2,580,371	—	2,580,371
Hong Kong	—	652,127	—	652,127
India	522,435	—	—	522,435
Ireland	144,174	1,024,951	—	1,169,125
Italy	—	1,847,478	—	1,847,478
Japan	—	7,785,275	—	7,785,275
Korea	—	522,496	—	522,496
Luxembourg	—	1,487,890	—	1,487,890
Spain	—	1,179,882	—	1,179,882
Sweden	—	1,537,403	—	1,537,403
Switzerland	—	471,290	—	471,290
United Kingdom	—	4,112,929	—	4,112,929
United States	44,103,200	—	—	44,103,200
Exchange-Traded Funds	1,332,816	—	—	1,332,816
Short-Term Investments (f)	4,196,380	—	—	4,196,380
Total	**$53,563,238**	**$25,675,613**	**$ —**	**$79,238,851**

(f) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $46,199,698) including — $1,574,824 of securities loaned	$75,042,471
Investment in DWS Government & Agency Securities Portfolio (cost $1,184,652)*	1,184,652
Investment in DWS Central Cash Management Government Fund (cost $3,011,728)	3,011,728
Foreign currency, at value (cost $190,237)	194,384
Receivable for Fund shares sold	189
Dividends receivable	52,341
Interest receivable	914
Foreign taxes recoverable	17,960
Other assets	1,429
Total assets	79,506,068

Liabilities	
Payable upon return of securities loaned	1,184,652
Payable for investments purchased	38,911
Payable for Fund shares redeemed	71,937
Accrued management fee	34,051
Accrued Trustees' fees	1,829
Other accrued expenses and payables	77,484
Total liabilities	1,408,864
Net assets, at value	**$78,097,204**

Net Assets Consist of	
Distributable earnings (loss)	26,906,667
Paid-in capital	51,190,537
Net assets, at value	**$78,097,204**

Net Asset Value	
Class A **Net Asset Value,** offering and redemption price per share ($75,508,783 ÷ 6,344,768 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 11.90**
Class B **Net Asset Value,** offering and redemption price per share ($2,588,421 ÷ 227,196 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 11.39**

* Represents collateral on securities loaned. In addition, the Fund held non-cash collateral having a value of $497,915.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $41,501)	$ 733,965
Income distributions — DWS Central Cash Management Government Fund	14,361
Securities lending income, net of borrower rebates	23,360
Total income	771,686
Expenses: Management fee	520,578
Administration fee	63,474
Services to shareholders	5,062
Recordkeeping fee (Class B)	657
Distribution service fee (Class B)	5,340
Custodian fee	7,430
Professional fees	63,181
Reports to shareholders	34,376
Trustees' fees and expenses	3,955
Other	16,436
Total expenses before expense reductions	720,489
Expense reductions	(187,422)
Total expenses after expense reductions	533,067
Net investment income	**238,619**

Realized and Unrealized gain (loss)	
Net realized gain (loss) from: Investments	(1,084,503)
Foreign currency	6,908
	(1,077,595)
Change in net unrealized appreciation (depreciation) on: Investments	11,991,053
Foreign currency	3,898
	11,994,951
Net gain (loss)	**10,917,356**
Net increase (decrease) in net assets resulting from operations	**$11,155,975**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 238,619	$ 378,623
Net realized gain (loss)	(1,077,595)	(695,460)
Change in net unrealized appreciation (depreciation)	11,994,951	13,801,763
Net increase (decrease) in net assets resulting from operations	11,155,975	13,484,926
Distributions to shareholders:		
Class A	(509,172)	(3,709,915)
Class B	(12,523)	(121,306)
Total distributions	(521,695)	(3,831,221)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,748,177	2,668,513
Reinvestment of distributions	509,172	3,709,915
Payments for shares redeemed	(8,776,264)	(8,101,927)
Net increase (decrease) in net assets from Class A share transactions	(5,518,915)	(1,723,499)
Class B		
Proceeds from shares sold	152,440	254,888
Reinvestment of distributions	12,523	121,306
Payments for shares redeemed	(301,149)	(426,683)
Net increase (decrease) in net assets from Class B share transactions	(136,186)	(50,489)
Increase (decrease) in net assets	4,979,179	7,879,717
Net assets at beginning of period	73,118,025	65,238,308
Net assets at end of period	**$78,097,204**	**$73,118,025**

Other Information		
Class A		
Shares outstanding at beginning of period	6,910,961	7,090,435
Shares sold	293,128	278,893
Shares issued to shareholders in reinvestment of distributions	66,298	383,652
Shares redeemed	(925,619)	(842,019)
Net increase (decrease) in Class A shares	(566,193)	(179,474)
Shares outstanding at end of period	**6,344,768**	**6,910,961**
Class B		
Shares outstanding at beginning of period	238,523	244,229
Shares sold	18,334	27,955
Shares issued to shareholders in reinvestment of distributions	1,701	13,086
Shares redeemed	(31,362)	(46,747)
Net increase (decrease) in Class B shares	(11,327)	(5,706)
Shares outstanding at end of period	**227,196**	**238,523**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Global Small Cap VIP — Class A

	2020	Years Ended December 31, 2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$10.24**	**$8.91**	**$12.90**	**$11.78**	**$13.17**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.04	.05	.02	.00*	.03
Net realized and unrealized gain (loss)	1.70	1.82	(2.32)	2.21	.15
Total from investment operations	1.74	1.87	(2.30)	2.21	.18
Less distributions from:					
Net investment income	(.08)	—	(.04)	—	(.05)
Net realized gains	—	(.54)	(1.65)	(1.09)	(1.52)
Total distributions	(.08)	(.54)	(1.69)	(1.09)	(1.57)
Net asset value, end of period	**$11.90**	**$10.24**	**$8.91**	**$12.90**	**$11.78**
Total Return (%)[b]	17.36	21.29	(20.51)	20.02	1.57
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	76	71	63	85	89
Ratio of expenses before expense reductions (%)[c]	1.10	1.11	1.10	1.15	1.17
Ratio of expenses after expense reductions (%)[c]	.81	.82	.78	.94	1.02
Ratio of net investment income (loss) (%)	.38	.54	.21	.03	.22
Portfolio turnover rate (%)	9	23	32	42	41

[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.

DWS Global Small Cap VIP — Class B

	2020	Years Ended December 31, 2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$9.81**	**$8.57**	**$12.47**	**$11.45**	**$12.85**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.01	.03	(.01)	(.03)	(.03)
Net realized and unrealized gain (loss)	1.62	1.75	(2.24)	2.14	.17
Total from investment operations	1.63	1.78	(2.25)	2.11	.14
Less distributions from:					
Net investment income	(.05)	—	—	—	(.02)
Net realized gains	—	(.54)	(1.65)	(1.09)	(1.52)
Total distributions	(.05)	(.54)	(1.65)	(1.09)	(1.54)
Net asset value, end of period	**$11.39**	**$9.81**	**$8.57**	**$12.47**	**$11.45**
Total Return (%)[b]	16.94	21.08	(20.74)	19.60	1.34
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	3	2	2	3	3
Ratio of expenses before expense reductions (%)[c]	1.39	1.40	1.39	1.44	1.47
Ratio of expenses after expense reductions (%)[c]	1.09	1.09	1.06	1.22	1.30
Ratio of net investment income (loss) (%)	.10	.27	(.08)	(.26)	(.23)
Portfolio turnover rate (%)	9	23	32	42	41

[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 five diversified funds: DWS Bond VIP, 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 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 securities. 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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, 2020

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Common Stocks	$1,184,652	$ —	$ —	$497,915	**$1,682,567**
Gross amount of recognized liabilities and non-cash collateral for securities lending transactions					$1,682,567

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, 2020, the Fund had a net tax basis long-term capital loss carryforward of approximately $1,907,000 which may be applied against realized net taxable capital gains indefinitely, including short-term losses ($676,000) and long-term losses ($1,231,000).

The Fund has reviewed the tax positions for the open tax years as of December 31, 2020 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 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, 2020, the Fund's components of distributable earnings (accumulated losses) on a tax basis are as follows:

Undistributed ordinary income*	$ 278,144
Capital loss carryforward	$ (1,907,000)
Net unrealized appreciation (depreciation) on investments	$ 28,511,451

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $50,727,400. The net unrealized appreciation for all investments based on tax cost was $28,511,451. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $30,864,158 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,352,707.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	Years Ended December 31,	
	2020	**2019**
Distributions from ordinary income*	$ 521,695	$ 56,074
Distributions from long-term capital gains	$ —	$ 3,775,147

* 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, 2020, purchases and sales of investment securities (excluding short-term investments) aggregated $5,783,058 and $11,319,001 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 the Advisor an annual fee based on its average daily net assets, 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, 2020 through April 30, 2021, the Advisor has contractually agreed to waive all or a portion of 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) of each class as follows:

Class A	.81%
Class B	1.09%

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 181,107
Class B	6,315
	$ 187,422

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $63,474, of which $6,267 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 581	$ 107
Class B	183	34
	$ 764	**$ 141**

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, 2020, the Distribution Service Fee aggregated $5,340, of which $537 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $9,389, of which $3,538 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, 2020, 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%, 26% and 14%, 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 76% and 14%, 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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, and the related statement of operations for the year then ended, the statements of changes in net assets and the financial highlights for each of the two 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, 2020, the results of its operations for the year then ended, the changes in its net assets and its financial highlights for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2016, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,322.20	$ 1,319.80
Expenses Paid per $1,000*	$ 4.73	$ 6.36

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,021.06	$ 1,019.66
Expenses Paid per $1,000*	$ 4.12	$ 5.53

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS Global Small Cap VIP	.81%	1.09%

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, 49% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended 12/31/20, 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 2020.

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, 2019, 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, 2019. 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 portfolio management team, effective April 19, 2018. 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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS1glosc-2 (R-025821-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS Government Money Market VIP

Contents

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 recent 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.

Management Summary

December 31, 2020 (Unaudited)

During the 12-month period ended December 31, 2020, the Fund provided a total return of 0.24% (Class A shares, unadjusted for contract charges). All performance is historical and does not guarantee future results. Yields fluctuate and are not guaranteed.

Over the past 12 months ended December 31, 2020, yields across the money market yield curve fluctuated based on the status of the U.S. economy, evolving U.S. Federal Reserve (Fed) statements and actions, federal, state and local responses to the coronavirus pandemic, and investor sentiment regarding U.S. political uncertainty and U.S./China trade tensions. In January, the first news of the coronavirus outbreak in China reached the rest of the world, and by February and March, the virus had already spread dramatically in some parts of Europe and the United States. As worries about the outbreak grew, the U.S. financial system endured severe shocks as state and local governments imposed ever-increasing restrictions on public gatherings while significant portions of the U.S. economy were shut down, and the country instantly saw massive job losses and depressed economic activity. In response, the Fed almost immediately enacted a series of measures to gradually restore liquidity to the money markets and boost confidence in financial markets overall. The Fed cut short-term rates by 1.5 percentage points, re-initiated quantitative easing through significant purchases of Treasury, agency, mortgage and high yield securities, restarted liquidity facilities that had been effective in boosting market liquidity during the 2008 financial crisis, and added new facilities. On the fiscal side, Congress and the Administration enacted a $2.3 trillion aid package that included direct payments to individuals, enhanced unemployment benefits and loans to small businesses. These actions helped to stabilize equity markets and boosted investor confidence. Liquidity within the money markets, which had all but disappeared in early March, was restored to a tremendous degree in April due to the above-mentioned monetary and fiscal measures. As a result, by the end of April money markets had largely normalized, in our view.

During the early fall through the end of 2020, investors largely looked past the Administration's evident pullback from a full-scale national effort to combat the coronavirus. Market watchers then anxiously awaited the outcome of the U.S. election, witnessed significant political disruptions, and waited to see whether Congress and the Administration could agree on another financial relief package for citizens, states and cities, and small businesses. A relief package, though smaller than anticipated, finally was approved near the end of the year.

We were able to maintain what we believe to be a competitive yield for the Fund during the annual period ended December 31, 2020. During the period, the Fund held a large percentage of portfolio assets in agency and Treasury floating-rate securities to take advantage of incremental rises in SOFR (the Secured Overnight Financing Rate) and Treasury bill rates. At the same time, the Fund invested in overnight agency repurchase agreements for liquidity and looked for yield opportunities from three- to six-month agency and Treasury securities.

While significant U.S. political uncertainty has persisted through the end of 2020 and beyond, given the results of the election we believe that the prospects for additional fiscal stimulus in early 2021 have measurably increased. With that, we look for higher short-term Treasury issuance, which should relieve some downward pressure on money market yields and help yields to pick up marginally. Our strategy over the coming weeks will be to shorten duration now in preparation for continued steepening in the money market yield curve in 2021 that we believe may occur, and take advantage of higher yields when possible.

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, 2020)

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
December 31, 2020	0.01%*

* The 7-Day Current Yield would have been -.35% 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

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.

A **repurchase agreement**, or "overnight repo," is an agreement 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 place" for large sums of money.

Floating-rate securities are debt instruments with floating-rate coupons that generally reset every 30 to 90 days. While floating-rate securities are senior to equity and fixed- income securities, there is no guaranteed return of principal in case of default. Floating- rate issues often have less interest-rate risk than other fixed-income investments.

Floating-rate securities are most often secured assets, generally senior to a company's secured debt, and can be transferred to debt holders, resulting in potential downside risk.

SOFR, or the **Secured Overnight Financing Rate**, is a benchmark interest rate for short-term U.S. dollar-denominated loans that has been recommended to replace the London Interbank Offered Rate (LIBOR). SOFR is based on transactions in the Treasury repurchase market where investors offer banks overnight loans backed by their bond assets.

Duration is a measure of price volatility for fixed-income instruments. Duration can be defined as the approximate percentage change in price for a 100 basis point (one single percentage point) change in market interest rate levels.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio)	**12/31/20**	**12/31/19**
Government & Agency Obligations	77%	79%
Repurchase Agreements	23%	21%
	100%	100%

Weighted Average Maturity	**12/31/20**	**12/31/19**
Deutsche DWS Variable Series II — DWS Government Money Market VIP	26 days	29 days
iMoneyNet Money Fund Average^{TM} — Gov't & Agency Retail*	37 days	29 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, 2020

	Principal Amount ($)	Value ($)
Government & Agency Obligations 77.1%		
U.S. Government Sponsored Agencies 32.6%		
Federal Farm Credit Bank:		
1-month LIBOR minus 0.055%, 0.093%*, 2/3/2021	1,000,000	999,991
0.112%**, 4/16/2021	1,500,000	1,499,519
SOFR plus 0.070%, 0.16%*, 8/11/2022	500,000	500,041
0.35%, 5/7/2021	1,250,000	1,249,764
Federal Home Loan Bank:		
3-month LIBOR minus 0.155%, 0.061%*, 1/29/2021	1,000,000	1,000,000
0.09%**, 3/24/2021	1,500,000	1,499,696
1-month LIBOR minus 0.050%, 0.098%*, 1/27/2021	1,000,000	1,000,000
0.1%**, 1/29/2021	2,500,000	2,499,809
SOFR plus 0.010%, 0.1%*, 5/3/2021	4,000,000	4,000,000
0.11%, 4/26/2021	1,000,000	999,980
SOFR plus 0.030%, 0.12%*, 1/28/2021	1,500,000	1,500,000
SOFR plus 0.040%, 0.13%*, 2/9/2021	1,000,000	1,000,000
SOFR plus 0.040%, 0.13%*, 2/26/2021	2,750,000	2,750,000
1-month LIBOR minus 0.010%, 0.138%*, 5/3/2021	750,000	749,974
SOFR plus 0.050%, 0.14%*, 1/22/2021	300,000	300,000
SOFR plus 0.050%, 0.14%*, 1/28/2021	2,500,000	2,500,000
0.15%, 11/22/2021	1,000,000	1,000,000
SOFR plus 0.065%, 0.155%*, 2/26/2021	1,500,000	1,500,000
SOFR plus 0.120%, 0.21%*, 2/28/2022	1,000,000	1,000,000
0.458%**, 3/8/2021	2,500,000	2,497,938
0.529%**, 3/9/2021	1,000,000	999,032
Federal Home Loan Mortgage Corp.:		
SOFR plus 0.030%, 0.12%*, 1/22/2021	1,200,000	1,200,000
SOFR plus 0.030%, 0.12%*, 2/24/2021	1,500,000	1,500,000
SOFR plus 0.070%, 0.16%*, 2/25/2022	3,000,000	3,000,000
SOFR plus 0.950%, 0.185%*, 8/19/2022	1,500,000	1,500,000
SOFR plus 0.150%, 0.24%*, 3/4/2022	1,750,000	1,747,189
Federal National Mortgage Association:		
SOFR plus 0.040%, 0.13%*, 1/29/2021	1,500,000	1,500,000
SOFR plus 0.050%, 0.14%*, 3/4/2021	3,500,000	3,500,000
SOFR plus 0.075%, 0.165%*, 6/4/2021	2,000,000	2,000,000
SOFR plus 0.300%, 0.39%*, 1/7/2022	1,500,000	1,500,000
SOFR plus 0.310%, 0.4%*, 10/25/2021	1,500,000	1,500,000
		49,992,933

	Principal Amount ($)	Value ($)
U.S. Treasury Obligations 44.5%		
U.S. Treasury Bills:		
0.082%**, 2/16/2021	5,000,000	4,999,483
0.086%**, 2/25/2021	8,250,000	8,248,911
0.092%**, 5/27/2021	5,000,000	4,998,175
0.097%**, 1/7/2021	5,000,000	4,999,921
0.102%**, 1/28/2021	5,000,000	4,999,594
0.102%**, 3/2/2021	1,000,000	999,833
0.105%**, 1/14/2021	2,500,000	2,499,859
0.107%**, 3/25/2021	5,000,000	4,998,790
0.12%**, 2/25/2021	1,750,000	1,749,702
0.122%**, 2/11/2021	2,000,000	1,999,727
0.125%**, 1/28/2021	3,000,000	2,999,755
0.147%**, 1/14/2021	4,000,000	3,999,839
U.S. Treasury Floating Rate Notes:		
3-month U.S. Treasury Bill Money Market Yield plus 0.055%, 0.15%*, 7/31/2022	1,000,000	999,976
3-month U.S. Treasury Bill Money Market Yield plus 0.114%, 0.209%*, 4/30/2022	3,500,000	3,503,472
3-month U.S. Treasury Bill Money Market Yield plus 0.115%, 0.21%*, 1/31/2021	9,000,000	9,000,760
3-month U.S. Treasury Bill Money Market Yield plus 0.139%, 0.234%*, 4/30/2021	5,700,000	5,702,708
3-month U.S. Treasury Bill Money Market Yield plus 0.220%, 0.315%*, 7/31/2021	500,000	500,644
3-month U.S. Treasury Bill Money Market Yield plus 0.300%, 0.395%*, 10/31/2021	1,000,000	1,002,502
		68,203,651
Total Government & Agency Obligations (Cost $118,196,584)		**118,196,584**
Repurchase Agreements 22.8%		
Citigroup Global Markets, Inc., 0.05%, dated 12/31/2020, to be repurchased at $19,608,109 on 1/4/2021 (a)	19,608,000	19,608,000
Wells Fargo Bank, 0.08%, dated 12/31/2020, to be repurchased at $15,300,136 on 1/4/2021 (b)	15,300,000	15,300,000
Total Repurchase Agreements (Cost $34,908,000)		**34,908,000**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $153,104,584)	99.9	**153,104,584**
Other Assets and Liabilities, Net	0.1	**152,630**
Net Assets	100.0	**153,257,214**

The accompanying notes are an integral part of the financial statements.

* Floating rate security. These securities are shown at their current rate as of December 31, 2020.
** Annualized yield at time of purchase; not a coupon rate.
(a) Collateralized by:

Principal Amount ($)	Security	Rate (%)	Maturity Date	Collateral Value ($)
311,300	U.S. Treasury Bond	2.25-2.875	8/15/2045-8/15/2047	392,332
17,065,700	U.S. Treasury Note	0.25	7/15/2029	19,607,912
Total Collateral Value				**20,000,244**

(b) Collateralized by $14,534,886 Federal National Mortgage Association, with the various coupon rates from 1.865-6%, with various maturity dates of 4/1/2023-12/1/2050 with a value of $15,606,000.

LIBOR: London Interbank Offered Rate

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, 2020 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
Government & Agency Obligations (c)	$ —	$ 118,196,584	$ —	$ 118,196,584
Repurchase Agreements	—	34,908,000	—	34,908,000
Total	**$ —**	**$ 153,104,584**	**$ —**	**$ 153,104,584**

(c) 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, 2020

Assets	
Investments in securities, valued at amortized cost	$ 118,196,584
Repurchase Agreements, valued at amortized cost	34,908,000
Cash	50,208
Receivable for Fund shares sold	195,940
Interest receivable	16,314
Other assets	3,532
Total assets	153,370,578

Liabilities	
Payable for Fund shares redeemed	9,344
Distributions payable	684
Accrued Trustees' fees	2,505
Other accrued expenses and payables	100,831
Total liabilities	113,364
Net assets, at value	**$ 153,257,214**

Net Assets Consist of	
Distributable earnings (loss)	15,013
Paid-in capital	153,242,201
Net assets, at value	**$ 153,257,214**

Net Asset Value	
Class A	
Net asset value, offering and redemption price per share ($153,257,214 ÷ 153,325,917 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 1.00**

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Interest	$ 666,741
Expenses: Management fee	369,116
Administration fee	152,957
Services to Shareholders	2,759
Custodian fee	4,789
Professional fees	51,913
Reports to shareholders	62,650
Trustees' fees and expenses	4,954
Other	12,071
Total expenses before expense reductions	661,209
Expense reductions	(303,046)
Total expenses after expense reductions	358,163
Net investment income	**308,578**
Net realized gain (loss) from investments	**144**
Net increase (decrease) in net assets resulting from operations	**$ 308,722**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 308,578	$ 1,929,658
Net realized gain (loss)	144	42
Net increase (decrease) in net assets resulting from operations	308,722	1,929,700
Distributions to shareholders :		
Class A	(308,575)	(1,929,596)
Fund share transactions:		
Class A		
Proceeds from shares sold	180,940,347	121,681,165
Reinvestment of distributions	366,986	1,949,598
Payments for shares redeemed	(150,319,848)	(108,541,061)
Net increase (decrease) in net assets from Class A share transactions	30,987,485	15,089,702
Increase (decrease) in net assets	30,987,632	15,089,806
Net assets at beginning of period	122,269,582	107,179,776
Net assets at end of period	**$ 153,257,214**	**$ 122,269,582**
Other Information:		
Class A		
Shares outstanding at beginning of period	122,338,432	107,248,730
Shares sold	180,940,347	121,681,165
Shares issued to shareholders in reinvestment of distributions	366,986	1,949,598
Shares redeemed	(150,319,848)	(108,541,061)
Net increase (decrease) in Fund shares	30,987,485	15,089,702
Shares outstanding at end of period	**153,325,917**	**122,338,432**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Government Money Market VIP — Class A

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$1.00**	**$1.00**	**$1.00**	**$1.00**	**$1.00**
Income from investment operations:					
Net investment income	.002	.018	.014	.005	.001[b]
Net realized gain (loss)	.000*	.000*	(.000)*	.000*	.000*
Total from investment operations	.002	.018	.014	.005	.001
Less distributions from: Net investment income	(.002)	(.018)	(.014)	(.005)	(.001)
Net asset value, end of period	**$1.00**	**$1.00**	**$1.00**	**$1.00**	**$1.00**
Total Return (%)	.24[a]	1.77[a]	1.39[a]	.45	.05[a,b]
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	153	122	107	111	122
Ratio of expenses before expense reductions (%)[c]	.42	.47	.50	.48	.51
Ratio of expenses after expense reductions (%)[c]	.23	.47	.50	.48	.44
Ratio of net investment income (%)	.20	1.74	1.37	.45	.05[b]

a Total return would have been lower had certain expenses not been reduced.

b Includes a non-recurring payment for overbilling of prior years' custodian out-of-pocket fees. Excluding this payment, net investment income per share, total return, and ratio of net investment income to average net assets would have been reduced by $0.0004, 0.04%, and 0.04%, respectively.

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 $.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 value is equal to at least the principal amount of the repurchase price plus accrued interest. The custodian bank or another designated sub-custodian 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, 2020, the Fund held repurchase agreements with a gross value of $34,908,000. 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.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2020 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 differences relating to shareholder distributions will result in reclassifications to paid-in capital. Temporary book and tax differences will reverse in a subsequent period. There were no significant book to tax differences for the Fund.

At December 31, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	$ 15,013

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $153,104,584.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income	$ 308,575	$ 1,929,596

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. Interest income is recorded on the accrual basis. Realized gains and losses from investment transactions are recorded on an identified cost basis. All discounts and premiums are accreted/amortized 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 the Advisor a monthly management fee based on its average daily net assets, 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, 2020, 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, 2020 through September 30, 2021, the Advisor has contractually agreed to waive its fee 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, 2020, fees waived and/or expenses reimbursed amounted to $303,046.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $152,957, of which $12,835 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, 2020, the amounts charged to the Fund by DSC aggregated $2,325, of which $393 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $7,608, of which $2,910 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, 2020, three participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 58%, 15% and 11%.

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 rate per annum equal to the sum of the Federal Funds Rate, plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 US 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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,000.10
Expenses Paid per $1,000*	$ .65

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,024.48
Expenses Paid per $1,000*	$ .66

* 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 366.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Government Money Market VIP	.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)

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 2020.

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, 2019, the Fund's performance (Class A shares) was in the 2nd quartile and 1st 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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. Based on Broadridge data provided as of December 31, 2019, the Board noted that the Fund's Class A shares total operating expenses were higher than the median (3rd 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2GMM-2 (R-025834-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS High Income VIP

DWS

Contents

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 recent 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.

Performance Summary

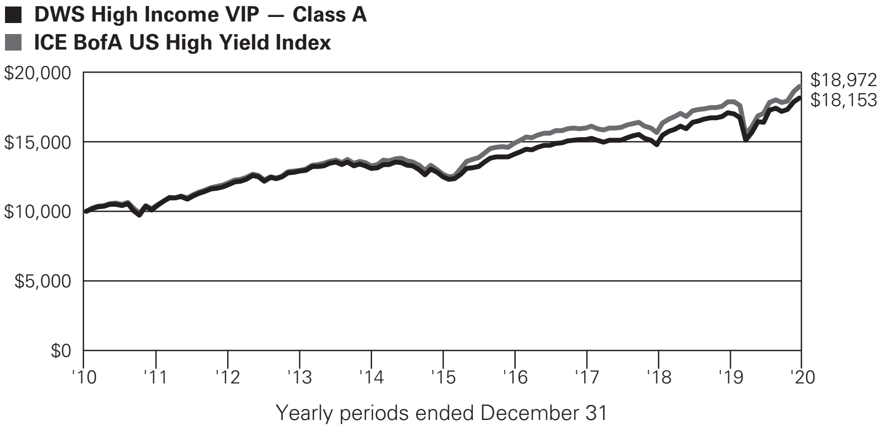
December 31, 2020 (Unaudited)

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, 2020 are 0.96% and 1.40% 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	$10,624	$11,982	$14,538	$18,153
	Average annual total return	6.24%	6.21%	7.77%	6.14%
ICE BofA US High Yield Index	Growth of $10,000	$10,607	$11,861	$14,978	$18,972
	Average annual total return	6.07%	5.85%	8.42%	6.61%

DWS High Income VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,577	$11,862	$14,329	$17,595
	Average annual total return	5.77%	5.86%	7.46%	5.81%
ICE BofA US High Yield Index	Growth of $10,000	$10,607	$11,861	$14,978	$18,972
	Average annual total return	6.07%	5.85%	8.42%	6.61%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

The Fund returned 6.24% in 2020 (Class A shares, unadjusted for contract charges), outperforming the 6.07% return of its benchmark, the ICE BofA US High Yield Index.

The year began with elevated market volatility, as the emergence of COVID-19 led to a sharp sell-off in higher-risk assets. The index fell 13.13% in the first quarter of 2020, its worst showing in a calendar quarter since the last three months of 2008. The U.S. government responded to the pandemic by implementing unprecedented fiscal and monetary relief designed to avoid a prolonged recession. In addition, the U.S. Federal Reserve (Fed) announced it would intervene directly in the high-yield market by purchasing exchange-traded funds and individual securities. The ensuing rally lasted through year-end, reflecting growing investor confidence in the economic outlook for 2021.

Consistent with the high level of market volatility, yield spreads experienced a series of large moves throughout the period. The ICE BofA US High Yield Master II Option-Adjusted Spread — which measures the difference between yields on high-yield bonds and equivalent Treasuries — began 2020 at 402 basis points (4.02 percentage points) and fell to a low of 338 on January 20, 2020. Spreads surged in the subsequent sell-off, reaching a peak of 1087 basis points on March 23. As liquidity conditions improved and the markets regained confidence, the yield spread gradually declined to finish the year at 386. The spread movements occurred against a backdrop of sharply declining U.S. Treasury yields. The Fed's decision to reduce short-term interest rates to near zero and restart of a number of quantitative easing measures caused yields to fall dramatically.

BB rated bonds were the strongest performers among three major credit tiers represented in the index, followed by B rated issues. The relative strength in BBs reflected investors' preference for higher-rated bonds in the first-quarter downturn. On the other end of the spectrum, lower-rated CCC securities — while finishing 2020 in positive territory — lagged other ratings categories due to the extent of their sell-off in February and March.

Security selection, particularly in the cable and satellite industry, helped Fund performance. Industry allocation was an additional contributor, with an underweight in oil field services having the largest positive effect. In terms of credit quality positioning, an underweight in CCCs aided results. The Fund used derivatives to hedge its modest euro exposure back into U.S. dollars, which did not have a material effect on performance. While we use derivatives periodically for specific purposes, they are not a core aspect of our strategy.

We retain a constructive view on U.S. high yield, as we anticipate the U.S. economy will continue to recover from the impact of COVID-19 as the inoculation program accelerates and virus infection rates begin to trend lower. Nevertheless, there is still the potential for renewed market volatility. The recent emergence of new, more highly transmissible strain of the virus, as well as an uptick in infection rates in certain parts of the United States, has necessitated the imposition of expanded control measures. Ultimately, we believe that volatility could remain elevated until the vaccine successfully brings coronavirus transmission and infection rates under control.

We expect that the U.S. government and the Fed will continue to take steps to blunt the economic impact of the virus-containment measures. We anticipate the Fed will keep interest rates at historically low levels and pursue asset purchases to support market liquidity. In addition, the pandemic relief legislation passed in December 2020 is expected to pump approximately $900 million into the U.S. economy in the first part of 2021.

We are still finding ample opportunities to invest in securities with attractive total return potential relative to the underlying risks, even after the rally in the final nine months of the year. We continue to view fundamental credit analysis as critical, and we seek to identify companies with strong market positions, solid business fundamentals, and improving credit metrics.

Gary Russell, CFA, Managing Director
Thomas R. Bouchard, Director
Lonnie Fox, Director
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

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.

Derivatives are contracts whose values can be based on a variety of instruments, including indices, currencies or securities. They can be utilized for a variety of reasons, including for hedging purposes, for risk management, for non-hedging purposes to seek to enhance potential gains, as a substitute for direct investment in a particular asset class or to keep cash on hand to meet shareholder redemptions. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Corporate Bonds	98%	96%
Loan Participations and Assignments	1%	0%
Cash Equivalents	1%	4%
Warrants	0%	0%
Common Stocks	0%	0%
Convertible Bonds	—	0%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Cash Equivalents and Securities Lending Collateral)	**12/31/20**	**12/31/19**
Consumer Discretionary	22%	14%
Communication Services	19%	24%
Energy	13%	13%
Materials	11%	12%
Industrials	10%	9%
Health Care	8%	9%
Real Estate	5%	3%
Utilities	4%	6%
Consumer Staples	4%	4%
Information Technology	2%	3%
Financials	2%	3%
	100%	100%

Quality (As a % of Investment Portfolio excluding Cash Equivalent and Securities Lending Collateral)	**12/31/20**	**12/31/19**
BBB	4%	5%
BB	61%	61%
B	30%	32%
CCC	5%	2%
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, 2020

	Principal Amount ($)(a)	Value ($)
Corporate Bonds 96.9%		
Communication Services 18.3%		
Altice France Holding SA:		
144A, 6.0%, 2/15/2028	200,000	202,500
144A, 10.5%, 5/15/2027	200,000	224,500
Altice France SA:		
144A, 5.5%, 1/15/2028	200,000	209,102
144A, 7.375%, 5/1/2026	710,000	747,275
144A, 8.125%, 2/1/2027	200,000	220,502
Arches Buyer, Inc.:		
144A, 4.25%, 6/1/2028	30,000	30,381
144A, 6.125%, 12/1/2028	15,000	15,491
Avaya, Inc., 144A, 6.125%, 9/15/2028	130,000	138,874
Cable One, Inc., 144A, 4.0%, 11/15/2030	28,000	29,085
CCO Holdings LLC:		
144A, 4.75%, 3/1/2030	140,000	151,060
144A, 5.0%, 2/1/2028	150,000	158,625
144A, 5.125%, 5/1/2027	125,000	132,649
CenturyLink, Inc.:		
5.625%, 4/1/2025	50,000	53,938
Series W, 6.75%, 12/1/2023	45,000	50,119
Clear Channel Worldwide Holdings, Inc.:		
144A, 5.125%, 8/15/2027	320,000	323,200
9.25%, 2/15/2024	67,000	67,838
CommScope Technologies LLC, 144A, 6.0%, 6/15/2025	93,000	95,092
CommScope, Inc.:		
144A, 5.5%, 3/1/2024	130,000	134,030
144A, 7.125%, 7/1/2028	75,000	79,875
144A, 8.25%, 3/1/2027	130,000	138,775
Consolidated Communications, Inc., 144A, 6.5%, 10/1/2028	155,000	165,850
CSC Holdings LLC:		
144A, 4.125%, 12/1/2030	200,000	209,120
144A, 4.625%, 12/1/2030	300,000	313,125
144A, 5.5%, 4/15/2027	345,000	365,700
144A, 5.75%, 1/15/2030	200,000	219,250
144A, 6.5%, 2/1/2029	200,000	225,810
Diamond Sports Group LLC, 144A, 5.375%, 8/15/2026	45,000	36,563
DISH DBS Corp.:		
5.875%, 11/15/2024	96,000	100,659
7.375%, 7/1/2028	50,000	53,250
7.75%, 7/1/2026 (b)	90,000	100,801
Frontier Communications Corp.:		
144A, 5.0%, 5/1/2028	165,000	172,012
144A, 5.875%, 10/15/2027	75,000	81,094
144A, 6.75%, 5/1/2029	90,000	96,300
Gray Television, Inc., 144A, 4.75%, 10/15/2030	55,000	56,031
Lamar Media Corp., 4.875%, 1/15/2029	80,000	85,000
LCPR Senior Secured Financing DAC, 144A, 6.75%, 10/15/2027	210,000	226,012
Netflix, Inc.:		
4.625%, 5/15/2029	EUR 230,000	339,493
5.875%, 11/15/2028	71,000	85,111
Outfront Media Capital LLC, 144A, 5.0%, 8/15/2027	140,000	142,450
QualityTech LP, 144A, 3.875%, 10/1/2028	140,000	142,800
Radiate Holdco LLC:		
144A, 4.5%, 9/15/2026	55,000	56,719
144A, 6.5%, 9/15/2028	210,000	221,287
Sable International Finance Ltd., 144A, 5.75%, 9/7/2027	200,000	212,750
Scripps Escrow II, Inc.:		
144A, 3.875%, 1/15/2029	25,000	25,982
144A, 5.375%, 1/15/2031	30,000	31,275
Sprint Capital Corp., 6.875%, 11/15/2028	395,000	520,800
Telecom Italia Capital SA, 6.375%, 11/15/2033	155,000	190,650
Uber Technologies, Inc.:		
144A, 6.25%, 1/15/2028	25,000	27,188
144A, 7.5%, 5/15/2025	120,000	129,626
144A, 7.5%, 9/15/2027	50,000	55,000
ViaSat, Inc.:		
144A, 5.625%, 9/15/2025	135,000	138,078
144A, 5.625%, 4/15/2027	120,000	126,000
144A, 6.5%, 7/15/2028	105,000	113,632
Virgin Media Secured Finance PLC:		
144A, 5.5%, 8/15/2026	215,000	223,331
144A, 5.5%, 5/15/2029	345,000	373,894
Vodafone Group PLC, 7.0%, 4/4/2079	185,000	230,146
Windstream Escrow LLC, 144A, 7.75%, 8/15/2028	50,000	50,350
Ziggo Bond Co. BV, 144A, 3.375%, 2/28/2030	EUR 370,000	454,158
Ziggo BV, 144A, 4.875%, 1/15/2030	290,000	304,862
		9,905,070
Consumer Discretionary 21.3%		
1011778 BC Unlimited Liability Co., 144A, 3.5%, 2/15/2029	55,000	54,931
Adient U.S. LLC, 144A, 9.0%, 4/15/2025	30,000	33,450
Allison Transmission, Inc., 144A, 3.75%, 1/30/2031	105,000	107,428
Asbury Automotive Group, Inc.:		
4.5%, 3/1/2028	25,000	26,063
4.75%, 3/1/2030	25,000	26,813
Beacon Roofing Supply, Inc., 144A, 4.875%, 11/1/2025	100,000	102,375
Beazer Homes U.S.A., Inc., 5.875%, 10/15/2027	35,000	36,838
Boyd Gaming Corp.:		
4.75%, 12/1/2027	130,000	135,037
6.375%, 4/1/2026	100,000	103,881
144A, 8.625%, 6/1/2025	120,000	133,463
Caesars Entertainment, Inc.:		
144A, 6.25%, 7/1/2025	270,000	287,550
144A, 8.125%, 7/1/2027	310,000	343,177
Caesars Resort Collection LLC, 144A, 5.75%, 7/1/2025	20,000	21,192
Carnival Corp.:		
144A, 7.625%, 3/1/2026	98,000	106,770
144A, 9.875%, 8/1/2027	130,000	149,500
144A, 10.5%, 2/1/2026	80,000	93,200
144A, 11.5%, 4/1/2023	145,000	167,724

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	Principal Amount ($)(a)	Value ($)
Carvana Co., 144A, 5.625%, 10/1/2025	150,000	153,937
Clarios Global LP:		
REG S, 4.375%, 5/15/2026	EUR 200,000	253,101
144A, 4.375%, 5/15/2026	EUR 100,000	126,551
144A, 6.25%, 5/15/2026	55,000	58,988
144A, 6.75%, 5/15/2025	80,000	86,200
144A, 8.5%, 5/15/2027	55,000	59,753
Dana Financing Luxembourg Sarl, 144A, 6.5%, 6/1/2026	110,000	115,087
Dana, Inc.:		
5.375%, 11/15/2027	55,000	58,300
5.625%, 6/15/2028	25,000	26,918
Empire Communities Corp., 144A, 7.0%, 12/15/2025	55,000	57,962
Ford Motor Co.:		
5.291%, 12/8/2046	60,000	62,700
7.45%, 7/16/2031	85,000	109,012
8.5%, 4/21/2023	90,000	101,296
9.0%, 4/22/2025	285,000	349,413
9.625%, 4/22/2030	170,000	239,912
Ford Motor Credit Co. LLC:		
3.219%, 1/9/2022	200,000	201,855
3.375%, 11/13/2025	209,000	214,718
4.0%, 11/13/2030	200,000	210,000
4.14%, 2/15/2023	200,000	206,000
5.113%, 5/3/2029	200,000	222,740
5.125%, 6/16/2025	230,000	250,079
Group 1 Automotive, Inc., 144A, 4.0%, 8/15/2028	100,000	103,078
Hilton Domestic Operating Co., Inc.:		
144A, 3.75%, 5/1/2029	240,000	250,246
144A, 4.0%, 5/1/2031	30,000	31,653
4.875%, 1/15/2030	139,000	151,857
144A, 5.375%, 5/1/2025	30,000	31,875
IAA, Inc., 144A, 5.5%, 6/15/2027	75,000	79,500
Jaguar Land Rover Automotive PLC, 144A, 5.875%, 1/15/2028	200,000	201,520
Kronos Acquisition Holdings, Inc.:		
144A, 5.0%, 12/31/2026	20,000	20,864
144A, 7.0%, 12/31/2027	45,000	47,116
L Brands, Inc.:		
144A, 6.625%, 10/1/2030	70,000	77,875
144A, 6.875%, 7/1/2025	110,000	119,436
6.875%, 11/1/2035	80,000	89,800
144A, 9.375%, 7/1/2025	60,000	73,800
Lithia Motors, Inc., 144A, 4.625%, 12/15/2027	140,000	147,700
M/I Homes, Inc., 4.95%, 2/1/2028	130,000	137,611
Marriott Ownership Resorts, Inc., 144A, 6.125%, 9/15/2025	150,000	159,750
Mattel, Inc., 144A, 6.75%, 12/31/2025	145,000	153,043
Meritor, Inc.:		
144A, 4.5%, 12/15/2028	15,000	15,375
6.25%, 2/15/2024	29,000	29,595
144A, 6.25%, 6/1/2025	40,000	43,200
NCL Corp Ltd., 144A, 5.875%, 3/15/2026	90,000	94,664
NCL Corp., Ltd., 144A, 3.625%, 12/15/2024	100,000	95,000
Newell Brands, Inc., 4.7%, 4/1/2026	440,000	484,660
Penske Automotive Group, Inc., 3.5%, 9/1/2025	80,000	81,300
PetSmart, Inc., 144A, 7.125%, 3/15/2023	103,000	103,000
Picasso Finance Sub, Inc., 144A, 6.125%, 6/15/2025	120,000	128,400
Prestige Brands, Inc., 144A, 5.125%, 1/15/2028	60,000	63,975
Royal Caribbean Cruises Ltd.:		
144A, 9.125%, 6/15/2023	140,000	151,900
144A, 10.875%, 6/1/2023	110,000	125,167
144A, 11.5%, 6/1/2025	50,000	58,453
Scientific Games International, Inc.:		
144A, 7.0%, 5/15/2028	175,000	188,162
144A, 7.25%, 11/15/2029	125,000	137,187
SeaWorld Parks & Entertainment, Inc., 144A, 9.5%, 8/1/2025	100,000	108,563
Sonic Automotive, Inc., 6.125%, 3/15/2027	55,000	57,956
Spectrum Brands, Inc., 144A, 5.0%, 10/1/2029	30,000	32,217
Staples, Inc., 144A, 7.5%, 4/15/2026	210,000	219,297
Stars Group Holdings BV, 144A, 7.0%, 7/15/2026	105,000	110,512
Suburban Propane Partners LP, 5.75%, 3/1/2025	105,000	107,100
Taylor Morrison Communities, Inc.:		
144A, 5.125%, 8/1/2030	145,000	162,400
144A, 5.75%, 1/15/2028	170,000	192,525
Tenneco, Inc., 144A, 7.875%, 1/15/2029	13,000	14,596
TRI Pointe Group, Inc.:		
5.25%, 6/1/2027	55,000	59,813
5.7%, 6/15/2028	80,000	90,320
United Rentals North America, Inc., 5.25%, 1/15/2030	80,000	88,800
Univar Solutions U.S.A., Inc., 144A, 5.125%, 12/1/2027	160,000	169,000
Vail Resorts, Inc., 144A, 6.25%, 5/15/2025	100,000	106,750
Viking Cruises Ltd., 144A, 5.875%, 9/15/2027	205,000	200,486
White Cap Buyer LLC, 144A, 6.875%, 10/15/2028	60,000	63,975
Williams Scotsman International, Inc., 144A, 4.625%, 8/15/2028	60,000	62,100
Wolverine World Wide, Inc., 144A, 6.375%, 5/15/2025	150,000	159,750
Wyndham Destinations, Inc.:		
5.65%, 4/1/2024	105,000	113,400
6.6%, 10/1/2025	59,000	66,670
144A, 6.625%, 7/31/2026	20,000	22,900
Wyndham Hotels & Resorts, Inc., 144A, 4.375%, 8/15/2028	50,000	51,953
Wynn Macau Ltd.:		
144A, 5.5%, 1/15/2026	200,000	208,000
144A, 5.625%, 8/26/2028	200,000	210,500
Wynn Resorts Finance LLC, 144A, 5.125%, 10/1/2029	70,000	73,325
		11,523,584
Consumer Staples 4.0%		
Albertsons Companies, Inc.:		
144A, 3.5%, 3/15/2029	35,000	35,415
144A, 4.625%, 1/15/2027	200,000	212,750
144A, 5.875%, 2/15/2028	60,000	65,291

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	Principal Amount ($)(a)	Value ($)
Chobani LLC, 144A, 4.625%, 11/15/2028	30,000	30,450
Edgewell Personal Care Co., 144A, 5.5%, 6/1/2028	70,000	75,229
JBS U.S.A. LUX SA:		
144A, 5.5%, 1/15/2030	60,000	68,926
144A, 5.75%, 6/15/2025	210,000	216,825
144A, 6.5%, 4/15/2029	132,000	153,661
144A, 6.75%, 2/15/2028	235,000	264,022
Kraft Heinz Foods Co.:		
144A, 4.25%, 3/1/2031	260,000	289,915
4.625%, 1/30/2029	70,000	80,097
Pilgrim's Pride Corp.:		
144A, 5.75%, 3/15/2025	50,000	51,330
144A, 5.875%, 9/30/2027	230,000	249,460
Post Holdings, Inc.:		
144A, 5.0%, 8/15/2026	165,000	170,363
144A, 5.5%, 12/15/2029	110,000	120,038
TreeHouse Foods, Inc., 4.0%, 9/1/2028	60,000	62,063
		2,145,835
Energy 12.5%		
Antero Midstream Partners LP:		
5.375%, 9/15/2024	95,000	92,625
144A, 5.75%, 3/1/2027	80,000	78,600
144A, 5.75%, 1/15/2028	90,000	86,418
Antero Resources Corp., 144A, 8.375%, 7/15/2026 (c)	65,000	66,345
Apache Corp.:		
4.625%, 11/15/2025	37,000	39,110
4.875%, 11/15/2027	55,000	58,300
5.1%, 9/1/2040	57,000	60,776
Archrock Partners LP:		
144A, 6.25%, 4/1/2028	220,000	229,011
144A, 6.875%, 4/1/2027	110,000	118,387
Ascent Resources Utica Holdings LLC, 144A, 8.25%, 12/31/2028	15,000	14,963
Blue Racer Midstream LLC, 144A, 7.625%, 12/15/2025	40,000	42,600
Buckeye Partners LP, 144A, 4.5%, 3/1/2028	80,000	82,400
Cheniere Energy Partners LP:		
4.5%, 10/1/2029	272,000	287,716
5.625%, 10/1/2026	80,000	83,200
Cheniere Energy, Inc., 144A, 4.625%, 10/15/2028	25,000	26,250
CNX Resources Corp.:		
144A, 6.0%, 1/15/2029	135,000	138,305
144A, 7.25%, 3/14/2027	100,000	107,000
Comstock Resources, Inc., 9.75%, 8/15/2026	119,000	128,222
Continental Resources, Inc., 144A, 5.75%, 1/15/2031	65,000	72,149
DCP Midstream Operating LP:		
5.125%, 5/15/2029	80,000	88,730
5.375%, 7/15/2025	367,000	403,267
5.625%, 7/15/2027	50,000	55,500
Endeavor Energy Resources LP:		
144A, 5.5%, 1/30/2026	155,000	159,053
144A, 5.75%, 1/30/2028	35,000	37,755
144A, 6.625%, 7/15/2025	35,000	37,450
EQM Midstream Partners LP:		
5.5%, 7/15/2028	55,000	60,107
144A, 6.0%, 7/1/2025	140,000	153,300
144A, 6.5%, 7/1/2027	80,000	90,083
EQT Corp.:		
5.0%, 1/15/2029	85,000	89,617
7.875%, 2/1/2025	105,000	119,569
8.75%, 2/1/2030	135,000	165,375
Genesis Energy LP, 6.25%, 5/15/2026	55,000	51,660
Harvest Midstream I LP, 144A, 7.5%, 9/1/2028	130,000	138,287
Hilcorp Energy I LP:		
144A, 5.0%, 12/1/2024	155,000	154,290
144A, 5.75%, 10/1/2025	60,000	60,675
144A, 6.25%, 11/1/2028	35,000	35,744
Murphy Oil U.S.A., Inc.:		
4.75%, 9/15/2029	115,000	122,331
5.625%, 5/1/2027	65,000	68,737
NuStar Logistics LP:		
5.75%, 10/1/2025	80,000	85,200
6.375%, 10/1/2030	55,000	62,304
Occidental Petroleum Corp.:		
2.7%, 2/15/2023	126,000	125,880
5.5%, 12/1/2025	135,000	140,752
5.55%, 3/15/2026	105,000	109,614
6.125%, 1/1/2031	255,000	272,901
8.0%, 7/15/2025 (b)	175,000	199,325
8.5%, 7/15/2027	100,000	115,405
Parkland Corp., 144A, 5.875%, 7/15/2027	80,000	86,498
Range Resources Corp., 9.25%, 2/1/2026	50,000	52,250
Rattler Midstream LP, 144A, 5.625%, 7/15/2025	75,000	79,219
Southwestern Energy Co.:		
6.45%, 1/23/2025	140,000	145,600
7.75%, 10/1/2027	100,000	107,970
8.375%, 9/15/2028	50,000	54,250
Sunoco LP:		
144A, 4.5%, 5/15/2029	56,000	58,240
5.875%, 3/15/2028	35,000	37,800
6.0%, 4/15/2027	52,000	55,277
Tallgrass Energy Partners LP:		
144A, 6.0%, 12/31/2030	30,000	30,872
144A, 7.5%, 10/1/2025	15,000	16,194
Targa Resources Partners LP:		
144A, 4.875%, 2/1/2031	30,000	32,688
5.0%, 1/15/2028	215,000	226,945
5.5%, 3/1/2030	90,000	97,713
TerraForm Power Operating LLC:		
144A, 4.75%, 1/15/2030	65,000	69,550
144A, 5.0%, 1/31/2028	100,000	112,365
USA Compression Partners LP:		
6.875%, 4/1/2026	142,000	148,390
6.875%, 9/1/2027	100,000	106,758
Western Midstream Operating LP:		
4.1%, 2/1/2025	80,000	82,446
5.05%, 2/1/2030	155,000	173,571
		6,789,884
Financials 1.7%		
AG Issuer LLC, 144A, 6.25%, 3/1/2028	95,000	96,069
AmWINS Group, Inc., 144A, 7.75%, 7/1/2026	70,000	75,173
Cardtronics, Inc., 144A, 5.5%, 5/1/2025 (b)	95,000	98,206

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	Principal Amount ($)(a)	Value ($)
Intesa Sanpaolo SpA, 144A, 5.71%, 1/15/2026	200,000	228,918
LD Holdings Group LLC, 144A, 6.5%, 11/1/2025	61,000	64,202
LPL Holdings, Inc., 144A, 4.625%, 11/15/2027	30,000	31,050
OneMain Finance Corp.:		
5.375%, 11/15/2029	80,000	90,000
8.875%, 6/1/2025	50,000	56,563
Quicken Loans LLC, 144A, 3.625%, 3/1/2029	120,000	122,400
Sabre GLBL, Inc., 144A, 7.375%, 9/1/2025	30,000	32,550
Shift4 Payments LLC, 144A, 4.625%, 11/1/2026	10,000	10,400
		905,531

Health Care 7.8%

	Principal Amount ($)(a)	Value ($)
Acadia Healthcare Co., Inc., 144A, 5.0%, 4/15/2029	50,000	53,375
AdaptHealth LLC:		
144A, 4.625%, 8/1/2029 (c)	55,000	56,513
144A, 6.125%, 8/1/2028	80,000	85,900
Avantor Funding, Inc., 144A, 4.625%, 7/15/2028	25,000	26,438
Bausch Health Americas, Inc.:		
144A, 8.5%, 1/31/2027	195,000	216,873
144A, 9.25%, 4/1/2026	135,000	150,525
Bausch Health Companies, Inc.:		
144A, 5.25%, 2/15/2031	50,000	52,236
144A, 6.125%, 4/15/2025	150,000	154,599
Catalent Pharma Solutions, Inc., 144A, 5.0%, 7/15/2027	125,000	132,017
Centene Corp., 4.625%, 12/15/2029	475,000	527,350
CHS/Community Health Systems, Inc.:		
144A, 5.625%, 3/15/2027	60,000	64,515
144A, 6.0%, 1/15/2029	65,000	70,217
Community Health Systems, Inc., 144A, 8.125%, 6/30/2024 (b)	180,000	186,300
Emergent BioSolutions, Inc., 144A, 3.875%, 8/15/2028	35,000	36,243
Encompass Health Corp.:		
4.5%, 2/1/2028	45,000	47,025
4.75%, 2/1/2030	37,000	39,636
HCA, Inc.:		
5.375%, 9/1/2026	140,000	160,916
5.625%, 9/1/2028	150,000	177,000
5.875%, 2/15/2026	90,000	103,500
5.875%, 2/1/2029	90,000	108,313
Hill-Rom Holdings, Inc., 144A, 4.375%, 9/15/2027	85,000	89,798
IQVIA, Inc., 144A, 5.0%, 5/15/2027	220,000	233,865
Legacy LifePoint Health LLC, 144A, 6.75%, 4/15/2025	135,000	144,964
LifePoint Health, Inc., 144A, 5.375%, 1/15/2029	150,000	149,677
Molina Healthcare, Inc., 144A, 4.375%, 6/15/2028	100,000	105,250
Prime Healthcare Services, Inc., 144A, 7.25%, 11/1/2025	50,000	53,125
RegionalCare Hospital Partners Holdings, Inc., 144A, 9.75%, 12/1/2026	60,000	66,000
RP Escrow Issuer LLC, 144A, 5.25%, 12/15/2025	45,000	47,028
Select Medical Corp., 144A, 6.25%, 8/15/2026	125,000	134,615
Syneos Health, Inc., 144A, 3.625%, 1/15/2029	100,000	100,277
Tenet Healthcare Corp.:		
4.625%, 7/15/2024	50,000	51,251
144A, 4.875%, 1/1/2026	190,000	198,761
144A, 5.125%, 11/1/2027	150,000	158,812
144A, 6.125%, 10/1/2028	85,000	88,568
144A, 6.25%, 2/1/2027	75,000	79,500
144A, 7.5%, 4/1/2025	50,000	54,625
		4,205,607

Industrials 9.7%

	Principal Amount ($)(a)	Value ($)
ATS Automation Tooling Systems Inc, 144A, 4.125%, 12/15/2028	30,000	30,525
Bombardier, Inc.:		
144A, 5.75%, 3/15/2022	159,000	162,223
144A, 6.0%, 10/15/2022	73,000	71,660
144A, 7.5%, 3/15/2025	190,000	176,225
BWX Technologies, Inc., 144A, 5.375%, 7/15/2026	30,000	31,163
Cargo Aircraft Management, Inc., 144A, 4.75%, 2/1/2028	100,000	103,125
Cimpress PLC, 144A, 7.0%, 6/15/2026	150,000	157,687
Clark Equipment Co., 144A, 5.875%, 6/1/2025	55,000	58,025
Colfax Corp., 144A, 6.375%, 2/15/2026	95,000	101,412
Covanta Holding Corp., 5.0%, 9/1/2030	70,000	74,896
CP Atlas Buyer, Inc., 144A, 7.0%, 12/1/2028	13,000	13,520
Delta Air Lines, Inc.:		
144A, 4.5%, 10/20/2025	80,000	85,509
144A, 4.75%, 10/20/2028	180,000	196,472
144A, 7.0%, 5/1/2025	120,000	138,546
Energizer Holdings, Inc.:		
144A, 4.75%, 6/15/2028	60,000	63,150
144A, 7.75%, 1/15/2027	105,000	116,707
EnerSys, 144A, 4.375%, 12/15/2027	90,000	95,175
Forterra Finance LLC, 144A, 6.5%, 7/15/2025	30,000	32,250
Fortress Transportation and Infrastructure Investors LLC, 144A, 9.75%, 8/1/2027	30,000	34,388
GFL Environmental, Inc.:		
144A, 3.75%, 8/1/2025	80,000	82,000
144A, 4.25%, 6/1/2025	40,000	41,500
144A, 5.125%, 12/15/2026	50,000	53,188
Hillenbrand, Inc., 5.75%, 6/15/2025	160,000	172,800
Howmet Aerospace, Inc., 6.875%, 5/1/2025	140,000	163,800
Itron, Inc., 144A, 5.0%, 1/15/2026	140,000	142,975
Jaguar Holding Co. II:		
144A, 4.625%, 6/15/2025	55,000	58,004
144A, 5.0%, 6/15/2028	45,000	48,038
Masonite International Corp., 144A, 5.375%, 2/1/2028	74,000	79,457
MasTec, Inc., 144A, 4.5%, 8/15/2028	60,000	63,000

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	Principal Amount ($)(a)	Value ($)
Mileage Plus Holdings LLC, 144A, 6.5%, 6/20/2027	130,000	139,750
Moog, Inc., 144A, 4.25%, 12/15/2027	160,000	166,000
Nielsen Finance LLC, 144A, 5.625%, 10/1/2028	165,000	179,281
Prime Security Services Borrower LLC:		
144A, 3.375%, 8/31/2027	70,000	69,475
144A, 5.75%, 4/15/2026	135,000	147,825
144A, 6.25%, 1/15/2028	275,000	295,237
Sensata Technologies, Inc., 144A, 3.75%, 2/15/2031	50,000	51,829
Signature Aviation U.S. Holdings, Inc., 144A, 4.0%, 3/1/2028	155,000	156,031
Spirit AeroSystems, Inc., 144A, 7.5%, 4/15/2025	50,000	53,625
Spirit Loyalty Cayman Ltd., 144A, 8.0%, 9/20/2025	190,000	212,800
Stericycle, Inc., 144A, 3.875%, 1/15/2029	16,000	16,440
Summit Materials LLC, 144A, 5.25%, 1/15/2029	30,000	31,500
Tennant Co., 5.625%, 5/1/2025	30,000	31,238
TransDigm, Inc.:		
5.5%, 11/15/2027	115,000	120,899
144A, 6.25%, 3/15/2026	335,000	356,775
144A, 8.0%, 12/15/2025	60,000	66,318
Triumph Group, Inc., 144A, 6.25%, 9/15/2024	42,000	41,580
U.S. Concrete, Inc., 144A, 5.125%, 3/1/2029	30,000	30,900
Vertical U.S. Newco, Inc., 144A, 5.25%, 7/15/2027	200,000	212,000
WESCO Distribution, Inc.:		
144A, 7.125%, 6/15/2025	40,000	43,993
144A, 7.25%, 6/15/2028	105,000	119,415
XPO Logistics, Inc., 144A, 6.25%, 5/1/2025	65,000	69,949
		5,260,280
Information Technology 2.2%		
Austin BidCo, Inc., 144A, 7.125%, 12/15/2028	30,000	31,313
Banff Merger Sub, Inc., 144A, 9.75%, 9/1/2026	75,000	81,011
Boxer Parent Co., Inc., 144A, 7.125%, 10/2/2025	60,000	65,127
Camelot Finance SA, 144A, 4.5%, 11/1/2026	55,000	57,406
Change Healthcare Holdings LLC, 144A, 5.75%, 3/1/2025	210,000	214,200
Microchip Technology, Inc., 144A, 4.25%, 9/1/2025	140,000	148,112
MTS Systems Corp., 144A, 5.75%, 8/15/2027	32,000	34,726
Presidio Holdings, Inc.:		
144A, 4.875%, 2/1/2027	50,000	53,039
144A, 8.25%, 2/1/2028	30,000	33,075
Rackspace Technology Global, Inc., 144A, 5.375%, 12/1/2028	110,000	115,247
Science Applications International Corp., 144A, 4.875%, 4/1/2028	30,000	31,800
Seagate HDD Cayman:		
144A, 3.125%, 7/15/2029	35,000	35,004
144A, 3.375%, 7/15/2031	15,000	15,081
SS&C Technologies, Inc., 144A, 5.5%, 9/30/2027	85,000	90,782
TTM Technologies, Inc., 144A, 5.625%, 10/1/2025	155,000	158,681
Unisys Corp., 144A, 6.875%, 11/1/2027	41,000	44,793
		1,209,397
Materials 10.3%		
Arconic Corp., 144A, 6.125%, 2/15/2028	150,000	161,719
Berry Global, Inc., 144A, 5.625%, 7/15/2027	15,000	16,130
Cascades, Inc.:		
144A, 5.125%, 1/15/2026	10,000	10,563
144A, 5.375%, 1/15/2028	45,000	47,827
CF Industries, Inc., 5.15%, 3/15/2034	30,000	36,864
Chemours Co.:		
5.375%, 5/15/2027 (b)	95,000	101,175
144A, 5.75%, 11/15/2028	290,000	295,800
Clearwater Paper Corp.:		
144A, 4.75%, 8/15/2028	80,000	82,800
144A, 5.375%, 2/1/2025	110,000	119,212
Cleveland-Cliffs, Inc., 144A, 6.75%, 3/15/2026	125,000	135,000
Constellium SE:		
144A, 5.75%, 5/15/2024	250,000	255,105
144A, 6.625%, 3/1/2025	250,000	255,312
Element Solutions, Inc., 144A, 3.875%, 9/1/2028	50,000	51,438
First Quantum Minerals Ltd.:		
144A, 6.875%, 3/1/2026	200,000	208,500
144A, 6.875%, 10/15/2027	300,000	325,500
Freeport-McMoRan, Inc.:		
4.125%, 3/1/2028	270,000	283,162
4.25%, 3/1/2030	150,000	161,625
4.375%, 8/1/2028	90,000	95,625
4.625%, 8/1/2030	90,000	98,775
5.0%, 9/1/2027	105,000	111,300
5.4%, 11/14/2034	70,000	87,587
HB Fuller Co., 4.25%, 10/15/2028	50,000	51,250
Hudbay Minerals, Inc.:		
144A, 6.125%, 4/1/2029	100,000	107,750
144A, 7.625%, 1/15/2025	220,000	228,525
Illuminate Buyer LLC, 144A, 9.0%, 7/1/2028	20,000	22,000
Ingevity Corp., 144A, 3.875%, 11/1/2028	70,000	70,525
Kaiser Aluminum Corp., 144A, 4.625%, 3/1/2028	70,000	72,625
Kraton Polymers LLC, 144A, 4.25%, 12/15/2025	65,000	66,306
LABL Escrow Issuer LLC, 144A, 6.75%, 7/15/2026	100,000	108,297
Mauser Packaging Solutions Holding Co., 144A, 7.25%, 4/15/2025	105,000	106,050
Mercer International, Inc., 7.375%, 1/15/2025	175,000	182,112
Methanex Corp.:		
5.125%, 10/15/2027	180,000	195,638
5.25%, 12/15/2029	50,000	54,186
Nouryon Holding BV, 144A, 8.0%, 10/1/2026	150,000	159,375
Novelis Corp.:		
144A, 4.75%, 1/30/2030	375,000	404,012
144A, 5.875%, 9/30/2026	230,000	240,350

The accompanying notes are an integral part of the financial statements.

	Principal Amount ($)(a)	Value ($)
Rayonier AM Products, Inc., 144A, 7.625%, 1/15/2026	30,000	31,283
Tronox Finance PLC, 144A, 5.75%, 10/1/2025	266,000	275,975
Tronox, Inc.:		
144A, 6.5%, 5/1/2025	30,000	32,100
144A, 6.5%, 4/15/2026	192,000	199,920
		5,549,298
Real Estate 4.7%		
Cushman & Wakefield U.S. Borrower LLC, 144A, 6.75%, 5/15/2028	120,000	132,300
Iron Mountain, Inc.:		
144A, (REIT), 4.875%, 9/15/2029	60,000	63,300
144A, (REIT), 5.0%, 7/15/2028	75,000	79,678
144A, (REIT), 5.25%, 7/15/2030	100,000	108,000
iStar, Inc.:		
(REIT), 4.25%, 8/1/2025	100,000	98,750
(REIT), 4.75%, 10/1/2024	170,000	172,125
MGM Growth Properties Operating Partnership LP:		
144A, (REIT), 3.875%, 2/15/2029	90,000	92,025
144A, (REIT), 4.625%, 6/15/2025	233,000	249,543
(REIT), 5.75%, 2/1/2027	310,000	347,780
MPT Operating Partnership LP:		
(REIT), 3.5%, 3/15/2031	105,000	108,412
(REIT), 4.625%, 8/1/2029	140,000	149,625
Realogy Group LLC, 144A, 7.625%, 6/15/2025	185,000	200,858
Service Properties Trust:		
(REIT), 5.5%, 12/15/2027	135,000	147,603
(REIT), 7.5%, 9/15/2025	160,000	184,371
Uniti Group LP:		
144A, (REIT), 6.0%, 4/15/2023	60,000	61,200
144A, (REIT), 7.875%, 2/15/2025	110,000	118,163
VICI Properties LP:		
144A, (REIT), 3.5%, 2/15/2025	10,000	10,228
144A, (REIT), 3.75%, 2/15/2027	30,000	30,675
144A, (REIT), 4.125%, 8/15/2030	155,000	163,623
144A, (REIT), 4.625%, 12/1/2029	16,000	17,120
		2,535,379
Utilities 4.4%		
AmeriGas Partners LP:		
5.5%, 5/20/2025	205,000	227,037
5.75%, 5/20/2027	110,000	125,146
Calpine Corp.:		
144A, 4.5%, 2/15/2028	155,000	161,200
144A, 4.625%, 2/1/2029	30,000	30,848
144A, 5.0%, 2/1/2031	45,000	47,025
Clearway Energy Operating LLC, 144A, 4.75%, 3/15/2028	165,000	176,963
NextEra Energy Operating Partners LP, 144A, 4.25%, 7/15/2024	210,000	224,700
NRG Energy, Inc.:		
144A, 3.375%, 2/15/2029	30,000	30,714
144A, 3.625%, 2/15/2031	145,000	149,176
144A, 5.25%, 6/15/2029	157,000	172,700
5.75%, 1/15/2028	200,000	218,500
Pattern Energy Operations LP, 144A, 4.5%, 8/15/2028	90,000	94,950
PG&E Corp., 5.0%, 7/1/2028	125,000	133,125
Pike Corp., 144A, 5.5%, 9/1/2028	30,000	31,688
Talen Energy Supply LLC:		
144A, 7.25%, 5/15/2027	190,000	202,350
144A, 7.625%, 6/1/2028	60,000	64,650
Vistra Operations Co. LLC:		
144A, 5.0%, 7/31/2027	220,000	233,200
144A, 5.625%, 2/15/2027	55,000	58,500
		2,382,472
Total Corporate Bonds (Cost $49,187,240)		**52,412,337**

Loan Participations and Assignments 0.8%

Senior Loans **

	Principal Amount ($)(a)	Value ($)
Brand Energy & Infrastructure Services, Inc., Term Loan, 3-month USD-LIBOR + 4.250%, 5.25%, 6/21/2024	169,561	165,714
Endo Luxembourg Finance Company I S.a r.l., Term Loan B, 3-month USD-LIBOR + 4.250%, 5.0%, 4/29/2024	177,698	175,477
Flex Acquisition Co., Inc., Frist Lien Term Loan, 3-month USD-LIBOR + 3.000%, 4.0%, 12/29/2023	80,931	80,679
Total Loan Participations and Assignments (Cost $414,717)		**421,870**

	Shares	Value ($)
Common Stocks 0.0%		
Industrials		
Quad Graphics, Inc. (Cost $0)	287	**1,096**
Warrants 0.1%		
Materials		
Hercules Trust II, Expiration Date 3/31/2029* (d) (Cost $244,286)	1,100	**52,471**
Securities Lending Collateral 1.2%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (e) (f) (Cost $633,205)	633,205	**633,205**
Cash Equivalents 1.5%		
DWS Central Cash Management Government Fund, 0.080% (e) (Cost $843,071)	843,071	**843,071**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $51,322,519)	100.5	**54,364,050**
Other Assets and Liabilities, Net	(0.5)	**(257,085)**
Net Assets	100.0	**54,106,965**

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, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 1.2%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (e) (f)								
361,289	271,916 (g)	—	—	—	1,821	—	633,205	633,205
Cash Equivalents 1.5%								
DWS Central Cash Management Government Fund, 0.08% (e)								
2,187,480	27,038,416	28,382,825	—	—	7,012	—	843,071	843,071
2,548,769	**27,310,332**	**28,382,825**	**—**	**—**	**8,833**	**—**	**1,476,276**	**1,476,276**

** Variable or floating rate security. These securities are shown at their current rate as of December 31, 2020. 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.

(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, 2020 amounted to $604,414, which is 1.1% of net assets.

(c) When-issued, delayed delivery or forward commitment securities included.

(d) Investment was valued using significant unobservable inputs.

(e) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

(f) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(g) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

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.

LIBOR: London Interbank Offered Rate

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

As of December 31, 2020, the Fund had the following open forward foreign currency contracts:

Contracts to Deliver		In Exchange For		Settlement Date	Unrealized Appreciation ($)	Counterparty
EUR	978,534	USD	1,196,511	1/29/2021	223	BNP Paribas SA

Currency Abbreviations

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, 2020 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**
Fixed Income Investments				
Corporate Bonds (h)	$ —	$ 52,412,337	$ —	$ 52,412,337
Loan Participations and Assignments	—	421,870	—	421,870
Common Stocks	1,096	—	—	1,096
Warrants	—	—	52,471	52,471
Short-Term Investments (h)	1,476,276	—	—	1,476,276
Derivatives (i)				
Forward Foreign Currency Contracts	—	223	—	223
Total	**$ 1,477,372**	**$ 52,834,430**	**$ 52,471**	**$ 54,364,273**

(h) See Investment Portfolio for additional detailed categorizations.

(i) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $49,846,243) — including $604,414 of securities loaned	$52,887,774
Investment in DWS Government & Agency Securities Portfolio (cost $633,205)*	633,205
Investment in DWS Central Cash Management Government Fund (cost $843,071)	843,071
Cash	2,737
Foreign currency, at value (cost $10,298)	10,287
Receivable for investments sold — when-issued/delayed delivery securities	35,729
Receivable for Fund shares sold	20,676
Interest receivable	776,526
Unrealized appreciation on forward foreign currency contracts	223
Other assets	1,129
Total assets	55,211,357

Liabilities	
Payable upon return of securities loaned	633,205
Payable for investments purchased	166,593
Payable for investments purchased — when-issued/delayed delivery securities	155,000
Payable for Fund shares redeemed	11,415
Accrued management fee	29,234
Accrued Trustees' fees	1,628
Other accrued expenses and payables	107,317
Total liabilities	1,104,392
Net assets, at value	**$54,106,965**

Net Assets Consist of	
Distributable earnings (loss)	(2,082,822)
Paid-in capital	56,189,787
Net assets, at value	**$54,106,965**

Net Asset Value	
Class A **Net Asset Value,** offering and redemption price per share ($53,959,166 ÷ 8,668,128 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 6.23**
Class B **Net Asset Value,** offering and redemption price per share ($147,799 ÷ 23,669 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 6.24**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Interest	$2,890,941
Income distributions — DWS Central Cash Management Government Fund	7,012
Securities lending income, net of borrower rebates	1,821
Total income	2,899,774
Expenses: Management fee	260,892
Administration fee	50,888
Services to Shareholders	895
Record keeping fee (Class B)	214
Distribution service fees (Class B)	371
Custodian fee	7,841
Professional fees	89,150
Reports to shareholders	36,343
Trustees' fees and expenses	3,595
Other	3,995
Total expenses before expense reductions	454,184
Expense reductions	(88,318)
Total expenses after expense reductions	365,866
Net investment income	**2,533,908**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	(743,582)
Forward foreign currency contracts	(216,701)
Foreign currency	68,229
	(892,054)
Change in net unrealized appreciation (depreciation) on: Investments	1,331,238
Forward foreign currency contracts	9,850
Foreign currency	177
	1,341,265
Net gain (loss)	**449,211**
Net increase (decrease) in net assets resulting from operations	**$2,983,119**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 2,533,908	$ 2,819,135
Net realized gain (loss)	(892,054)	(118,561)
Change in net unrealized appreciation (depreciation)	1,341,265	5,181,906
Net increase (decrease) in net assets resulting from operations	2,983,119	7,882,480
Distributions to shareholders:		
Class A	(2,873,076)	(3,177,995)
Class B	(8,104)	(7,539)
Total distributions	(2,881,180)	(3,185,534)
Fund share transactions:		
Class A		
Proceeds from shares sold	6,977,525	5,665,153
Reinvestment of distributions	2,873,076	3,177,995
Payments for shares redeemed	(11,869,783)	(9,540,349)
Net increase (decrease) in net assets from Class A share transactions	(2,019,182)	(697,201)
Class B		
Proceeds from shares sold	9,694	16,476
Reinvestment of distributions	8,104	7,539
Payments for shares redeemed	(29,136)	(11,195)
Net increase (decrease) in net assets from Class B share transactions	(11,338)	12,820
Increase (decrease) in net assets	(1,928,581)	4,012,565
Net assets at beginning of period	56,035,546	52,022,981
Net assets at end of period	**$ 54,106,965**	**$56,035,546**

Other Information		
Class A		
Shares outstanding at beginning of period	8,976,023	9,081,584
Shares sold	1,182,798	944,540
Shares issued to shareholders in reinvestment of distributions	536,022	543,247
Shares redeemed	(2,026,715)	(1,593,348)
Net increase (decrease) in Class A shares	(307,895)	(105,561)
Shares outstanding at end of period	**8,668,128**	**8,976,023**
Class B		
Shares outstanding at beginning of period	25,470	23,418
Shares sold	1,573	2,669
Shares issued to shareholders in reinvestment of distributions	1,501	1,282
Shares redeemed	(4,875)	(1,899)
Net increase (decrease) in Class B shares	(1,801)	2,052
Shares outstanding at end of period	**23,669**	**25,470**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS High Income VIP — Class A

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$6.23**	**$5.71**	**$6.36**	**$6.28**	**$5.93**
Income (loss) from investment operations:					
Net investment income[a]	.29	.31	.33	.31	.32
Net realized and unrealized gain (loss)	.04	.56	(.48)	.15	.41
Total from investment operations	.33	.87	(.15)	.46	.73
Less distributions from: Net investment income	(.33)	(.35)	(.50)	(.38)	(.38)
Net asset value, end of period	**$6.23**	**$6.23**	**$5.71**	**$6.36**	**$6.28**
Total Return (%)[b]	6.24	15.69	(2.52)	7.51	12.87
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	54	56	52	61	100
Ratio of expenses before expense reductions (%)[c]	.87	.96	.94	.78	.80
Ratio of expenses after expense reductions (%)[c]	.70	.68	.69	.72	.72
Ratio of net investment income (%)	4.86	5.09	5.41	4.98	5.38
Portfolio turnover rate (%)	94	82	62	71	77

[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.

DWS High Income VIP — Class B

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$6.25**	**$5.73**	**$6.38**	**$6.30**	**$5.94**
Income (loss) from investment operations:					
Net investment income[a]	.27	.29	.31	.31	.31
Net realized and unrealized gain (loss)	.04	.57	(.48)	.13	.41
Total from investment operations	.31	.86	(.17)	.44	.72
Less distributions from: Net investment income	(.32)	(.34)	(.48)	(.36)	(.36)
Net asset value, end of period	**$6.24**	**$6.25**	**$5.73**	**$6.38**	**$6.30**
Total Return (%)[b]	5.77	15.33	(2.76)	7.21	12.67
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.1	.2	.1	.1	2
Ratio of expenses before expense reductions (%)[c]	1.30	1.40	1.34	1.15	1.21
Ratio of expenses after expense reductions (%)[c]	1.05	.94	.96	.98	.98
Ratio of net investment income (%)	4.52	4.82	5.14	4.88	5.15
Portfolio turnover rate (%)	94	82	62	71	77

[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). Sales of Class B shares are subject to recordkeeping fees of up to 0.15% and Rule 12b-1 fees under the 1940 Act equal to an annual rate of up to 0.25% 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 Rule 12b-1 fee 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 securities.

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. That 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 effort 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, the Fund had securities on loan, which were classified as corporate bonds 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.

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, 2020, the Fund had a net tax basis capital loss carryforward of approximately $7,538,000, which may be applied against realized net taxable capital gains indefinitely, including short-term losses ($1,009,000) and long-term losses ($6,529,000).

The Fund has reviewed the tax positions for the open tax years as of December 31, 2020 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 foreign denominated investments. 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 2,428,599
Capital loss carryforwards	$ (7,538,000)
Net unrealized appreciation (depreciation) on investments	$ 3,026,544

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $51,337,506. The net unrealized appreciation for all investments based on tax cost was $3,026,544. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $3,262,983 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $236,439.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31,	
	2020	**2019**
Distributions from ordinary income*	$ 2,881,180	$ 3,185,534

* 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 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 discounts and premiums are accreted/amortized for both tax and financial reporting purposes for the Fund, with the exception of securities in default of principal.

B. Derivative Instruments

Forward Foreign Currency Exchange Contracts. A forward foreign currency exchange 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, 2020, 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, 2020 is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2020, the investment in forward currency contracts short vs. U.S. dollars had a total contract value generally indicative of a range from approximately $880,000 to $1,866,000, and the investment in forward currency contracts long vs. U.S. dollars had a total contract value generally indicative of a range from $0 to approximately $142,000.

The following table summarizes the value of the Fund's derivative instruments held as of December 31, 2020 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Asset Derivative	**Forward Contract**
Foreign Exchange contracts (a)	$ 223

The above derivative is located in the following Statement of Assets and Liabilities account:
(a) Unrealized appreciation 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, 2020 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 Contract**
Foreign Exchange Contracts (b)	$ (216,701)

The above derivative is located in the following Statement of Operations accounts:
(b) Net realized gain (loss) from forward foreign currency contracts

Change in Net Unrealized Appreciation (Depreciation)	**Forward Contract**
Foreign Exchange contracts (c)	$ 9,850

The above derivative is located in the following Statement of Operations accounts:
(c) Change in net unrealized appreciation (depreciation) on forward foreign currency contracts

As of December 31, 2020, 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 Amounts of Assets Presented in the Statement of Assets and Liabilities**	**Financial Instruments and Derivatives Available for Offset**	**Collateral Received**	**Net Amount of Derivative Assets**
BNP Paribas SA	$ 223	$ —	$ —	$ 223

C. Purchases and Sales of Securities

During the year ended December 31, 2020, purchases and sales of investment transactions (excluding short-term investments and U.S. Treasury securities) aggregated $47,976,841 and $48,794,547, 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 Fund's average daily net assets, 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, 2020, 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, 2020 through April 30, 2020, the Advisor had contractually agreed to waive all or a portion of 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	.68%
Class B	.94%

Effective May 1, 2020 through September 30, 2021 (through April 30, 2021 for Class B shares), the Advisor has contractually agreed to waive all or a portion of 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	.71%
Class B	1.10%

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for each class were as follows:

Class A	$ 87,938
Class B	380
	$ 88,318

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $50,888, of which $4,426 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 285	$ 53
Class B	58	11
	$ 343	**$ 64**

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 the average daily net assets of Class B shares. For the year ended December 31, 2020, the Distribution Service Fee was $371, of which $29 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $9,789, of which $4,164 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.

Security Lending Fees. Deutsche Bank AG serves as lending agent for the Fund. For the year ended December 31, 2020, the Fund incurred lending agent fees to Deutsche Bank AG for the amount of $137.

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, 2020, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 69% and 21%. One participating insurance company was owner of record of 10% or more of the total outstanding Class B shares of the Fund, owning 81%.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,106.60	$ 1,102.50
Expenses Paid per $1,000*	$ 3.76	$ 5.81

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,021.57	$ 1,019.61
Expenses Paid per $1,000*	$ 3.61	$ 5.58

* 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 366.

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 2020.

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 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, 2019, the Fund's performance (Class A shares) was in the 1st quartile, 1st quartile and

3rd 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, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2HI-2 (R-025832-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS International Growth VIP

Contents

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, 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. Stocks may decline in value. Smaller company stocks tend to be more volatile than medium-sized or large company stocks. 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 recent 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.

Performance Summary

December 31, 2020 (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, 2020 are 1.64% and 1.95% 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 All Country World ex-USA Index is an unmanaged equity index which captures large and mid-capitalization representation across 22 of 23 developed markets countries excluding the U.S. and 26 emerging markets countries. It covers approximately 85% of the global equity opportunity set outside of the U.S.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

Prior to October 1, 2017, the fund was named Deutsche Global Growth VIP and operated with a different investment strategy. Performance would have been different if the fund's current investment strategy had been in effect.

Comparative Results

DWS International Growth VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,269	$13,413	$17,454	$21,393
	Average annual total return	22.69%	10.28%	11.78%	7.90%
MSCI All Country World ex-USA Index	Growth of $10,000	$11,065	$11,537	$15,334	$16,163
	Average annual total return	10.65%	4.88%	8.93%	4.92%

DWS International Growth VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,229	$13,293	$17,214	$20,731
	Average annual total return	22.29%	9.95%	11.47%	7.56%
MSCI All Country World ex-USA Index	Growth of $10,000	$11,065	$11,537	$15,334	$16,163
	Average annual total return	10.65%	4.88%	8.93%	4.92%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

The Fund's Class A shares returned 22.69% in 2020 (unadjusted for contract charges), outperforming the 10.65% return of the MSCI All-Country World ex-USA Index by a comfortable margin. The Fund outpaced the index in the three-, five-, and 10-year periods that ended on December 31, 2020.

Our emphasis on growing, innovative companies was a key factor in the Fund's strong showing in 2020. Growth stocks, in general, delivered returns that were well ahead of their value counterparts, creating a tailwind for our strategy relative to the blended benchmark. Our growth-oriented approach also led us to hold an underweight position in energy, the worst performer among the eleven major sectors, as well as an overweight in information technology, the top performer. Stock selection was also a sizable contributor, with the best results occurring in the health care, industrial, and financials sectors. The growth-oriented communication services and information technology sectors were additional areas of strength.

Lonza Group AG (Switzerland) was the leading contributor at the company level. The stock was boosted by robust demand in its core business and expectations that it will be a preferred manufacturer of COVID-19 vaccines and treatments. Farfetch Ltd. (United Kingdom), which operates a marketplace for luxury goods, was another top performer. The social media company Momo, Inc. (China) and the food-services provider Compass Group PLC (United Kingdom), both of which were adversely affected by the lockdowns, were the largest detractors.

Amid the elevated uncertainty associated with COVID-19, we remained guided by our longstanding approach of investing in high-quality, innovative businesses that we believe can grow irrespective of the macroeconomic environment. As part of this process, we added new holdings in stocks we viewed as being especially well suited to navigate the cross-currents resulting from the pandemic. For example, we established positions in the German health care companies Sartorius AG and Evotec SE. Both benefited from accelerating demand for their products and services, as well as increased funding for drug development related to the coronavirus and other conditions. We also added a position in Zur Rose Group AG (Switzerland), the operator of Germany's leading online pharmacy. Later in the year, as the likelihood of a vaccine increased, we looked for secular growth stocks that stood to benefit from a reopening. Among these were Rentokil Initial PLC, a global business services company focused on hygiene, sanitation, and pest control, and the industrial semiconductor designer NXP Semiconductors NV (Netherlands). Conversely, we sold several holdings where the long-term outlook had deteriorated or where the positions had grown beyond their target portfolio weightings.

From a regional perspective, the Fund remained well diversified across Europe, China, Japan, Brazil, and North America. Although we emphasize the developed markets, we look for growth businesses in the emerging markets (as well as companies with a large portion of their revenues from this segment) on the belief that the category features attractive long-term growth prospects. At the sector level, the Fund was overweight in technology, health care, and industrials, and its largest underweights were in financials, utilities, energy, materials, and real estate. This positioning is the result of our bottom-up stock selection process, rather than a top-down view.

We continue to see opportunities in companies that are positioned for long-term, sustainable growth as they capitalize on dynamic and widening addressable markets. We are finding this to be the case not only in growth sectors, but also in more traditional businesses (such as those in the financials, insurance, education, and health care industries) that are quickly embracing new solutions to adapt to the disrupting forces. Many companies in these areas also stand to benefit from the falling costs and increasing productivity that technology-enabled innovation provides.

With visibility remaining clouded due to renewed lockdowns and surging coronavirus cases around the world, we believe it's essential to calibrate the portfolio's risk-reward characteristics carefully and ensure the appropriate level of diversification across industries, regions, and stages of the corporate life cycle.

Sebastian P. Werner, PhD, Director
Julia A. Merz, PhD, Assistant Vice President
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 All Country World ex USA Index is an unmanaged equity index which captures large and mid-capitalization representation across 22 of 23 developed markets countries excluding the U.S. and 26 emerging markets countries. It covers approximately 85% of the global equity opportunity set outside of the U.S.

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.

Stock selection refers to the performance of the fund's holdings in a given sector relative to the sector 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.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	96%	97%
Cash Equivalents	2%	1%
Preferred Stocks	1%	0%
Exchange-Traded Funds	1%	2%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
Information Technology	24%	18%
Health Care	16%	15%
Industrials	15%	15%
Financials	13%	19%
Consumer Discretionary	13%	14%
Consumer Staples	7%	7%
Communication Services	6%	5%
Materials	5%	5%
Energy	1%	2%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/20**	**12/31/19**
Germany	15%	13%
France	12%	13%
Japan	10%	10%
Switzerland	9%	9%
China	8%	8%
United States	8%	8%
Canada	7%	9%
Netherlands	6%	4%
United Kingdom	4%	4%
Ireland	4%	4%
Sweden	3%	3%
Korea	2%	2%
Argentina	2%	2%
Taiwan	2%	1%
Brazil	2%	2%
Singapore	2%	2%
Other	4%	6%
	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, 2020

	Shares	Value ($)
Common Stocks 96.2%		
Argentina 2.1%		
Globant SA* (a) (Cost $103,492)	1,860	**404,755**
Australia 0.3%		
Appen Ltd. (Cost $74,288)	3,459	**66,143**
Brazil 1.8%		
Magazine Luiza SA	22,116	106,164
Pagseguro Digital Ltd. "A"* (a)	4,379	249,078
(Cost $176,084)		**355,242**
Canada 6.5%		
Agnico Eagle Mines Ltd.	3,500	246,339
Alimentation Couche-Tard, Inc. "B"	5,515	187,949
Brookfield Asset Management, Inc. "A"	14,194	586,761
Canadian National Railway Co.	2,180	239,665
(Cost $582,363)		**1,260,714**
China 8.1%		
Alibaba Group Holding Ltd. (ADR)*	1,693	394,012
Dada Nexus Ltd. (ADR)*	544	19,856
Minth Group Ltd.	16,870	89,322
Momo, Inc. (ADR)	3,293	45,970
New Oriental Education & Technology Group, Inc. (ADR)*	939	174,476
Ping An Healthcare and Technology Co., Ltd. 144A*	2,100	25,663
Ping An Insurance (Group) Co. of China Ltd. "H"	31,000	380,780
Tencent Holdings Ltd.	6,000	435,837
(Cost $881,540)		**1,565,916**
France 11.3%		
Airbus SE*	1,055	115,927
Capgemini SE	1,239	192,938
Cie de Saint-Gobain*	3,000	138,419
LVMH Moet Hennessy Louis Vuitton SE	795	496,295
Orpea SA*	1,070	141,056
Schneider Electric SE	475	68,954
SMCP SA 144A*	6,128	37,549
Teleperformance	1,001	334,319
TOTAL SE	5,614	242,230
VINCI SA	2,670	266,000
Vivendi SA	5,110	164,890
(Cost $1,719,453)		**2,198,577**
Germany 13.6%		
adidas AG*	327	119,417
Allianz SE (Registered)	1,322	324,522
BASF SE	1,978	156,227
Deutsche Boerse AG	2,634	448,854
Evonik Industries AG	6,335	207,167
Evotec SE*	5,569	206,573
Fresenius Medical Care AG & Co. KGaA	3,825	324,078
LANXESS AG	2,210	170,120
SAP SE	1,621	214,967
TeamViewer AG 144A*	6,482	348,836
Wacker Chemie AG	750	107,440
(Cost $2,099,436)		**2,628,201**
Hong Kong 1.2%		
Techtronic Industries Co., Ltd. (Cost $38,072)	16,097	**230,502**
Ireland 3.5%		
Experian PLC	10,233	388,746
Kerry Group PLC "A"	1,977	286,525
(Cost $364,469)		**675,271**
Japan 10.2%		
Daikin Industries Ltd.	1,700	378,268
Fast Retailing Co., Ltd.	300	269,381
Hoya Corp.	2,500	346,190
Kao Corp.	1,100	84,907
Keyence Corp.	800	450,273
MISUMI Group, Inc.	3,911	128,302
Pigeon Corp.	3,900	160,912
Shimadzu Corp.	4,200	163,416
(Cost $1,071,371)		**1,981,649**
Korea 2.1%		
Samsung Electronics Co., Ltd. (Cost $229,761)	5,423	**406,183**
Luxembourg 1.0%		
Eurofins Scientific SE* (Cost $51,777)	2,380	**200,151**
Macau 0.5%		
Sands China Ltd. (Cost $116,661)	22,800	**100,729**
Netherlands 5.5%		
Adyen NV 144A*	59	138,025
ASML Holding NV	513	251,532
ING Groep NV*	16,200	152,107
Koninklijke Philips NV*	4,819	258,448
NXP Semiconductors NV (a)	965	153,445
Prosus NV	1,035	112,604
(Cost $753,689)		**1,066,161**
Singapore 1.8%		
DBS Group Holdings Ltd. (Cost $289,679)	18,300	**347,429**
South Africa 1.1%		
Naspers Ltd. "N" (Cost $235,856)	1,035	**213,756**
Sweden 3.4%		
Assa Abloy AB "B"	3,900	96,271
Hexagon AB "B"	1,068	97,553
Nobina AB 144A*	22,904	193,360
Spotify Technology SA* (a)	866	272,496
(Cost $391,626)		**659,680**
Switzerland 8.8%		
Alcon, Inc.*	632	42,053
Julius Baer Group Ltd.	1,388	79,805
Lonza Group AG (Registered)	823	530,626

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Nestle SA (Registered)	3,470	409,127
Novartis AG (Registered)	2,550	241,216
Roche Holding AG (Genusschein)	761	266,357
Zur Rose Group AG*	405	130,009
(Cost $900,558)		**1,699,193**
Taiwan 2.1%		
Taiwan Semiconductor Manufacturing Co., Ltd. (Cost $137,146)	21,000	**396,689**
United Kingdom 4.1%		
Clarivate PLC* (a)	4,760	141,420
Clinigen Group PLC	9,352	86,427
Compass Group PLC	6,985	130,063
Farfetch Ltd. "A"* (a)	2,310	147,401
Halma PLC	4,667	156,579
Rentokil Initial PLC*	19,720	137,620
(Cost $578,465)		**799,510**
United States 7.2%		
Activision Blizzard, Inc.	1,966	182,543
EPAM Systems, Inc.*	1,080	387,018
Marsh & McLennan Companies, Inc.	1,677	196,209
MasterCard, Inc. "A"	594	212,022
NVIDIA Corp.	329	171,804
Schlumberger NV	2,572	56,147
Thermo Fisher Scientific, Inc.	415	193,299
(Cost $537,383)		**1,399,042**
Total Common Stocks (Cost $11,333,169)		**18,655,493**

	Shares	Value ($)
Preferred Stocks 0.7%		
Germany		
Sartorius AG (Cost $84,410)	350	**147,633**
Exchange-Traded Funds 0.5%		
United States		
iShares MSCI Japan ETF (Cost $84,057)	1,408	**95,124**
Cash Equivalents 2.4%		
DWS Central Cash Management Government Fund, 0.08% (b) (Cost $458,187)	458,187	**458,187**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $11,959,823)	99.8	**19,356,437**
Other Assets and Liabilities, Net	0.2	**42,498**
Net Assets	100.0	**19,398,935**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral —%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c)								
290,624	—	290,624 (d)	—	—	2,173	—	—	—
Cash Equivalents 2.4%								
DWS Central Cash Management Government Fund, 0.08% (b)								
241,211	4,047,899	3,830,923	—	—	1,241	—	458,187	458,187
531,835	**4,047,899**	**4,121,547**	**—**	**—**	**3,414**	**—**	**458,187**	**458,187**

* Non-income producing security.

(a) Listed on the New York Stock Exchange.

(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, 2020.

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

MSCI: Morgan Stanley Capital International

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, 2020 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				
Argentina	$ 404,755	$ —	$ —	$ 404,755
Australia	—	66,143	—	66,143
Brazil	249,078	106,164	—	355,242
Canada	1,260,714	—	—	1,260,714
China	634,314	931,602	—	1,565,916
France	—	2,198,577	—	2,198,577
Germany	—	2,628,201	—	2,628,201
Hong Kong	—	230,502	—	230,502
Ireland	—	675,271	—	675,271
Japan	—	1,981,649	—	1,981,649
Korea	—	406,183	—	406,183
Luxembourg	—	200,151	—	200,151
Macau	—	100,729	—	100,729
Netherlands	153,445	912,716	—	1,066,161
Singapore	—	347,429	—	347,429
South Africa	—	213,756	—	213,756
Sweden	272,496	387,184	—	659,680
Switzerland	—	1,699,193	—	1,699,193
Taiwan	—	396,689	—	396,689
United Kingdom	288,821	510,689	—	799,510
United States	1,399,042	—	—	1,399,042
Preferred Stocks	—	147,633	—	147,633
Exchange-Traded Funds	95,124	—	—	95,124
Short-Term Investments	458,187	—	—	458,187
Total	**$ 5,215,976**	**$ 14,140,461**	**$ —**	**$ 19,356,437**

The accompanying notes are an integral part of the financial statements.

Statement of Assets and Liabilities

as of December 31, 2020

Assets	
Investments in non-affiliated securities, at value (cost $11,501,636)	$ 18,898,250
Investment in DWS Central Cash Management Government Fund (cost $458,187)	458,187
Foreign currency, at value (cost $143,723)	146,071
Receivable for investments sold	8,945
Receivable for Fund shares sold	25
Dividends receivable	4,513
Interest receivable	270
Foreign taxes recoverable	13,305
Other assets	367
Total assets	19,529,933
Liabilities	
Payable for investments purchased	35,668
Payable for Fund shares redeemed	13,517
Accrued Management fee	910
Accrued Trustees' fees	1,074
Other accrued expenses and payables	79,829
Total liabilities	130,998
Net assets, at value	**$ 19,398,935**
Net Assets Consist of	
Distributable earnings (loss)	7,664,379
Paid-in capital	11,734,556
Net assets, at value	**$ 19,398,935**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($19,292,461 ÷ 1,093,246 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 17.65**
Class B	
Net Asset Value, offering and redemption price per share ($106,474 ÷ 6,025 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 17.67**

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $28,050)	$ 210,603
Income distributions — DWS Central Cash Management Government Fund	1,241
Securities lending income, net of borrower rebates	2,173
Total income	214,017
Expenses: Management fee	103,177
Administration fee	16,230
Services to Shareholders	814
Distribution service fee (Class B)	246
Custodian fee	12,888
Professional fees	78,486
Reports to shareholders	26,317
Trustees' fees and expenses	2,527
Other	9,832
Total expenses before expense reductions	250,517
Expense reductions	(105,431)
Total expenses after expense reductions	145,086
Net investment income (loss)	**68,931**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	266,348
Foreign currency	(61)
	266,287
Change in net unrealized appreciation (depreciation) on: Investments	3,132,926
Foreign currency	3,965
	3,136,891
Net gain (loss)	**3,403,178**
Net increase (decrease) in net assets resulting from operations	**$ 3,472,109**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 68,931	$ 265,032
Net realized gain (loss)	266,287	(38,995)
Change in net unrealized appreciation (depreciation)	3,136,891	4,100,804
Net increase (decrease) in net assets resulting from operations	3,472,109	4,326,841
Distributions to shareholders:		
Class A	(248,933)	(445,123)
Class B	(1,082)	(3,307)
Total distributions	(250,015)	(448,430)
Fund share transactions:		
Class A		
Proceeds from shares sold	1,646,537	1,652,668
Reinvestment of distributions	248,933	445,123
Payments for shares redeemed	(3,319,251)	(2,520,782)
Net increase (decrease) in net assets from Class A share transactions	(1,423,781)	(422,991)
Class B		
Proceeds from shares sold	1,708	16,855
Reinvestment of distributions	1,082	3,307
Payments for shares redeemed	(73,265)	(112,320)
Net increase (decrease) in net assets from Class B share transactions	(70,475)	(92,158)
Increase (decrease) in net assets	1,727,838	3,363,262
Net assets at beginning of period	17,671,097	14,307,835
Net assets at end of period	**$19,398,935**	**$17,671,097**
Other Information		
Class A		
Shares outstanding at beginning of period	1,196,084	1,228,635
Shares sold	111,439	122,990
Shares issued to shareholders in reinvestment of distributions	20,388	33,594
Shares redeemed	(234,665)	(189,135)
Net increase (decrease) in Class A shares	(102,838)	(32,551)
Shares outstanding at end of period	**1,093,246**	**1,196,084**
Class B		
Shares outstanding at beginning of period	10,737	19,045
Shares sold	134	1,204
Shares issued to shareholders in reinvestment of distributions	88	249
Shares redeemed	(4,934)	(9,761)
Net increase (decrease) in Class B shares	(4,712)	(8,308)
Shares outstanding at end of period	**6,025**	**10,737**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS International Growth VIP — Class A

	Years Ended December 31,				
	2020	**2019**	**2018**	**2017**	**2016**
Selected Per Share Data					
Net asset value, beginning of period	**$14.64**	**$11.47**	**$13.90**	**$11.12**	**$10.81**
Income (loss) from investment operations:					
Net investment income[a]	.06	.22	.16	.08	.06
Net realized and unrealized gain (loss)	3.17	3.32	(2.46)	2.75	.34
Total from investment operations	3.23	3.54	(2.30)	2.83	.40
Less distribution from:					
Net investment income	(.22)	(.17)	(.13)	(.05)	(.09)
Net realized gain	—	(.20)	—	—	—
Total distributions	(.22)	(.37)	(.13)	(.05)	(.09)
Net asset value, end of period	**$17.65**	**$14.64**	**$11.47**	**$13.90**	**$11.12**
Total Return (%)[b]	22.69	31.22	(16.69)	25.47	3.72
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	19	18	14	19	27
Ratio of expenses before expense reductions (%)[c]	1.50	1.64	1.72	1.56	1.66
Ratio of expenses after expense reductions (%)[c]	.87	.86	.81	.92	.95
Ratio of net investment income (%)	.42	1.63	1.21	.61	.51
Portfolio turnover rate (%)	10	16	38	62	70

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.

DWS International Growth VIP — Class B

	Years Ended December 31,				
	2020	**2019**	**2018**	**2017**	**2016**
Selected Per Share Data					
Net asset value, beginning of period	**$14.66**	**$11.49**	**$13.93**	**$11.13**	**$10.82**
Income (loss) from investment operations:					
Net investment income[a]	.01	.18	.12	.02	.02
Net realized and unrealized gain (loss)	3.18	3.33	(2.46)	2.79	.35
Total from investment operations	3.19	3.51	(2.34)	2.81	.37
Less distribution from:					
Net investment income	(.18)	(.14)	(.10)	(.01)	(.06)
Net realized gain	—	(.20)	—	—	—
Total distributions	(.18)	(.34)	(.10)	(.01)	(.06)
Net asset value, end of period	**$17.67**	**$14.66**	**$11.49**	**$13.93**	**$11.13**
Total Return (%)[b]	22.29	30.84	(16.92)	25.26	3.38
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.1	.2	.2	.2	.07
Ratio of expenses before expense reductions (%)[c]	1.81	1.95	2.07	1.90	1.98
Ratio of expenses after expense reductions (%)[c]	1.18	1.16	1.06	1.15	1.24
Ratio of net investment income (%)	.07	1.31	.92	.12	.17
Portfolio turnover rate (%)	10	16	38	62	70

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 International 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.

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Sales of Class B shares are subject to recordkeeping fees of up to 0.15% and Rule 12b-1 fees under the 1940 Act equal to an annual rate of up to 0.25% of the average daily net assets for 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 Rule 12b-1 fee 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 and 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 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. 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, the Fund had no securities on loan.

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.

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, 2020 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 foreign denominated investments 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 66,127
Undistributed long-term capital gains	$ 227,261
Net unrealized appreciation (depreciation) on investments	$ 7,367,492

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $11,988,945. The net unrealized appreciation for all investments based on tax cost was $7,367,492. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $7,940,739 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $573,247.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31, 2020	**2019**
Distributions from ordinary income*	$ 250,015	$ 213,752
Distributions from long-term capital gains	$ —	$ 234,678

* 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, 2020, purchases and sales of investment transactions (excluding short-term investments) aggregated $1,609,431 and $3,472,105, 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 to the Investment Management Agreement with the Advisor, the Fund pays the Advisor an annual fee based on its average daily net assets, computed and accrued daily and payable monthly at the annual rate (exclusive of any applicable waivers/reimbursements) of 0.62%.

For the period from January 1, 2020 through April 30, 2021(through September 30, 2020 for Class B shares), 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 each class as follows:

Class A	.87%
Class B	1.19%

Effective October 1, 2020 through September 30, 2021, 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 B as 1.17%

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 104,808
Class B	623
	$ 105,431

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $16,230, of which $1,559 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, 2020, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 246	$ 46
Class B	58	11
	$ 304	**$ 57**

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 the average daily net assets of Class B shares. For the year ended December 31, 2020, the Distribution Service Fee aggregated $246, of which $22 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $9,487, of which $3,568 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, 2020, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 85%. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, owning 85% and 15%.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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 International Growth VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS International Growth VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,236.90	$ 1,233.90
Expenses Paid per $1,000*	$ 4.89	$ 6.68
Hypothetical 5% Fund Return		
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,020.76	$ 1,019.15
Expenses Paid per $1,000*	$ 4.42	$ 6.04

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS International Growth VIP	.87%	1.19%

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 $250,000 as capital gain dividends for its year ended December 31, 2020.

For corporate shareholders, 3% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2020, qualified for the dividends received deduction.

The Fund paid foreign taxes of $22,737 and earned $80,616 of foreign source income during the year ended December 31, 2020. Pursuant to Section 853 of the Internal Revenue Code, the Fund designates $0.02 per share as foreign taxes paid and $0.07 per share as income earned from foreign sources for the year ended December 31, 2020.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how toprepare 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 International Growth VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, the Fund's performance (Class A shares) was in the 1st quartile, 4th quartile and 3rd 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, 2019.

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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2IG-2 (R-025830-11 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS Small Mid Cap Growth VIP

Contents

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. Any fund that focuses in a particular segment of the market or region of the world will generally be more volatile than a fund that invests more broadly. 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 recent 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.

Performance Summary

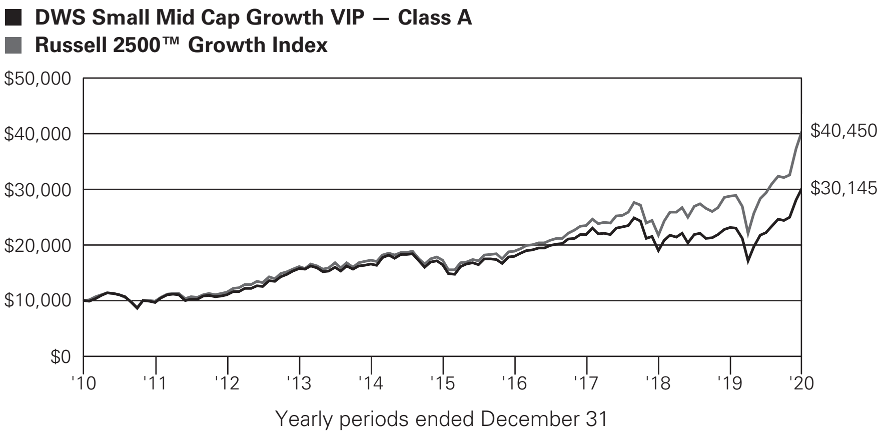
December 31, 2020 (Unaudited)

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, 2020 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	$13,018	$13,770	$18,342	$30,145
	Average annual total return	30.18%	11.25%	12.90%	11.67%
Russell 2500 Growth Index	Growth of $10,000	$14,047	$17,242	$23,547	$40,450
	Average annual total return	40.47%	19.91%	18.68%	15.00%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

For the 12-month period ended December 31, 2020, the Fund returned 30.18% (Class A shares, unadjusted for contract charges), compared with the 40.47% return of the Russell 2500™ Growth Index.

Following a benign start to 2020, equities moved sharply lower in mid-February amid mounting concerns regarding the potential impact of the COVID-19 outbreak on the global economy. The market downturn proved relatively short in duration, however, as central banks slashed interest rates and announced a number of measures to promote growth and liquidity. Governments worldwide augmented the monetary stimulus with fiscal spending packages. Taken together, these actions helped to foster investor confidence that government support would help to keep the economy afloat until the pandemic dissipates, sparking a market rally that lasted from late March until the end of August. Although the market's advance paused in the fall due to a second wave of coronavirus cases and uncertainty surrounding the U.S. election, the rally resumed in late 2020 following the approval of two vaccines. Small- and mid-cap stocks performed particularly well during this time, as investors began to look for opportunities outside the U.S. mega-cap technology segment.

The portfolio's underperformance during the 12-month period was primarily concentrated within the information technology and health care sectors. Within information technology, the portfolio's positioning in the software and IT services industries did not keep pace with the benchmark, as companies positioned to benefit from work-from-home spending saw their shares soar during this period. In terms of individual securities, the portfolio's holdings in the cloud contact software firm Five9, Inc., recreational vehicle (RV) company Camping World Holdings, Inc. and health care services firm ModivCare Inc.* (formerly Providence Service Corp.) contributed to performance during the period. Five9, which enables businesses to better utilize, analyze and adapt their workforce in the cloud, enjoyed favorable financial results. Camping World experienced a significant increase in sales over the period, as RVs were viewed by many as the safest means for travel/vacation during the pandemic. ModivCare, the largest provider of non-emergency medical transportation services in the United States, has been able to deliver consistent revenue in line with strong Medicaid enrollment growth. Conversely, holdings in industrial process heating solutions company Thermon Group Holdings, Inc., private security firm The Brink's Co. and health care staffing company AMN Healthcare Services, Inc. detracted from performance. In the case of Thermon Group, the company was negatively impacted by reduced energy demand, trimmed-down capital spending plans and delayed project completions. Shares of Brink's suffered as the company announced the poorly timed acquisition of British security firm G4S plc* in late February, taking on additional leverage just as many of Brink's "non-essential business" retail clients were shutting down due to quarantine orders. Lastly, AMN Healthcare saw strong demand for nurses but also was temporarily pressured by elevated costs during the period.

Going forward, we believe that the investment backdrop remains favorable for small- and mid-cap stocks, as growth appears set to improve in 2021, which would create supportive conditions for these companies. Inflationary pressures also appear to be mounting, which could represent a tailwind given that rising inflation has been correlated with outperformance for small caps over time. In this environment, we believe that the investment universe provides highly fertile territory for bottom-up investors to identify growing, undervalued and undiscovered companies.

Peter Barsa, Director
Michael A. Sesser, CFA, Director
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 **Russell 2500™ Growth Index** is an unmanaged index that measures the performance of the small- to midcap 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.

Contribution and **detraction** incorporate both a stock's total return and its weighting in the Fund.

* Not held at December 31, 2020.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	97%	98%
Cash Equivalents	2%	1%
Exchange-Traded Funds	1%	—
Convertible Preferred Stock	—	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Cash Equivalents, Exchange-Traded Funds and Securities Lending Collateral)	**12/31/20**	**12/31/19**
Information Technology	29%	24%
Health Care	29%	24%
Industrials	14%	20%
Consumer Discretionary	13%	15%
Financials	5%	6%
Materials	4%	3%
Real Estate	3%	4%
Consumer Staples	2%	2%
Communication Services	1%	1%
Energy	0%	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, 2020

	Shares	Value ($)
Common Stocks 97.4%		
Communication Services 0.9%		
Diversified Telecommunication Services 0.3%		
Bandwidth, Inc. "A"*	1,484	**228,046**
Entertainment 0.6%		
Take-Two Interactive Software, Inc.*	2,174	**451,736**
Consumer Discretionary 13.1%		
Auto Components 0.9%		
Gentherm, Inc.*	7,364	480,280
Tenneco, Inc. "A"*	18,953	200,902
		681,182
Diversified Consumer Services 1.8%		
Bright Horizons Family Solutions, Inc.*	5,598	968,398
Terminix Global Holdings, Inc.*	6,718	342,685
		1,311,083
Hotels, Restaurants & Leisure 1.8%		
Hilton Grand Vacations, Inc.*	12,491	391,593
Jack in the Box, Inc.	7,892	732,377
Penn National Gaming, Inc.*	2,400	207,288
		1,331,258
Household Durables 4.0%		
Helen of Troy Ltd.*	3,647	810,327
iRobot Corp.* (a)	6,773	543,804
LGI Homes, Inc.*	2,689	284,631
TopBuild Corp.*	6,707	1,234,624
		2,873,386
Internet & Direct Marketing Retail 0.4%		
Grubhub, Inc.*	3,663	**272,051**
Leisure Products 1.5%		
YETI Holdings, Inc.*	16,312	**1,116,883**
Specialty Retail 2.7%		
Burlington Stores, Inc.*	3,382	884,562
Camping World Holdings, Inc. "A" (a)	24,907	648,828
Leslie's, Inc.*	2,799	77,672
The Children's Place, Inc.	6,488	325,049
Vroom, Inc.*	999	40,929
		1,977,040
Consumer Staples 1.8%		
Food & Staples Retailing 1.1%		
Casey's General Stores, Inc.	4,371	**780,748**
Household Products 0.7%		
Spectrum Brands Holdings, Inc.	6,982	**551,438**
Energy 0.1%		
Oil, Gas & Consumable Fuels		
Contango Oil & Gas Co.* (a)	39,242	**89,864**
Financials 4.6%		
Banks 2.4%		
Pinnacle Financial Partners, Inc.	7,304	470,378
South State Corp.	4,704	340,099
SVB Financial Group*	1,234	478,582
Synovus Financial Corp.	13,385	433,273
		1,722,332

	Shares	Value ($)
Capital Markets 1.4%		
Lazard Ltd. "A"	13,717	580,229
Moelis & Co. "A"	9,136	427,199
		1,007,428
Consumer Finance 0.5%		
Green Dot Corp. "A"*	6,162	**343,840**
Diversified Financial Services 0.3%		
Social Capital Hedosophia Holdings Corp. III "A"* (a)	15,307	**256,698**
Health Care 28.5%		
Biotechnology 13.5%		
Acceleron Pharma, Inc.*	3,899	498,838
Amicus Therapeutics, Inc.*	17,294	399,318
Apellis Pharmaceuticals, Inc.*	9,281	530,873
Arena Pharmaceuticals, Inc.*	7,158	549,949
Biohaven Pharmaceutical Holding Co., Ltd.*	7,887	675,995
Blueprint Medicines Corp.*	4,684	525,311
ChemoCentryx, Inc.*	5,580	345,514
Deciphera Pharmaceuticals, Inc.*	4,133	235,870
Emergent BioSolutions, Inc.*	10,674	956,390
Global Blood Therapeutics, Inc.*	4,524	195,934
Heron Therapeutics, Inc.*	22,719	480,848
Insmed, Inc.*	4,677	155,697
Invitae Corp.*	5,038	210,639
Iovance Biotherapeutics, Inc.*	5,250	243,600
Ligand Pharmaceuticals, Inc.* (a)	3,112	309,488
Mirati Therapeutics, Inc.*	2,178	478,376
Natera, Inc.*	4,935	491,131
Neurocrine Biosciences, Inc.*	10,195	977,191
TG Therapeutics, Inc.*	1,400	72,828
Translate Bio, Inc.*	7,829	144,289
Travere Therapeutics, Inc.*	23,478	639,893
Turning Point Therapeutics, Inc.*	2,679	326,436
Ultragenyx Pharmaceutical, Inc.*	3,057	423,181
		9,867,589
Health Care Equipment & Supplies 5.3%		
Cardiovascular Systems, Inc.*	6,014	263,173
Globus Medical, Inc. "A"*	4,024	262,445
Haemonetics Corp.*	1,353	160,669
iRhythm Technologies, Inc.*	3,258	772,830
Masimo Corp.*	4,040	1,084,255
Natus Medical, Inc.*	9,520	190,781
Nevro Corp.*	2,328	402,977
Outset Medical, Inc.*	736	41,834
Quidel Corp.*	1,635	293,728
Tandem Diabetes Care, Inc.*	4,219	403,674
		3,876,366
Health Care Providers & Services 7.4%		
AMN Healthcare Services, Inc.*	15,169	1,035,284
HealthEquity, Inc.*	1,929	134,471
Molina Healthcare, Inc.*	4,458	948,127
Option Care Health, Inc.*	27,764	434,229
Providence Service Corp.*	12,193	1,690,315
RadNet, Inc.*	55,477	1,085,685
Tivity Health, Inc.*	4,464	87,450
		5,415,561

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Health Care Technology 0.6%		
HMS Holdings Corp.*	10,589	**389,146**
Life Sciences Tools & Services 0.2%		
Avantor, Inc.*	4,849	**136,499**
Pharmaceuticals 1.5%		
ANI Pharmaceuticals, Inc.*	8,521	247,450
Avadel Pharmaceuticals PLC (ADR)* (a)	18,916	126,359
Pacira BioSciences, Inc.* (a)	11,807	706,531
		1,080,340
Industrials 13.2%		
Aerospace & Defense 0.9%		
HEICO Corp.	5,006	**662,795**
Building Products 3.7%		
Advanced Drainage Systems, Inc.	3,825	319,693
Allegion PLC	7,499	872,734
AZEK Co., Inc.*	2,261	86,935
Builders FirstSource, Inc.* (a)	18,923	772,248
Masonite International Corp.*	6,705	659,370
		2,710,980
Commercial Services & Supplies 1.9%		
MSA Safety, Inc.	3,375	504,191
The Brink's Co.	12,428	894,816
		1,399,007
Construction & Engineering 0.6%		
MasTec, Inc.* (a)	6,416	**437,443**
Electrical Equipment 1.5%		
Generac Holdings, Inc.*	1,478	336,112
Plug Power, Inc.*	11,183	379,216
Thermon Group Holdings, Inc.*	26,199	409,490
		1,124,818
Machinery 0.7%		
IDEX Corp.	2,502	**498,398**
Professional Services 1.2%		
Kforce, Inc.	21,425	**901,778**
Trading Companies & Distributors 2.7%		
H&E Equipment Services, Inc.	16,406	489,063
Rush Enterprises, Inc. "A"	25,190	1,043,370
Titan Machinery, Inc.*	20,663	403,961
		1,936,394
Information Technology 28.6%		
Communications Equipment 1.4%		
Calix, Inc.*	8,844	263,197
Lumentum Holdings, Inc.*	8,417	797,932
		1,061,129
Electronic Equipment, Instruments & Components 1.4%		
Cognex Corp.	7,873	632,084
IPG Photonics Corp.*	1,883	421,396
		1,053,480
IT Services 3.7%		
Broadridge Financial Solutions, Inc.	6,371	976,037
MAXIMUS, Inc.	8,556	626,214
WEX, Inc.*	2,932	596,750
WNS Holdings Ltd. (ADR)*	6,641	478,484
		2,677,485
Semiconductors & Semiconductor Equipment 5.2%		
Advanced Energy Industries, Inc.*	12,629	1,224,634
Advanced Micro Devices, Inc.*	10,476	960,754
CMC Materials, Inc.	3,131	473,720
Entegris, Inc.	8,229	790,807
Semtech Corp.*	4,743	341,923
		3,791,838
Software 16.9%		
Aspen Technology, Inc.*	9,339	1,216,405
Cornerstone OnDemand, Inc.*	11,656	513,330
DocuSign, Inc.*	2,091	464,829
Envestnet, Inc.*	9,852	810,721
Five9, Inc.*	15,581	2,717,326
LivePerson, Inc.*	7,263	451,977
Proofpoint, Inc.*	7,005	955,552
QAD, Inc. "A"	14,773	933,358
Tyler Technologies, Inc.*	4,558	1,989,658
Varonis Systems, Inc.*	13,732	2,246,693
		12,299,849
Materials 3.7%		
Construction Materials 1.3%		
Eagle Materials, Inc.	9,476	**960,393**
Containers & Packaging 0.6%		
Berry Global Group, Inc.*	7,728	**434,236**
Metals & Mining 1.8%		
Cleveland-Cliffs, Inc. (a)	67,277	979,553
First Quantum Minerals Ltd.	17,207	308,885
		1,288,438
Real Estate 2.9%		
Real Estate Investment Trusts (REITs)		
Americold Realty Trust	10,299	384,462
EastGroup Properties, Inc.	2,708	373,866
Essential Properties Realty Trust, Inc.	21,678	459,574
Four Corners Property Trust, Inc.	13,954	415,411
QTS Realty Trust, Inc. "A" (a)	7,598	470,164
		2,103,477
Total Common Stocks (Cost $37,590,615)		**71,102,452**
Exchange-Traded Funds 0.5%		
SPDR S&P Biotech ETF (a) (Cost $247,240)	2,719	**382,782**
Securities Lending Collateral 7.5%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c) (Cost $5,457,727)	5,457,727	**5,457,727**
Cash Equivalents 2.4%		
DWS Central Cash Management Government Fund, 0.08% (b) (Cost $1,738,142)	1,738,142	**1,738,142**

The accompanying notes are an integral part of the financial statements.

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $45,033,724)	107.8	**78,681,103**
Other Assets and Liabilities, Net	(7.8)	**(5,711,938)**
Net Assets	100.0	**72,969,165**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 7.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c)								
2,086,238	3,371,489 (d)	—	—	—	27,589	—	5,457,727	5,457,727
Cash Equivalents 2.4%								
DWS Central Cash Management Government Fund, 0.08% (b)								
955,515	8,932,767	8,150,140	—	—	4,936	—	1,738,142	1,738,142
3,041,753	**12,304,256**	**8,150,140**	**—**	**—**	**32,525**	**—**	**7,195,869**	**7,195,869**

* 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, 2020 amounted to $5,243,423, which is 7.2% 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, 2020.

ADR: American Depositary Receipt
S&P: Standard & Poor's
SPDR: Standard & Poor's Depositary Receipt

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, 2020 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 (e)	$ 71,102,452	$ —	$ —	$ 71,102,452
Exchange-Traded Funds	382,782	—	—	382,782
Short-Term Investments (e)	7,195,869	—	—	7,195,869
Total	**$ 78,681,103**	**$ —**	**$ —**	**$ 78,681,103**

(e) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $37,837,855) — including $5,243,423 of securities loaned	$71,485,234
Investment in DWS Government & Agency Securities Portfolio (cost $5,457,727)*	5,457,727
Investment in DWS Central Cash Management Government Fund (cost $1,738,142)	1,738,142
Foreign currency, at value (cost $107)	115
Dividends receivable	28,028
Interest receivable	1,599
Other assets	1,208
Total assets	78,712,053
Liabilities	
Payable upon return of securities loaned	5,457,727
Payable for investments purchased	72,971
Payable for Fund shares redeemed	105,670
Accrued management fee	35,858
Accrued Trustees' fees	1,018
Other accrued expenses and payables	69,644
Total liabilities	5,742,888
Net assets, at value	**$72,969,165**
Net Assets Consist of	
Distributable earnings (loss)	37,257,815
Paid-in capital	35,711,350
Net assets, at value	**$72,969,165**
Net Asset Value	
Net Asset Value, offering and redemption price per share ($72,969,165 ÷ 4,186,167 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 17.43**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income: Dividends (net of foreign taxes withheld of $656)	$ 420,832
Income distributions — DWS Central Cash Management Government Fund	4,936
Securities lending income, net of borrower rebates	27,589
Total income	453,357
Expenses: Management fee	327,098
Administration fee	58,007
Services to Shareholders	818
Custodian fee	2,008
Professional fees	58,742
Reports to shareholders	35,556
Trustees' fees and expenses	3,598
Other	3,985
Total expenses before expense reductions	489,812
Expense reductions	(8,086)
Total expenses after expense reductions	481,726
Net investment income (loss)	**(28,369)**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from: Investments	3,757,625
Foreign Currency	(1)
	3,757,624
Change in net unrealized appreciation (depreciation) on: Investments	12,517,956
Foreign currency	8
	12,517,964
Net gain (loss)	**16,275,588**
Net increase (decrease) in net assets resulting from operations	**$16,247,219**

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, 2020	2019
Operations:		
Net investment income (loss)	$ (28,369)	$ 71,165
Net realized gain (loss)	3,757,624	1,092,162
Change in net unrealized appreciation (depreciation)	12,517,964	12,312,200
Net increase (decrease) in net assets resulting from operations	16,247,219	13,475,527
Distributions to shareholders:		
Class A	(959,731)	(8,788,523)
Fund share transactions:		
Class A		
Proceeds from shares sold	3,372,258	2,374,360
Reinvestment of distributions	959,731	8,788,523
Payments for shares redeemed	(10,851,170)	(16,023,146)
Net increase (decrease) in net assets from Class A share transactions	(6,519,181)	(4,860,263)
Increase (decrease) in net assets	8,768,307	(173,259)
Net assets at beginning of period	64,200,858	64,374,117
Net assets at end of period	**$ 72,969,165**	**$ 64,200,858**

Other Information		
Class A		
Shares outstanding at beginning of period	4,698,629	5,077,014
Shares sold	244,143	179,399
Shares issued to shareholders in reinvestment of distributions	90,115	680,753
Shares redeemed	(846,720)	(1,238,537)
Net increase (decrease) in Class A shares	(512,462)	(378,385)
Shares outstanding at end of period	**4,186,167**	**4,698,629**

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, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$13.66**	**$12.68**	**$21.94**	**$18.96**	**$20.90**
Income (loss) from investment operations:					
Net investment income (loss)[a]	(.01)	.01	(.01)	(.02)	.02
Net realized and unrealized gain (loss)	4.00	2.73	(1.92)	4.08	1.64
Total from investment operations	3.99	2.74	(1.93)	4.06	1.66
Less distributions from:					
Net investment income	(.01)	—	—	(.02)	—
Net realized gains	(.21)	(1.76)	(7.33)	(1.06)	(3.60)
Total distributions	(.22)	(1.76)	(7.33)	(1.08)	(3.60)
Net asset value, end of period	**$17.43**	**$13.66**	**$12.68**	**$21.94**	**$18.96**
Total Return (%)	30.18[b]	22.41[b]	(13.59)[b]	22.12	9.08
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	73	64	64	77	118
Ratio of expenses before expense reductions (%)[c]	.82	.82	.81	.75	.75
Ratio of expenses after expense reductions (%)[c]	.81	.81	.80	.75	.75
Ratio of net investment income (loss) (%)	(.05)	.11	(.06)	(.08)	.11
Portfolio turnover rate (%)	12	10	32	32	28

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 effort 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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, 2020

	Overnight and Continuous	<30 Days	Between 30 & 90 Days	>90 Days	Total
Securities Lending Transactions					
Common Stocks	$5,060,827	$ —	$ —	$ —	$5,060,827
Exchange-Traded Funds	396,900	—	—	—	396,900
Total Borrowings	**$5,457,727**	**$ —**	**$ —**	**$ —**	**$5,457,727**
Gross amount of recognized liabilities for securities lending transactions:					$5,457,727

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, 2020 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 foreign denominated Investments 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 786,931
Undistributed long-term capital gains	$ 3,015,494
Net unrealized appreciation (depreciation) on investments	$ 33,444,144

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $45,236,959. The net unrealized appreciation for all investments based on tax cost was $33,444,144. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $36,810,605 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,366,461.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31, 2020	2019
Distributions from ordinary income*	$ 27,637	$ —
Distributions from long-term capital gains	$ 932,094	$ 8,788,523

* 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, 2020, purchases and sales of investment transactions (excluding short-term investments) aggregated $7,334,911 and $15,372,087, 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 Fund's average daily net assets, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.550%
Next $750 million	.525%
Over $1 billion	.500%

Accordingly, for the year ended December 31, 2020, 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, 2020 through September 30, 2021, 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%.

For the year ended December 31, 2020, fees waived and/or expenses reimbursed were $8,086.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $58,007, of which $5,868 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, 2020, the amounts charged to the Fund by DSC aggregated $424, of which $78 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $8,422, of which $3,025 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, 2020, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $2,077.

D. Ownership of the Fund

At December 31, 2020, 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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,359.60
Expenses Paid per $1,000*	$ 4.80

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/20	$ 1,000.00
Ending Account Value 12/31/20	$ 1,021.06
Expenses Paid per $1,000*	$ 4.12

* 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 366.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Small Mid Cap Growth VIP	.81%

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 $0.21 per share from net long-term capital gains during its year ended December 31, 2020.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $3,333,000 as capital gain dividends for its year ended December 31, 2020.

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, 2020, 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 2020.

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, 2019, 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, 2019. 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 portfolio management team, effective April 19, 2018. 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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2SMCG-2 (R-025835-10 2/21)

December 31, 2020

Annual Report

Deutsche DWS Variable Series II

DWS Small Mid Cap Value VIP

Contents

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. Any fund that focuses in a particular segment of the market or region of the world will generally be more volatile than a fund that invests more broadly. Investing in foreign securities presents certain risks, such as currency fluctuations, political and economic changes, and market risks. The impact of the use of quantitative models and the analysis of specific metrics on a stock's performance can be difficult to predict, and stocks that previously possessed certain desirable quantitative characteristics may not continue to demonstrate those same characteristics in the future. Quantitative models also entail the risk that the models themselves may be limited or incorrect. 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 recent 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

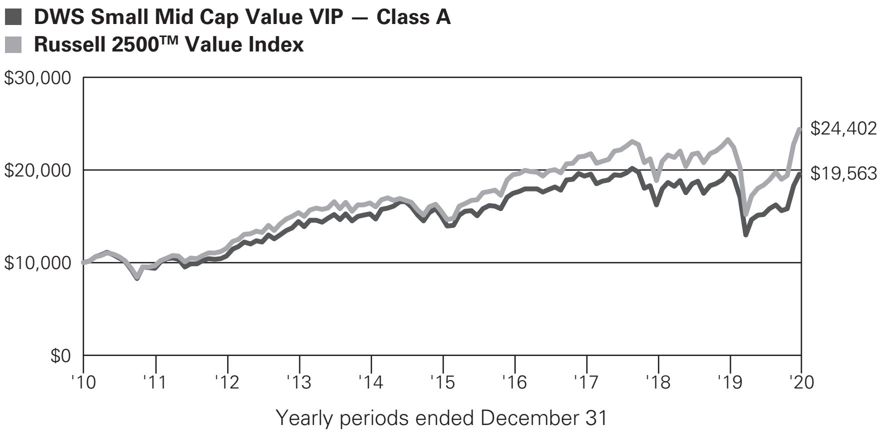
December 31, 2020 (Unaudited)

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, 2020 are 0.88% and 1.25% 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 2500™ Value Index is an unmanaged index measuring the small- to mid-cap U.S. equity value market.

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 Value VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$9,920	$10,124	$13,079	$19,563
	Average annual total return	–0.80%	0.41%	5.51%	6.94%
Russell 2500 Value Index	Growth of $10,000	$10,488	$11,358	$15,693	$24,402
	Average annual total return	4.88%	4.34%	9.43%	9.33%
DWS Small Mid Cap Value VIP		**1-Year**	**3-Year**	**5-Year**	**10-Year**
Class B	Growth of $10,000	$9,889	$10,012	$12,842	$18,880
	Average annual total return	–1.11%	0.04%	5.13%	6.56%
Russell 2500 Value Index	Growth of $10,000	$10,488	$11,358	$15,693	$24,402
	Average annual total return	4.88%	4.34%	9.43%	9.33%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2020 (Unaudited)

Class A shares of DWS Small Mid Cap Value VIP returned –0.80% in 2020 (unadjusted for contract charges) and underperformed the 4.88% gain of the Russell 2500™ Value Index.

Small-cap value stocks struggled for most of the 2020, but a late rally enabled the category to finish the year with a positive total return. After a strong start, stocks collapsed in mid-February once it became evident that COVID-19 would have a significant impact on economic growth and corporate earnings. The markets stabilized in late March after world governments and central banks stepped in with an unprecedented level of fiscal and monetary stimulus. Investors concluded that these measures would help bridge the gap until the virus was contained, sparking a rally that continued until year-end. However, the gains were primarily focused on mega-cap growth stocks for the majority of 2020. Only in November, when a vaccine for COVID-19 was finally approved, did investors feel comfortable moving into more economically sensitive areas such as smaller companies and the value style. This trend helped Russell 2500 Value Index climb back into positive territory on a year-to-date basis in early December, and it held on to the gain through the end of the year.

The Fund uses proprietary quantitative models that seek to identify the most attractive stocks in the index based on fundamental factors that have been effective sources of return over time, such as valuation, momentum, profitability, earnings, and sales growth. The models are dynamic and use specific factor weights for separate industry groups. The goal of this strategy is to maximize return potential while maintaining a risk profile similar to that of the index. Our process did not work as well as intended in 2020, largely due to modest deviations in factor exposures relative to the benchmark. In an effort to counter this issue, we tightened our factor constraints to minimize, if not eliminate, any biases. As always, we continue to revise and update our industry models to adapt to changes in the market.

The Fund lagged its benchmark by the widest margin in the consumer discretionary sector. Regis Corp.*, which operates a wide range of hair-salon chains, was the largest detractor due to extended closures stemming from COVID-19. Positions in Columbia Sportswear Co. and Michaels Companies, Inc.* further weighed on results. Health care also proved to be a challenging area for the Fund, as a handful of holdings — including Mallinckrodt PLC*, Bruker Corp., and Invacare Corp. — failed to keep pace with the broader sector. Outside of these two areas, Hertz Global Holdings, Inc.* and Peabody Energy Corp. were among the most notable detractors.

On the positive side, our strategy generated strong outperformance in the real estate sector. Easterly Government Properties, Inc.*, which proved largely immune to coronavirus-induced slowdown given that it primarily leases its properties to government agencies, was the top contributor. Consumer staples and financials were additional areas of strength, thanks to positions in Central Garden & Pet Co. and the commercial real estate financing company Walker & Dunlop, Inc. Qurate Retail Inc., a media company that owns a variety of home shopping networks, also performed well as investors were compelled to change their shopping patterns due to COVID-related lockdowns.

Stocks performed remarkably well in the time since the March lows, which was quite impressive given how dire the investment outlook appeared in the early days of COVID-19. Although it remains to be seen whether the rollout of the vaccine will indeed lead to improving growth, investors have clearly "looked past the valley" in anticipation of stronger economic conditions in 2021. Broader-market valuations increased considerably in the second half of the year as a result. While valuations don't necessarily correlate with near-term performance, stocks could become more volatile in the year ahead if the economic recovery isn't as smooth as the November-December rally would indicate. With this as the backdrop, we believe our steady, rules-based strategy — which strives to evaluate companies in a disciplined and dispassionate manner — is well suited for a time characterized by both continued opportunity and potentially increased risk.

Pankaj Bhatnagar, PhD, Managing Director
Arno V. Puskar, Director
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 Value Index is an unmanaged index measuring the small- to mid-cap U.S. equity value market.

Contribution and **detraction** incorporate both a stock's total return and its weighting in the fund.

* Not held at December 31, 2020.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/20**	**12/31/19**
Common Stocks	100%	99%
Cash Equivalents	0%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Cash Equivalents and Securities Lending Collateral)	**12/31/20**	**12/31/19**
Financials	20%	23%
Industrials	17%	14%
Consumer Discretionary	14%	10%
Real Estate	12%	14%
Information Technology	9%	9%
Health Care	7%	6%
Materials	7%	7%
Utilities	4%	6%
Energy	4%	5%
Communication Services	3%	3%
Consumer Staples	3%	3%
	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, 2020

	Shares	Value ($)
Common Stocks 99.7%		
Communication Services 3.4%		
Entertainment 0.9%		
Lions Gate Entertainment Corp. "A"* (a)	66,768	**759,152**
Media 2.1%		
Interpublic Group of Companies, Inc.	77,473	**1,822,165**
Wireless Telecommunication Services 0.4%		
Telephone & Data Systems, Inc.	21,403	**397,454**
Consumer Discretionary 13.6%		
Auto Components 0.3%		
Goodyear Tire & Rubber Co.	27,451	**299,490**
Automobiles 1.4%		
Winnebago Industries, Inc.	20,175	**1,209,290**
Distributors 0.3%		
Core-Mark Holding Co., Inc.	8,219	**241,392**
Hotels, Restaurants & Leisure 4.0%		
Aramark	50,036	1,925,385
Boyd Gaming Corp.	11,289	484,524
Choice Hotels International, Inc.	2,637	281,447
International Game Technology PLC	21,168	358,586
Red Rock Resorts, Inc. "A"	17,585	440,329
		3,490,271
Household Durables 1.5%		
PulteGroup, Inc.	30,685	**1,323,137**
Internet & Direct Marketing Retail 1.7%		
Overstock.com, Inc.* (a)	9,912	475,478
Qurate Retail, Inc. "A"	90,577	993,630
		1,469,108
Leisure Products 1.7%		
Brunswick Corp.	17,166	1,308,736
Nautilus, Inc.* (a)	9,884	179,296
		1,488,032
Specialty Retail 0.4%		
Boot Barn Holdings, Inc.*	7,546	**327,195**
Textiles, Apparel & Luxury Goods 2.3%		
Columbia Sportswear Co.	16,082	1,405,245
Under Armour, Inc. "A"*	36,419	625,314
		2,030,559
Consumer Staples 3.2%		
Food & Staples Retailing 0.5%		
The Andersons, Inc.	18,649	**457,087**
Food Products 0.7%		
Darling Ingredients, Inc.*	11,188	**645,324**
Household Products 2.0%		
Central Garden & Pet Co.*	20,865	805,598
Spectrum Brands Holdings, Inc.	11,587	915,141
		1,720,739

	Shares	Value ($)
Energy 3.8%		
Oil, Gas & Consumable Fuels		
Devon Energy Corp.	40,830	645,522
Equitrans Midstream Corp.	111,906	899,724
Peabody Energy Corp.*	148,020	356,728
Renewable Energy Group, Inc.*	3,491	247,233
Targa Resources Corp.	43,415	1,145,288
		3,294,495
Financials 20.3%		
Banks 8.4%		
BankUnited, Inc.	42,766	1,487,402
Commerce Bancshares, Inc.	3,421	224,760
ConnectOne Bancorp., Inc.	11,504	227,664
Eagle Bancorp., Inc.	29,648	1,224,462
Flushing Financial Corp.	14,310	238,118
Hancock Whitney Corp.	21,427	728,947
Hilltop Holdings, Inc.	18,538	509,980
Simmons First National Corp. "A"	32,240	696,062
UMB Financial Corp.	18,298	1,262,379
Valley National Bancorp.	77,972	760,227
		7,360,001
Capital Markets 0.9%		
Donnelley Financial Solutions, Inc.*	43,730	**742,098**
Consumer Finance 0.8%		
Credit Acceptance Corp.* (a)	2,012	**696,434**
Diversified Financial Services 0.7%		
Voya Financial, Inc.	10,464	**615,388**
Insurance 5.8%		
American Equity Investment Life Holding Co.	15,400	425,964
Assurant, Inc.	11,157	1,519,807
Athene Holding Ltd. "A"*	5,162	222,689
Brown & Brown, Inc.	38,186	1,810,398
Everest Re Group Ltd.	3,480	814,633
Globe Life, Inc.	2,820	267,787
		5,061,278
Mortgage Real Estate Investment Trusts (REITs) 2.0%		
Blackstone Mortgage Trust, Inc., "A"	30,794	847,759
Ellington Financial, Inc.	25,308	375,570
PennyMac Mortgage Investment Trust	18,527	325,890
Redwood Trust, Inc.	27,145	238,333
		1,787,552
Thrifts & Mortgage Finance 1.7%		
Walker & Dunlop, Inc.	16,128	**1,484,098**
Health Care 7.1%		
Biotechnology 2.2%		
Agios Pharmaceuticals, Inc.*	7,532	326,361
Bluebird Bio, Inc.*	7,969	344,819
Myriad Genetics, Inc.*	35,679	705,552
Novavax, Inc.* (a)	2,643	294,721
Sage Therapeutics, Inc.*	2,615	226,224
		1,897,677

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Health Care Equipment & Supplies 0.9%		
ICU Medical, Inc.*	1,594	341,897
Invacare Corp.	50,340	450,543
		792,440
Health Care Providers & Services 0.3%		
Molina Healthcare, Inc.*	1,203	**255,854**
Life Sciences Tools & Services 3.2%		
Bruker Corp.	20,724	1,121,790
PerkinElmer, Inc.	9,197	1,319,770
Syneos Health, Inc.*	5,591	380,915
		2,822,475
Pharmaceuticals 0.5%		
Endo International PLC* (a)	57,178	**410,538**
Industrials 17.0%		
Aerospace & Defense 1.9%		
Teledyne Technologies, Inc.*	4,200	**1,646,316**
Air Freight & Logistics 0.7%		
Atlas Air Worldwide Holdings, Inc.*	11,482	**626,228**
Building Products 1.5%		
Resideo Technologies, Inc.*	14,020	298,065
Simpson Manufacturing Co., Inc.	10,683	998,327
		1,296,392
Commercial Services & Supplies 2.3%		
IAA, Inc.*	20,112	1,306,878
Interface, Inc.	65,057	683,098
		1,989,976
Construction & Engineering 1.6%		
Jacobs Engineering Group, Inc.	12,823	**1,397,194**
Electrical Equipment 1.9%		
EnerSys	20,450	**1,698,577**
Industrial Conglomerates 1.1%		
Carlisle Companies, Inc.	6,002	**937,392**
Machinery 4.8%		
Federal Signal Corp.	37,993	1,260,228
Hillenbrand, Inc.	40,909	1,628,178
The Manitowoc Co., Inc.*	68,765	915,262
Pentair PLC	7,157	379,965
		4,183,633
Road & Rail 0.2%		
Knight-Swift Transportation Holdings, Inc.	5,170	**216,210**
Trading Companies & Distributors 1.0%		
NOW, Inc.*	115,938	**832,435**
Information Technology 8.8%		
Communications Equipment 1.4%		
Ciena Corp.*	8,379	442,830
CommScope Holding Co., Inc.*	57,699	773,167
		1,215,997
Electronic Equipment, Instruments & Components 2.0%		
Avnet, Inc.	24,965	876,521
Insight Enterprises, Inc.*	7,720	587,415
SYNNEX Corp.	4,038	328,854
		1,792,790
IT Services 2.0%		
Alliance Data Systems Corp.	9,391	695,873
Concentrix Corp.*	3,625	357,788
Leidos Holdings, Inc.	6,243	656,264
		1,709,925
Semiconductors & Semiconductor Equipment 1.3%		
Cirrus Logic, Inc.*	9,449	776,708
ON Semiconductor Corp.*	10,558	345,563
		1,122,271
Software 2.1%		
Cloudera, Inc.*	24,944	346,971
Verint Systems, Inc.*	21,689	1,457,067
		1,804,038
Materials 6.7%		
Chemicals 3.3%		
Albemarle Corp.	2,026	298,876
Avient Corp.	11,497	463,099
H.B. Fuller Co.	6,522	338,361
Kraton Corp.*	55,450	1,540,955
The Mosaic Co.	9,850	226,649
		2,867,940
Containers & Packaging 0.5%		
Graphic Packaging Holding Co.	25,865	**438,153**
Metals & Mining 2.9%		
Coeur Mining, Inc.*	118,553	1,227,023
Steel Dynamics, Inc.	36,117	1,331,634
		2,558,657
Real Estate 11.9%		
Equity Real Estate Investment Trusts (REITs)		
Agree Realty Corp.	21,068	1,402,708
Alexander & Baldwin, Inc. (a)	19,091	327,984
Duke Realty Corp.	26,566	1,061,843
Gaming and Leisure Properties, Inc.	33,868	1,436,003
Highwoods Properties, Inc.	28,630	1,134,607
Iron Mountain, Inc. (a)	8,465	249,548
Lexington Realty Trust	86,944	923,345
SITE Centers Corp.	70,528	713,743
STAG Industrial, Inc.	43,062	1,348,702
Urban Edge Properties	49,462	640,038
WP Carey, Inc.	15,714	1,109,094
		10,347,615
Utilities 3.9%		
Electric Utilities 2.6%		
IDACORP, Inc.	12,283	1,179,536
PG&E Corp.*	20,106	250,521
Pinnacle West Capital Corp.	11,000	879,450
		2,309,507
Gas Utilities 1.3%		
ONE Gas, Inc.	7,459	572,628
UGI Corp.	14,947	522,547
		1,095,175
Total Common Stocks (Cost $72,335,884)		**86,987,144**

The accompanying notes are an integral part of the financial statements.

	Shares	Value ($)
Securities Lending Collateral 2.8%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c) (Cost $2,438,401)	2,438,401	**2,438,401**
Cash Equivalents 0.3%		
DWS Central Cash Management Government Fund, 0.08% (b) (Cost $259,282)	259,282	**259,282**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $75,033,567)	102.8	**89,684,827**
Other Assets and Liabilities, Net	(2.8)	**(2,405,911)**
Net Assets	100.0	**87,278,916**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2020 are as follows:

Value ($) at 12/31/2019	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2020	Value ($) at 12/31/2020
Securities Lending Collateral 2.8%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.03% (b) (c)								
1,984,280	454,121 (d)	—	—	—	93,629	—	2,438,401	2,438,401
Cash Equivalents 0.3%								
DWS Central Cash Management Government Fund, 0.08% (b)								
487,000	9,898,169	10,125,887	—	—	4,566	—	259,282	259,282
2,471,280	**10,352,290**	**10,125,887**	**—**	**—**	**98,195**	**—**	**2,697,683**	**2,697,683**

* 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, 2020 amounted to $2,435,784, which is 2.8% 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. In addition, the Fund held non-cash U.S. Treasury securities collateral having a value of $81,945.

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2020.

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, 2020 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 (e)	$ 86,987,144	$ —	$ —	$ 86,987,144
Short-Term Investments (e)	2,697,683	—	—	2,697,683
Total	**$ 89,684,827**	**$ —**	**$ —**	**$ 89,684,827**

(e) 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, 2020

Assets	
Investments in non-affiliated securities, at value (cost $72,335,884) — including $2,435,784 of securities loaned	$ 86,987,144
Investment in DWS Government & Agency Securities Portfolio (cost $2,438,401)*	2,438,401
Investment in DWS Central Cash Management Government Fund (cost $259,282)	259,282
Receivable for Fund shares sold	8,446
Dividends receivable	155,364
Interest receivable	278
Other assets	1,568
Total assets	89,850,483

Liabilities	
Payable upon return of securities loaned	2,438,401
Payable for Fund shares redeemed	11,285
Accrued management fee	45,579
Accrued Trustees' fees	2,082
Other accrued expenses and payables	74,220
Total liabilities	2,571,567
Net assets, at value	**$ 87,278,916**

Net Assets Consist of	
Distributable earnings (loss)	7,029,341
Paid-in capital	80,249,575
Net assets, at value	**$ 87,278,916**

Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($70,264,803 ÷ 5,853,631 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 12.00**
Class B	
Net Asset Value, offering and redemption price per share ($17,014,113 ÷ 1,418,467 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 11.99**

* Represents collateral on securities loaned. In addition, the Fund held non-cash collateral having a value of $81,945.

Statement of Operations

for the year ended December 31, 2020

Investment Income	
Income:	
Dividends	$ 1,737,184
Income distributions — DWS Cash Management Government Fund	4,566
Securities lending income, net of borrower rebates	93,629
Total income	$ 1,835,379
Expenses:	
Management fee	498,541
Administration fee	74,858
Services to Shareholders	2,109
Record keeping fee (Class B)	17,901
Distribution service fees (Class B)	37,021
Custodian fee	3,153
Professional fees	51,408
Reports to shareholders	36,640
Trustees' fees and expenses	4,352
Other	5,298
Total expenses before expense reductions	731,281
Expense reductions	(47,561)
Total expenses after expense reductions	683,720
Net investment income	**1,151,659**

Realized and Unrealized gain (loss)	
Net realized gain (loss) from investments	(8,657,454)
Change in net unrealized appreciation (depreciation) on investments	5,071,194
Net gain (loss)	**(3,586,260)**
Net increase (decrease) in net assets resulting from operations	**$ (2,434,601)**

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, 2020	2019
Operations:		
Net investment income (loss)	$ 1,151,659	$ 1,188,003
Net realized gain (loss)	(8,657,454)	6,244,068
Change in net unrealized appreciation (depreciation)	5,071,194	11,215,454
Net increase (decrease) in net assets resulting from operations	(2,434,601)	18,647,525
Distributions to shareholders:		
Class A	(6,015,690)	(6,073,443)
Class B	(1,399,898)	(1,252,920)
Total distributions	(7,415,588)	(7,326,363)
Fund share transactions:		
Class A		
Proceeds from shares sold	5,262,531	3,385,798
Reinvestment of distributions	6,015,690	6,073,443
Payments for shares redeemed	(11,188,291)	(10,531,345)
Net increase (decrease) in net assets from Class A share transactions	89,930	(1,072,104)
Class B		
Proceeds from shares sold	3,507,387	1,581,613
Reinvestment of distributions	1,399,898	1,252,920
Payments for shares redeemed	(3,035,924)	(3,209,519)
Net increase (decrease) in net assets from Class B share transactions	1,871,361	(374,986)
Increase (decrease) in net assets	(7,888,898)	9,874,072
Net assets at beginning of period	95,167,814	85,293,742
Net assets at end of period	**$ 87,278,916**	**$ 95,167,814**

Other Information		
Class A		
Shares outstanding at beginning of period	5,666,170	5,742,711
Shares sold	527,815	261,390
Shares issued to shareholders in reinvestment of distributions	725,656	468,268
Shares redeemed	(1,066,010)	(806,199)
Net increase (decrease) in Class A shares	187,461	(76,541)
Shares outstanding at end of period	**5,853,631**	**5,666,170**
Class B		
Shares outstanding at beginning of period	1,216,620	1,243,269
Shares sold	321,995	121,577
Shares issued to shareholders in reinvestment of distributions	168,662	96,453
Shares redeemed	(288,810)	(244,679)
Net increase (decrease) in Class B shares	201,847	(26,649)
Shares outstanding at end of period	**1,418,467**	**1,216,620**

The accompanying notes are an integral part of the financial statements.

Financial Highlights

DWS Small Mid Cap Value VIP — Class A

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$13.83**	**$12.21**	**$17.88**	**$16.65**	**$15.97**
Income (loss) from investment operations:					
Net investment income[a]	.16	.18	.10	.17	.15
Net realized and unrealized gain (loss)	(.90)	2.53[d]	(2.47)	1.55	2.34
Total from investment operations	(.74)	2.71	(2.37)	1.72	2.49
Less distributions from:					
Net investment income	(.16)	(.10)	(.24)	(.12)	(.10)
Net realized gains	(.93)	(.99)	(3.06)	(.37)	(1.71)
Total distributions	(1.09)	(1.09)	(3.30)	(.49)	(1.81)
Net asset value, end of period	**$12.00**	**$13.83**	**$12.21**	**$17.88**	**$16.65**
Total Return (%)[b]	(1.80)	22.76[d]	(16.01)	10.52	16.89
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	70	78	70	96	153
Ratio of expenses before expense reductions (%)[c]	.88	.88	.87	.83	.83
Ratio of expenses after expense reductions (%)[c]	.82	.83	.81	.83	.82
Ratio of net investment income (%)	1.57	1.35	.65	.98	.99
Portfolio turnover rate (%)	43	55	64	35	53

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.

d Includes proceeds from a non-recurring litigation payment amounting to $0.14 per share and 1.07% of average daily net assets, for the year ended December 31, 2019.

DWS Small Mid Cap Value VIP — Class B

	Years Ended December 31, 2020	2019	2018	2017	2016
Selected Per Share Data					
Net asset value, beginning of period	**$13.82**	**$12.20**	**$17.86**	**$16.63**	**$15.95**
Income (loss) from investment operations:					
Net investment income[a]	.13	.13	.05	.11	.09
Net realized and unrealized gain (loss)	(.90)	2.53[d]	(2.48)	1.55	2.34
Total from investment operations	(.77)	2.66	(2.43)	1.66	2.43
Less distributions from:					
Net investment income	(.13)	(.05)	(.17)	(.06)	(.04)
Net realized gains	(.93)	(.99)	(3.06)	(.37)	(1.71)
Total distributions	(1.06)	(1.04)	(3.23)	(.43)	(1.75)
Net asset value, end of period	**$11.99**	**$13.82**	**$12.20**	**$17.86**	**$16.63**
Total Return (%)[b]	(2.18)	22.32[d]	(16.32)	10.13	16.47
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	17	17	15	19	15
Ratio of expenses before expense reductions (%)[c]	1.25	1.25	1.24	1.19	1.19
Ratio of expenses after expense reductions (%)[c]	1.19	1.19	1.16	1.19	1.18
Ratio of net investment income (loss) (%)	1.21	.99	.30	.65	.57
Portfolio turnover rate (%)	43	55	64	35	53

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.

d Includes proceeds from a non-recurring litigation payment amounting to $0.14 per share and 1.07% of average daily net assets, for the year ended December 31, 2019.

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 Value 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). Sales of Class B shares are subject to recordkeeping fees of up to 0.15% and Rule 12b-1 fees under the 1940 Act equal to an annual rate of up to 0.25% 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 Rule 12b-1 fee 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. 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, 2020, 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 (0.06% annualized effective rate as of December 31, 2020) 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, 2020, 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, 2020

	Overnight and Continuous	<30 Days	Between 30 & 90 Days	>90 Days	Total
Securities Lending Transactions					
Common Stocks	$2,438,401	$ —	$ —	$81,945	**$2,520,346**

Gross amount of recognized liabilities and non-cash collateral for securities lending transactions: $2,520,346

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, 2020, the Fund had a net tax basis capital loss carryforward of approximately $8,694,000, which may be applied against realized net taxable capital gains indefinitely, including short-term losses ($2,621,000) and long-term losses ($6,073,000).

The Fund has reviewed the tax positions for the open tax years as of December 31, 2020 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, 2020, the Fund's components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income*	$ 1,114,910
Capital loss carryforwards	$ (8,694,000)
Unrealized appreciation (depreciation) on investments	$ 14,554,540

At December 31, 2020, the aggregate cost of investments for federal income tax purposes was $75,130,287. The net unrealized appreciation for all investments based on tax cost was $14,554,540. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $18,320,630 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,766,090.

In addition, the tax character of distributions paid by the Fund is summarized as follows:

	Years Ended December 31,	
	2020	**2019**
Distributions from ordinary income*	$ 1,300,909	$ 615,525
Distributions from long-term capital gains	$ 6,114,679	$ 6,710,838

* 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.

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 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, 2020, purchases and sales of investment transactions (excluding short-term investments) aggregated $33,047,853 and $35,940,867, 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.

Pursuant to the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the Fund's average daily net assets, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.650%
Next $750 million	.620%
Next $1.5 billion	.600%
Next $2.5 billion	.580%
Next $2.5 billion	.550%
Next $2.5 billion	.540%
Next $2.5 billion	.530%
Over $12.5 billion	.520%

Accordingly, for the year ended December 31, 2020, 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, 2020 through April 30, 2021, the Advisor has contractually agreed to waive all or a portion of 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) of each class as follows:

Class A	.82%
Class B	1.19%

For the year ended December 31, 2020, fees waived and/or expenses reimbursed for each class were as follows:

Class A	$ 37,989
Class B	9,572
	$ 47,561

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. Prior to March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund paid the Advisor an annual fee ("Administration Fee") of 0.10% of the Fund's average daily net assets, computed and accrued daily and payable monthly. Effective March 1, 2020, for all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual 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, 2020, the Administration Fee was $74,858, of which $7,079 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, 2020, the amounts charged to the Fund by DSC were as follows:

Service to Shareholders	Total Aggregated	Unpaid at December 31, 2020
Class A	$ 742	$ 138
Class B	545	106
	$ 1,287	**$ 244**

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 the average daily net assets of Class B shares. For the year ended December 31, 2020, the Distribution Service Fee aggregated $37,021, of which $3,560 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended December 31, 2020, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $9,175, of which $3,527 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, 2020, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 69%. Four participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 29%, 19%, 18% and 12%.

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 rate per annum equal to the sum of the Federal Funds Rate plus 1.25 percent plus if the one-month LIBOR exceeds the Federal Funds Rate, the amount of such excess. 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, 2020.

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 and increased government activity. Specifically, COVID-19 has led to significant death and morbidity, and concerns about its further spread have resulted in the closing of schools and non-essential businesses, cancellations, shelter-in place orders, lower consumer spending in certain sectors, social distancing, bans on large social gatherings and travel, quarantines, government economic stimulus measures, reduced productivity, rapid increases in unemployment, increased demand for and strain on government and medical resources, border closings and global trade and supply chain interruptions, among others. 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. The pandemic may 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 a prolonged 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 Value VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Small Mid Cap Value VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2020, 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, 2020, 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, 2020, 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 12, 2021

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, 2020 to December 31, 2020).

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, 2020

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,286.20	$ 1,282.40
Expenses Paid per $1,000*	$ 4.71	$ 6.83

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/20	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/20	$ 1,021.01	$ 1,019.15
Expenses Paid per $1,000*	$ 4.17	$ 6.04

* 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 366.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS Small Mid Cap Value VIP	.82%	1.19%

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 $0.90 per share from net long-term capital gains during its year ended December 31, 2020.

For corporate shareholders, 96% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2020, 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 Value VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2020.

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, 2019, 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, 2019. 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 certain changes in the Fund's portfolio management team that were made effective February 14, 2019. 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 0.10% 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, 2019). The Board noted that, effective March 1, 2020, the fee paid to DIMA under the Fund's administrative services agreement was reduced to 0.097%. 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, 2019, 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.

The Board also considered that on September 24, 2020, the SEC granted a temporary order permitting DIMA and its affiliates to continue providing investment advisory and underwriting services to the DWS Funds notwithstanding a consent order entered into by Deutsche Bank AG on June 17, 2020 (the "Consent Order"). The Board noted that the temporary order was granted effective as of the date of the Consent Order. The Board also noted various representations by DIMA to the Board relating to the Consent Order, including that the conduct giving rise to the Consent Order (unintentional conduct that resulted from a system outage that prevented Deutsche Bank AG from reporting data in accordance with applicable CFTC requirements for five days in April 2016) did not involve any DWS Fund or services DIMA and its affiliates provide to the DWS Funds, that DIMA and its personnel had no involvement in the alleged conduct giving rise to the Consent Order, and that the DWS Funds would not bear any financial impact or costs relating to the Consent Order.

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 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

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) (2011–2012)	73	—
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); former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population well-being 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; and Prisma Energy International. Not-for-Profit Director/Trustee: Palm Beach Civic Association; 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 Not-for-Profit Directorships: Public Radio International	73	Portland General Electric[2] (utility company) (2003–present)
Dawn-Marie Driscoll (1946) Board Member since 1987	Emeritus Executive Fellow, 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: Advisory Board, Center for Business Ethics, Bentley University; 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)	73	—
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 (since 1994); 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; Formerly 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)	73	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Trustee, Ravinia Festival	73	—

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
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); 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)	73	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present); Director, BioTelemetry Inc.[2] (health care) (2009–present)
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); Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	73	—

Officers[4]

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[6] (1974) President and Chief Executive Officer, 2017–present	Managing Director[3], 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[7] (1962) Vice President and Secretary, 1999–present	Director,[3] 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); 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); Assistant Secretary, DBX ETF Trust (2019–2020); Assistant Secretary (July 14, 2006–December 31, 2010) and Secretary (January 31, 2006–July 13, 2006), The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc.
Ciara Crawford[8] (1984) Assistant Secretary, (2019–present)	Associate, DWS (since 2015); previously, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[7] (1966) Chief Financial Officer and Treasurer, 2018–present	Director,[3] 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[7] (1957) Assistant Treasurer, 2007–present	Director,[3] DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[7] (1966) Assistant Treasurer, 2017–present	Director,[3] 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[7] (1970) Chief Compliance Officer, 2016–present	Director,[3] DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)
Caroline Pearson[7] (1962) Chief Legal Officer, 2010–present	Managing Director[3], DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC and DBX Strategic 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); and Secretary, Deutsche AM Service Company (2010–2017)

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[5]	Business Experience and Directorships During the Past Five Years
Michelle Goveia-Pine[6] (1970) Interim Anti-Money Laundering Compliance Officer, since July 10, 2020	Director,[3] DWS; Interim AML Officer, DWS Trust Company (since July 28, 2020); Interim AML Officer, DBX ETF Trust (since July 9, 2020); Interim AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since July 24, 2020)

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 Executive title, not a board directorship.

4 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.

5 The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.

6 Address: 875 Third Avenue, New York, NY 10022.

7 Address: 100 Summer Street, Boston, MA 02110.

8 Address: 5022 Gate Parkway, Suite 400, Jacksonville, FL 32256.

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

VS2SMCV-2 (R-025829-10 2/21)

Annual Report to Shareholders December 31, 2020

Invesco V.I. Managed Volatility Fund

The Fund provides a complete list of its holdings four times in each fiscal year, at the quarter-ends. For the second and fourth quarters, the lists appear in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the lists with the Securities and Exchange Commission (SEC) as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT filings are available on the SEC website, sec.gov. The SEC file numbers for the Fund are 811-07452 and 033-57340. The Fund's most recent portfolio holdings, as filed on Form N-PORT, have also been made available to insurance companies issuing variable annuity contracts and variable life insurance policies ("variable products") that invest in the Fund.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 959 4246 or at invesco.com/proxyguidelines. The information is also available on the SEC website, sec.gov.

Information regarding how the Fund voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 is available at invesco.com/proxysearch. The information is also available on the SEC website, sec.gov.

Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the US distributor for Invesco Ltd.'s retail mutual funds, exchange-traded funds and institutional money market funds. Both are wholly owned, indirect subsidiaries of Invesco Ltd.

This report must be accompanied or preceded by a currently effective Fund prospectus and variable product prospectus, which contain more complete information, including sales charges and expenses. Investors should read each carefully before investing.

Management's Discussion of Fund Performance

Performance summary

For the year ended December 31, 2020, Series I shares of Invesco V.I. Managed Volatility Fund (the Fund) underperformed the Russell 1000 Value Index.

Your Fund's long-term performance appears later in this report.

Fund vs. Indexes

Total returns, 12/31/19 to 12/31/20, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	-1.49%
Series II Shares	-1.76
Russell 1000 Value Index▼ (Broad Market Index)	2.80
Bloomberg Barclays U.S. Government/Credit Index▼ (Style-Specific Index)	8.93
Lipper VUF Mixed-Asset Target Allocation Growth Funds Index■ (Peer Group Index)	10.72

Source(s): ▼RIMES Technologies Corp.; ■Lipper Inc.

Market conditions and your Fund

During the first quarter of 2020, as the spread of the new coronavirus (COVID-19) disrupted travel and suppressed consumer activity, investors became increasingly concerned about the global economy. At the same time, oil prices fell sharply as a price war between Saudi Arabia and Russia threatened to boost supply even as demand was falling. Beginning in late February, equity markets declined sharply and quickly, ushering in the first bear market since the financial crisis of 2008. Though equity markets stabilized somewhat toward the end of March, all sectors declined during the downturn. In response to the major collapse in demand and to help facilitate liquidity, the US Federal Reserve (the Fed) cut interest rates two times in March by 0.50% and 1.00%, ending with a target range of 0.00% to 0.25%.[1]

In April, US unemployment numbers continued to climb and the initial gross domestic product (GDP) estimates for the first quarter of 2020 saw the economy shrink by 5%, the sharpest drop since the 2008 financial crisis.[2] However, during the second and into the third quarter of 2020, US stocks largely shrugged off economic uncertainty, social unrest and a resurgence in coronavirus infections to rally from the market bottom. Investor sentiment improved in response to trillions of dollars in economic stimulus, progress on a coronavirus vaccine and re-openings in many US regions. In July, the Fed extended its emergency stimulus programs, originally scheduled to end in September, to year-end, which provided support to equities. In late August revised second quarter GDP fell by 31.4%,[2] a record decline. Despite the extreme drop in the economy, the S&P 500 Index not only erased all its losses from the first quarter but made record highs.

Despite a September selloff, US equity markets posted gains in the third quarter as the Fed extended its emergency stimulus programs and changed its inflation target policy, both of which supported equities. Data for both manufacturing and services indicated expansion, a reversal from significant declines earlier in the year. Corporate earnings were also better than anticipated and a gradual decline in new COVID-19 infections in many regions, combined with optimism about progress on a coronavirus vaccine, further boosted stocks. October saw increased volatility as COVID-19 infection rates rose to record highs in the US and in Europe. Investors also became concerned about delayed results from the US presidential election and the real possibility of a contested election, further delaying a clear winner.

US equity markets posted gains in the fourth quarter, as positive news on COVID-19 vaccines and strong corporate earnings outweighed investor concerns about political disagreement over a fiscal stimulus package and sharply rising coronavirus infections nationwide. Cyclical sectors like energy and financials lead the way, while real estate and consumer staples lagged. Market leadership also shifted during the quarter with value stocks outperforming growth for the first time since the fourth quarter of 2016. While the US economy rebounded significantly since the pandemic began, the recovery appeared to slow in the fourth quarter with estimates for employment gains and GDP growth down from the third quarter. However, stocks were buoyed by the Fed's pledge to maintain its accommodative stance and asset purchases, "until substantial further progress has been made" toward employment and inflation targets. Despite massive volatility and one of the worst bear markets in decades for the major stock indices in the US and globally, the S&P 500 Index returned 18.40% for the year.[3]

Seven out of eleven sectors within the Russell 1000 Value Index had positive returns for the year. The materials sector had the highest return for the year, while the energy sector posted a double-digit loss.

Stock selection in and overweight exposure to the information technology (IT) sector was the largest contributor to the Fund's relative performance compared to the Russell 1000 Value Index. Within the sector, **Apple**, **Qualcomm** and **Cognizant Technology Solutions** were the largest contributors, benefiting from a strong rally in the sector beginning in the second quarter of 2020. Apple shares moved higher following the selloff as the company reopened its factory in China and sales rebounded. Shares of Qualcomm traded higher following the company's patent license settlement with Huawei that helped boost both revenue and profits. Cognizant had revenue declines due to the pandemic, but earnings were better than anticipated.

Stock selection and the Fund's underweight exposure to the real estate sector also helped the Fund's relative performance versus the Russell 1000 Value Index as the sector underperformed, posting a decline for the year.

Security selection in the financials sector was another contributor to the Fund's relative performance during the year. Within the sector **Morgan Stanley** and **Goldman Sachs** were strong contributors. Large banks and capital markets firms benefited from a rise in yields during the year and these stocks performed well amid a broader rally in cyclical stocks.

The Fund holds investment grade bonds and convertible securities as a source of income and to provide a measure of stability amid market volatility. Both asset classes outperformed the Russell 1000 Value Index during the year and benefited the Fund's performance relative to the index.

Security selection in the consumer discretionary sector was the largest detractor from the Fund's relative performance compared to the Russell 1000 Value Index for the year. Within the sector, **Carnival** and **Capri Holdings** were significant detractors, driven in large part by the pandemic-related selloff in February and March of 2020. Shares of Carnival declined sharply following news of COVID-19 infections on cruise ships. The industry was also hit by the suspension of cruise travel that resulted from the virus outbreak. As a result, the team eliminated the Fund's position in the stock as they believed cruise demand would be slower to recover than other areas within the sector. Capri Holdings includes the Michael Kors, Versace, and Jimmy Choo brands. The stock declined significantly in the market correction, as consumers sheltered-in-place and stores closed amid the COVID-19 pandemic. Capri's shares later rebounded from lows set in February and March, so the team used that as an opportunity to eliminate the position given ongoing volatility in the stock.

Stock selection and an overweight exposure to the energy sector also detracted from the Fund's relative performance versus the Russell 1000 Value Index during the year. Energy stocks were negatively impacted by the severe decline in oil prices due the concurrent increase in oil supply resulting from the Saudi Arabia/Russia conflict, and the sharp deceleration in demand due to COVID-19. Key detractors for the year included **Royal Dutch Shell** and **Marathon Oil**. The team eliminated these positions during the year and reduced the Fund's overall exposure to the sector during the year, as there was significant difficulty estimating the extent of volume declines amid the pandemic.

Although cash averaged under 4% for the year, cash detracted from relative performance. This would be expected when the Russell 1000 Value Index had positive returns.

The Fund held currency forward contracts during the year for the purpose of hedging currency exposure of non-US-based companies held in the Fund. These derivatives were not for speculative purposes or leverage, and these positions had a small negative impact on the Fund's relative performance for the year. As part of our mandate, and to potentially reduce portfolio volatility during a market downturn, we sold short S&P 500 futures contracts during the year. Derivatives were used solely for the purpose of reducing volatility and not for speculative purposes. The use of S&P 500 futures contracts had a negative impact on the Fund's performance relative to the Russell 1000 Value Index for the year. However, the Fund was less volatile, as measured by standard deviation, than the Russell 1000 Value Index for the year.

During the year, the team reduced the Fund's relative overweight exposure to the financials and energy sectors within the equity portion of the Fund, and increased exposure to the industrials, communication services, IT and real estate sectors. At the end of the year, the Fund's largest overweight exposures were in the financials, IT and health care sectors, while the largest underweight exposures were to the communication services, utilities and real estate sectors.

As always, we thank you for your investment in Invesco V.I. Managed Volatility Fund and for sharing our long-term investment horizon.

1 Source: US Federal Reserve

2 Source: US Bureau of Economic Analysis

3 Source: Lipper Inc.

Portfolio manager(s):

Jacob Borbidge

Chuck Burge

Brian Jurkash (Co-Lead)

Sergio Marcheli

Matthew Titus (Co-Lead)

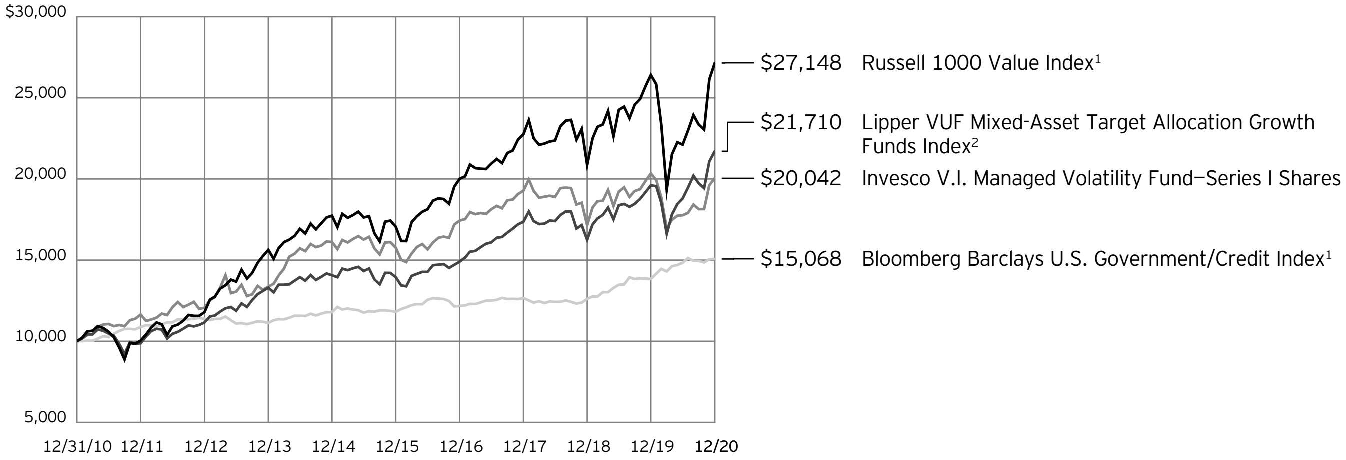
The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon as investment advice or recommendations, or as 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 Invesco Advisers, Inc. 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.

See important Fund and, if applicable, index disclosures later in this report.

Your Fund's Long-Term Performance

Results of a $10,000 Investment — Oldest Share Class(es)

Fund and index data from 12/31/10



1 Source: RIMES Technologies Corp.
2 Source: Lipper Inc.

Past performance cannot guarantee future results.

Average Annual Total Returns *As of 12/31/20*	
Series I Shares	
Inception (12/30/94)	6.75%
10 Years	7.20
5 Years	4.92
1 Year	-1.49
Series II Shares	
Inception (4/30/04)	7.75%
10 Years	6.93
5 Years	4.64
1 Year	-1.76

The performance of the Fund's Series I and Series II share classes will differ primarily due to different class expenses.

The performance data quoted represent past performance and cannot guarantee future results; current performance may be lower or higher. Please contact your variable product issuer or financial adviser for the most recent month-end variable product performance. Performance figures reflect Fund expenses, reinvested distributions and changes in net asset value. Performance figures do not reflect deduction of taxes a shareholder would pay on Fund distributions or sale of Fund shares. Investment return and principal value will fluctuate so that you may have a gain or loss when you sell shares.

Invesco V.I. Managed Volatility Fund, a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds), is currently offered through insurance companies issuing variable products. You cannot purchase shares of the Fund directly.

Performance figures given represent the Fund and are not intended to reflect actual variable product values. They do not reflect sales charges, expenses and fees assessed in connection with a variable product. Sales charges, expenses and fees, which are determined by the variable product issuers, will vary and will lower the total return.

The most recent month-end performance at the Fund level, excluding variable product charges, is available at 800 451 4246. As mentioned above, for the most recent month-end performance including variable product charges, please contact your variable product issuer or financial adviser.

Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information.

Supplemental Information

Invesco V.I. Managed Volatility Fund's investment objective is both capital appreciation and current income while managing portfolio volatility.

- Unless otherwise stated, information presented in this report is as of December 31, 2020, and is based on total net assets.
- Unless otherwise noted, all data provided by Invesco.
- To access your Fund's reports/prospectus, visit invesco.com/fundreports.

About indexes used in this report

- The **Russell 1000® Value Index** is an unmanaged index considered representative of large-cap value stocks. The Russell 1000 Value Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co.
- The **Bloomberg Barclays U.S. Government/Credit Index** is a broad-based benchmark that includes investment grade, US dollar-denominated, fixed-rate Treasuries, government-related and corporate securities.
- The **Lipper VUF Mixed-Asset Target Allocation Growth Funds Index** is an unmanaged index considered representative of mixed-asset target allocation growth variable insurance underlying funds tracked by Lipper.
- The Fund is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).
- A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

Fund Information

Portfolio Composition

By sector	% of total net assets
Financials	23.15%
Health Care	14.30
Information Technology	12.82
Industrials	9.26
Communication Services	7.59
Consumer Discretionary	6.56
U.S. Treasury Securities	5.23
Consumer Staples	4.94
Energy	4.00
Materials	3.47
Utilities	2.68
Real Estate	1.85
Money Market Funds Plus Other Assets Less Liabilities	4.15

Top 10 Equity Holdings*

		% of total net assets
1.	General Motors Co.	2.24%
2.	Cognizant Technology Solutions Corp., Class A	1.90
3.	Wells Fargo & Co.	1.74
4.	Philip Morris International, Inc.	1.74
5.	Morgan Stanley	1.68
6.	Goldman Sachs Group, Inc. (The)	1.67
7.	CSX Corp.	1.64
8.	Johnson Controls International PLC	1.53
9.	American International Group, Inc.	1.53
10.	Corteva, Inc.	1.53

The Fund's holdings are subject to change, and there is no assurance that the Fund will continue to hold any particular security.

* Excluding money market fund holdings, if any.

Data presented here are as of December 31, 2020.

Schedule of Investments[a]

December 31, 2020

	Shares	Value
Common Stocks & Other Equity Interests-65.20%		
Aerospace & Defense-3.41%		
General Dynamics Corp.	2,847	$ 423,691
Raytheon Technologies Corp.	5,003	357,764
Textron, Inc.	5,876	283,987
		1,065,442
Apparel Retail-1.07%		
TJX Cos., Inc. (The)	4,888	333,801
Automobile Manufacturers-2.24%		
General Motors Co.[b]	16,759	697,845
Building Products-2.28%		
Johnson Controls International PLC	10,266	478,293
Trane Technologies PLC	1,610	233,707
		712,000
Cable & Satellite-1.66%		
Charter Communications, Inc., Class A[c]	353	233,527
Comcast Corp., Class A	5,436	284,847
		518,374
Commodity Chemicals-0.70%		
Dow, Inc.	3,930	218,115
Construction & Engineering-0.44%		
Quanta Services, Inc.	1,917	138,062
Consumer Finance-0.73%		
American Express Co.	1,879	227,190
Data Processing & Outsourced Services-0.72%		
Fiserv, Inc.[c]	1,976	224,987
Diversified Banks-3.57%		
Bank of America Corp.[b]	8,828	267,577
Citigroup, Inc.	4,905	302,442
Wells Fargo & Co.	18,065	545,202
		1,115,221
Electric Utilities-1.73%		
Duke Energy Corp.	1,811	165,815
Exelon Corp.	4,949	208,947
FirstEnergy Corp.	5,363	164,161
		538,923
Electronic Components-0.69%		
Corning, Inc.	5,964	214,704
Electronic Manufacturing Services-0.67%		
TE Connectivity Ltd.	1,737	210,299
Fertilizers & Agricultural Chemicals-2.06%		
Corteva, Inc.	12,316	476,876
Nutrien Ltd. (Canada)	3,433	165,333
		642,209
Food Distributors-1.96%		
Sysco Corp.	4,155	308,550

	Shares	Value
Food Distributors-(continued)		
US Foods Holding Corp.[c]	9,140	$ 304,454
		613,004
Health Care Distributors-0.82%		
McKesson Corp.	1,467	255,141
Health Care Equipment-1.83%		
Medtronic PLC	3,115	364,891
Zimmer Biomet Holdings, Inc.	1,341	206,635
		571,526
Health Care Facilities-0.52%		
Universal Health Services, Inc., Class B	1,175	161,562
Health Care Services-1.39%		
Cigna Corp.[b]	1,165	242,530
CVS Health Corp.	2,815	192,264
		434,794
Health Care Supplies-0.45%		
Alcon, Inc. (Switzerland)[c]	2,092	139,661
Home Improvement Retail-0.69%		
Kingfisher PLC (United Kingdom)[c]	58,280	215,657
Human Resource & Employment Services-0.48%		
Adecco Group AG (Switzerland)	2,238	150,063
Insurance Brokers-0.59%		
Willis Towers Watson PLC	870	183,292
Integrated Oil & Gas-0.92%		
Chevron Corp.	3,395	286,708
Internet & Direct Marketing Retail-1.02%		
Booking Holdings, Inc.[c]	143	318,500
Investment Banking & Brokerage-3.90%		
Charles Schwab Corp. (The)	3,271	173,494
Goldman Sachs Group, Inc. (The)	1,972	520,036
Morgan Stanley	7,641	523,638
		1,217,168
IT Consulting & Other Services-1.90%		
Cognizant Technology Solutions Corp., Class A	7,239	593,236
Managed Health Care-1.26%		
Anthem, Inc.	1,224	393,014
Movies & Entertainment-1.32%		
Walt Disney Co. (The)[c]	2,264	410,191
Multi-line Insurance-1.53%		
American International Group, Inc.	12,609	477,377
Oil & Gas Exploration & Production-2.33%		
Canadian Natural Resources Ltd. (Canada)	6,049	145,368
Concho Resources, Inc.	2,962	172,833
ConocoPhillips	1,324	52,947
Devon Energy Corp.	10,467	165,483

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Shares	Value
Oil & Gas Exploration & Production-(continued)		
Parsley Energy, Inc., Class A	13,343	$ 189,470
		726,101
Other Diversified Financial Services-1.45%		
Equitable Holdings, Inc.	7,041	180,179
Voya Financial, Inc.	4,642	272,996
		453,175
Packaged Foods & Meats-0.24%		
Mondelez International, Inc., Class A	1,296	75,777
Pharmaceuticals-3.52%		
Bristol-Myers Squibb Co.[(b)]	6,280	389,548
GlaxoSmithKline PLC (United Kingdom)	6,639	121,647
Johnson & Johnson	1,131	177,997
Pfizer, Inc.	5,280	194,357
Sanofi (France)	2,230	215,464
		1,099,013
Railroads-1.64%		
CSX Corp.[(b)]	5,629	510,832
Real Estate Services-1.43%		
CBRE Group, Inc., Class A[(c)]	7,097	445,124
Regional Banks-4.20%		
Citizens Financial Group, Inc.	12,373	442,459
PNC Financial Services Group, Inc. (The)	3,092	460,708
Truist Financial Corp.	8,512	407,980
		1,311,147
Semiconductors-2.70%		
Micron Technology, Inc.[(c)]	2,544	191,258
NXP Semiconductors N.V. (Netherlands)	1,690	268,727
QUALCOMM, Inc.	2,513	382,830
		842,815
Specialty Chemicals-0.70%		
DuPont de Nemours, Inc.	3,073	218,521
Systems Software-1.09%		
Oracle Corp.	5,253	339,816
Technology Hardware, Storage & Peripherals-0.65%		
Apple, Inc.	1,519	201,556
Tobacco-1.74%		
Philip Morris International, Inc.	6,574	544,261
Wireless Telecommunication Services-0.96%		
Vodafone Group PLC (United Kingdom)	181,782	299,147
Total Common Stocks & Other Equity Interests (Cost $14,539,530)		20,345,351

	Principal Amount	Value
U.S. Dollar Denominated Bonds & Notes-25.15%		
Aerospace & Defense-0.18%		
General Dynamics Corp., 3.88%, 07/15/2021	$ 45,000	45,459
Raytheon Technologies Corp., 4.45%, 11/16/2038	9,000	11,349
		56,808
Air Freight & Logistics-0.02%		
United Parcel Service, Inc., 3.40%, 11/15/2046	$ 4,000	$ 4,826
Airlines-0.17%		
American Airlines Pass-Through Trust, Series 2014-1, Class A, 3.70%, 04/01/2028	16,927	15,973
United Airlines Pass-Through Trust, Series 2014-2, Class A, 3.75%, 09/03/2026	21,543	21,949
Series 2018-1, Class AA, 3.50%, 03/01/2030	15,440	15,381
		53,303
Alternative Carriers-0.23%		
Liberty Latin America Ltd. (Chile), Conv., 2.00%, 07/15/2024	74,000	70,687
Application Software-0.88%		
Nuance Communications, Inc., Conv., 1.00%, 12/15/2022[(d)]	38,000	70,915
1.25%, 04/01/2025	34,000	77,533
Workday, Inc., Conv., 0.25%, 10/01/2022	75,000	125,696
		274,144
Asset Management & Custody Banks-0.61%		
Apollo Management Holdings L.P., 4.00%, 05/30/2024[(e)]	40,000	44,330
Brookfield Asset Management, Inc. (Canada), 4.00%, 01/15/2025	25,000	27,901
Carlyle Holdings Finance LLC, 3.88%, 02/01/2023[(e)]	5,000	5,322
KKR Group Finance Co. III LLC, 5.13%, 06/01/2044[(e)]	85,000	111,744
		189,297
Automobile Manufacturers-0.15%		
General Motors Co., 6.60%, 04/01/2036	16,000	21,903
General Motors Financial Co., Inc., 5.25%, 03/01/2026	21,000	24,773
		46,676
Biotechnology-0.64%		
AbbVie, Inc., 4.50%, 05/14/2035	38,000	47,762
4.05%, 11/21/2039	34,000	41,132
Gilead Sciences, Inc., 4.40%, 12/01/2021	25,000	25,686
Neurocrine Biosciences, Inc., Conv., 2.25%, 05/15/2024	62,000	86,166
		200,746
Brewers-0.48%		
Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc. (Belgium), 4.70%, 02/01/2036	45,000	57,141
4.90%, 02/01/2046	27,000	35,249
Heineken N.V. (Netherlands), 3.50%, 01/29/2028[(e)]	35,000	39,864
Molson Coors Beverage Co., 4.20%, 07/15/2046	16,000	18,360
		150,614

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Cable & Satellite-1.54%		
BofA Finance LLC, Conv., 0.13%, 09/01/2022	$ 62,000	$ 72,416
Charter Communications Operating LLC/Charter Communications Operating Capital Corp., 4.46%, 07/23/2022	60,000	63,270
3.85%, 04/01/2061	27,000	27,210
Comcast Corp., 4.15%, 10/15/2028	30,000	36,121
3.90%, 03/01/2038	10,000	12,237
Cox Communications, Inc., 2.95%, 10/01/2050[(e)]	5,000	5,112
DISH Network Corp., Conv., 3.38%, 08/15/2026	216,000	206,438
Liberty Broadband Corp., Conv., 1.25%, 10/05/2023[(d)(e)]	58,000	58,842
		481,646
Communications Equipment-0.83%		
Cisco Systems, Inc., 1.85%, 09/20/2021	45,000	45,459
Finisar Corp., Conv., 0.50%, 12/15/2021[(d)]	39,000	39,205
Viavi Solutions, Inc., Conv., 1.75%, 06/01/2023	71,000	88,198
1.00%, 03/01/2024	68,000	87,371
		260,233
Construction Machinery & Heavy Trucks-0.07%		
Caterpillar Financial Services Corp., 1.70%, 08/09/2021	20,000	20,174
Consumer Finance-0.15%		
American Express Co., 3.63%, 12/05/2024	18,000	20,009
Capital One Financial Corp., 3.20%, 01/30/2023	15,000	15,812
Synchrony Financial, 3.95%, 12/01/2027	10,000	11,219
		47,040
Data Processing & Outsourced Services-0.05%		
Fiserv, Inc., 3.80%, 10/01/2023	15,000	16,345
Diversified Banks-1.91%		
Bank of America Corp., 3.25%, 10/21/2027	10,000	11,194
Citigroup, Inc., 4.00%, 08/05/2024	60,000	66,835
3.67%, 07/24/2028[(f)]	15,000	17,009
4.75%, 05/18/2046	15,000	20,034
JPMorgan Chase & Co., 3.20%, 06/15/2026	15,000	16,803
3.51%, 01/23/2029[(f)]	15,000	17,122
4.26%, 02/22/2048[(f)]	10,000	13,097
3.90%, 01/23/2049[(f)]	15,000	18,911
Series V, 3.56% (3 mo. USD LIBOR + 3.32%)[(g)(h)]	150,000	147,553
U.S. Bancorp, Series W, 3.10%, 04/27/2026	10,000	11,143
Wells Fargo & Co., 3.55%, 09/29/2025	30,000	33,708
4.10%, 06/03/2026	95,000	108,957
4.65%, 11/04/2044	15,000	19,219

	Principal Amount	Value
Diversified Banks-(continued)		
Westpac Banking Corp. (Australia), 2.10%, 05/13/2021	$ 95,000	$ 95,661
		597,246
Diversified Capital Markets-0.41%		
Credit Suisse AG (Switzerland), Conv., 0.50%, 06/24/2024[(e)]	131,000	128,079
Drug Retail-0.19%		
Walgreens Boots Alliance, Inc., 3.30%, 11/18/2021	32,000	32,669
4.50%, 11/18/2034	24,000	27,602
		60,271
Electric Utilities-0.34%		
Georgia Power Co., Series B, 3.70%, 01/30/2050	9,000	10,852
NextEra Energy Capital Holdings, Inc., 3.55%, 05/01/2027	11,000	12,537
Southern Co. (The), 2.35%, 07/01/2021	60,000	60,476
Xcel Energy, Inc., 0.50%, 10/15/2023	14,000	14,048
3.50%, 12/01/2049	7,000	8,207
		106,120
Environmental & Facilities Services-0.10%		
Waste Management, Inc., 3.90%, 03/01/2035	25,000	30,665
General Merchandise Stores-0.07%		
Dollar General Corp., 3.25%, 04/15/2023	20,000	21,167
Health Care Equipment-1.33%		
Becton, Dickinson and Co., 4.88%, 05/15/2044	86,000	106,385
DexCom, Inc., Conv., 0.75%, 12/01/2023	86,000	195,746
Integra LifeSciences Holdings Corp., Conv., 0.50%, 08/15/2025[(e)]	51,000	56,376
Medtronic, Inc., 4.38%, 03/15/2035	15,000	20,207
NuVasive, Inc., Conv., 2.25%, 03/15/2021	24,000	24,418
Tandem Diabetes Care, Inc., Conv., 1.50%, 05/01/2025[(e)]	10,000	11,827
		414,959
Health Care REITs-0.09%		
Healthpeak Properties, Inc., 3.88%, 08/15/2024	25,000	27,680
Health Care Services-0.31%		
Cigna Corp., 4.80%, 08/15/2038	9,000	11,733
CVS Health Corp., 3.38%, 08/12/2024	20,000	21,856
Laboratory Corp. of America Holdings, 3.20%, 02/01/2022	33,000	33,987
4.70%, 02/01/2045	22,000	28,901
		96,477
Health Care Technology-0.37%		
Teladoc Health, Inc., Conv., 1.25%, 06/01/2027[(e)]	97,000	116,662
Home Improvement Retail-0.09%		
Home Depot, Inc. (The), 2.00%, 04/01/2021	27,000	27,071

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Industrial Conglomerates-0.05%		
Honeywell International, Inc., 0.46% (3 mo. USD LIBOR + 0.23%), 08/19/2022[h]	$ 17,000	$ 17,019
Insurance Brokers-0.02%		
Willis North America, Inc., 3.60%, 05/15/2024	5,000	5,461
Integrated Oil & Gas-0.15%		
BP Capital Markets America, Inc., 2.94%, 06/04/2051	26,000	26,550
Suncor Energy, Inc. (Canada), 3.60%, 12/01/2024	18,000	19,864
		46,414
Integrated Telecommunication Services-0.67%		
AT&T, Inc.,		
3.00%, 06/30/2022	28,000	28,985
4.50%, 05/15/2035	25,000	30,347
Verizon Communications, Inc., 4.40%, 11/01/2034	120,000	149,804
		209,136
Interactive Home Entertainment-0.08%		
Zynga, Inc., Conv., 0.00%, 12/15/2026[e][i]	25,000	26,369
Internet & Direct Marketing Retail-1.17%		
Amazon.com, Inc., 4.80%, 12/05/2034	9,000	12,353
Booking Holdings, Inc., Conv.,		
0.90%, 09/15/2021	40,000	46,461
0.75%, 05/01/2025[e]	10,000	14,578
Match Group Financeco 3, Inc., Conv., 2.00%, 01/15/2030[e]	94,000	182,282
Trip.com Group Ltd. (China), Conv., 1.25%, 09/15/2022	113,000	107,916
		363,590
Internet Services & Infrastructure-0.21%		
Shopify, Inc. (Canada), Conv., 0.13%, 11/01/2025	55,000	65,038
Investment Banking & Brokerage-0.89%		
Goldman Sachs Group, Inc. (The), 4.25%, 10/21/2025	27,000	30,981
GS Finance Corp., Series 0001, Conv., 0.25%, 07/08/2024	198,000	207,504
Morgan Stanley, 4.00%, 07/23/2025	35,000	40,080
		278,565
Life & Health Insurance-0.50%		
Athene Global Funding, 4.00%, 01/25/2022[e]	45,000	46,609
Guardian Life Global Funding, 2.90%, 05/06/2024[e]	20,000	21,541
Jackson National Life Global Funding,		
2.10%, 10/25/2021[e]	10,000	10,146
3.25%, 01/30/2024[e]	15,000	16,135
Nationwide Financial Services, Inc., 5.30%, 11/18/2044[e]	35,000	42,403
Reliance Standard Life Global Funding II, 3.05%, 01/20/2021[e]	20,000	20,023
		156,857

	Principal Amount	Value
Managed Health Care-0.06%		
UnitedHealth Group, Inc., 3.50%, 08/15/2039	$ 16,000	$ 19,035
Movies & Entertainment-1.07%		
Liberty Media Corp., Conv.,		
2.25%, 10/05/2021[d]	55,000	26,123
1.38%, 10/15/2023	158,000	200,502
Liberty Formula One, Conv., 1.00%, 01/30/2023	20,000	25,572
Live Nation Entertainment, Inc., Conv., 2.50%, 03/15/2023	62,000	80,340
		332,537
Multi-line Insurance-0.17%		
American International Group, Inc., 4.38%, 01/15/2055	40,000	51,472
Multi-Utilities-0.07%		
NiSource, Inc., 4.38%, 05/15/2047	9,000	11,438
Sempra Energy, 3.80%, 02/01/2038	8,000	9,278
		20,716
Office REITs-0.08%		
Office Properties Income Trust, 4.00%, 07/15/2022	25,000	25,567
Oil & Gas Exploration & Production-0.11%		
Cameron LNG LLC, 3.70%, 01/15/2039[e]	16,000	18,066
ConocoPhillips, 4.15%, 11/15/2034	13,000	15,109
		33,175
Oil & Gas Storage & Transportation-0.50%		
Energy Transfer Operating L.P.,		
4.20%, 09/15/2023	2,000	2,158
4.90%, 03/15/2035	19,000	20,953
5.00%, 05/15/2050	8,000	8,670
Enterprise Products Operating LLC, 4.25%, 02/15/2048	10,000	11,745
Kinder Morgan, Inc., 5.30%, 12/01/2034	23,000	28,354
MPLX L.P.,		
4.50%, 07/15/2023	65,000	70,824
4.50%, 04/15/2038	11,000	12,582
		155,286
Other Diversified Financial Services-1.90%		
Convertible Trust - Energy, Series 2019-1, 0.33%, 09/19/2024	168,000	174,031
Convertible Trust - Healthcare, Series 2018-1, 0.25%, 02/05/2024	168,000	190,815
Convertible Trust - Media, Series 2019, Class 1, 0.25%, 12/04/2024	168,000	228,984
		593,830
Packaged Foods & Meats-0.05%		
Kraft Heinz Foods Co. (The), 4.63%, 10/01/2039[e]	10,000	11,187
Mead Johnson Nutrition Co. (United Kingdom), 4.13%, 11/15/2025	3,000	3,462
		14,649
Pharmaceuticals-1.80%		
Bayer US Finance LLC (Germany), 3.00%, 10/08/2021[e]	200,000	203,436

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Pharmaceuticals-(continued)		
Bristol-Myers Squibb Co., 4.13%, 06/15/2039	$ 18,000	$ 22,987
4.63%, 05/15/2044	100,000	136,546
Jazz Investments I Ltd., Conv., 2.00%, 06/15/2026[e]	37,000	48,335
Pacira BioSciences, Inc., Conv., 2.38%, 04/01/2022	7,000	8,046
0.75%, 08/01/2025[e]	23,000	25,979
Pfizer, Inc., 3.00%, 09/15/2021	50,000	50,997
2.20%, 12/15/2021	15,000	15,293
Supernus Pharmaceuticals, Inc., Conv., 0.63%, 04/01/2023	33,000	31,460
Utah Acquisition Sub, Inc., 3.15%, 06/15/2021	17,000	17,165
		560,244
Property & Casualty Insurance-0.10%		
Allstate Corp. (The), 3.28%, 12/15/2026	10,000	11,428
Markel Corp., 5.00%, 05/20/2049	15,000	20,709
		32,137
Railroads-0.12%		
Norfolk Southern Corp., 3.40%, 11/01/2049	5,000	5,736
Union Pacific Corp., 4.15%, 01/15/2045	25,000	31,083
		36,819
Real Estate Services-0.24%		
Redfin Corp., Conv., 0.00%, 10/15/2025[e][i]	62,000	74,409
Regional Banks-0.12%		
Citizens Financial Group, Inc., 2.38%, 07/28/2021	15,000	15,146
PNC Financial Services Group, Inc. (The), 3.45%, 04/23/2029	20,000	23,059
		38,205
Reinsurance-0.11%		
PartnerRe Finance B LLC, 3.70%, 07/02/2029	30,000	34,555
Renewable Electricity-0.54%		
Oglethorpe Power Corp., 4.55%, 06/01/2044	150,000	169,307
Restaurants-0.07%		
Starbucks Corp., 3.55%, 08/15/2029	20,000	23,280
Retail REITs-0.02%		
Regency Centers L.P., 2.95%, 09/15/2029	5,000	5,346
Semiconductors-1.25%		
Broadcom Corp./Broadcom Cayman Finance Ltd., 3.63%, 01/15/2024	30,000	32,439
Cree, Inc., Conv., 0.88%, 09/01/2023	42,000	76,406
1.75%, 05/01/2026[e]	28,000	64,971
Microchip Technology, Inc., Conv., 0.13%, 11/15/2024	139,000	153,886

	Principal Amount	Value
Semiconductors-(continued)		
Micron Technology, Inc., 4.66%, 02/15/2030	$ 10,000	$ 12,284
NVIDIA Corp., 2.20%, 09/16/2021	20,000	20,246
NXP B.V./NXP Funding LLC (Netherlands), 5.35%, 03/01/2026[e]	20,000	24,121
Texas Instruments, Inc., 2.63%, 05/15/2024	5,000	5,343
		389,696
Soft Drinks-0.11%		
PepsiCo, Inc., 3.00%, 08/25/2021	35,000	35,655
Specialty Chemicals-0.01%		
Sherwin-Williams Co. (The), 4.50%, 06/01/2047	3,000	4,013
Systems Software-0.63%		
FireEye, Inc., Series B, Conv., 1.63%, 06/01/2022[d]	77,000	75,943
Series A, Conv., 1.00%, 06/01/2025[d]	76,000	75,188
Microsoft Corp., 3.50%, 02/12/2035	37,000	45,579
		196,710
Technology Distributors-0.11%		
Avnet, Inc., 4.63%, 04/15/2026	30,000	33,973
Technology Hardware, Storage & Peripherals-0.45%		
Apple, Inc., 2.15%, 02/09/2022	39,000	39,814
3.35%, 02/09/2027	10,000	11,413
Dell International LLC/EMC Corp., 5.45%, 06/15/2023[e]	26,000	28,764
Western Digital Corp., Conv., 1.50%, 02/01/2024	61,000	60,936
		140,927
Tobacco-0.15%		
Altria Group, Inc., 5.80%, 02/14/2039	36,000	47,434
Trading Companies & Distributors-0.16%		
Air Lease Corp., 4.25%, 09/15/2024	35,000	38,376
Aircastle Ltd., 4.40%, 09/25/2023	10,000	10,601
		48,977
Trucking-0.14%		
Aviation Capital Group LLC, 4.88%, 10/01/2025[e]	40,000	43,257
Wireless Telecommunication Services-0.06%		
Rogers Communications, Inc. (Canada), 4.30%, 02/15/2048	15,000	19,197
Total U.S. Dollar Denominated Bonds & Notes (Cost $6,736,987)		7,847,793
U.S. Treasury Securities-5.23%		
U.S. Treasury Bonds-0.63%		
1.38%, 08/15/2050	209,500	195,817

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
U.S. Treasury Notes-4.60%		
0.13%, 11/30/2022	$968,000	$ 968,151
0.38%, 11/30/2025	288,200	288,560
0.63%, 11/30/2027	99,300	99,254
0.88%, 11/15/2030	79,000	78,704
		1,434,669
Total U.S. Treasury Securities (Cost $1,629,263)		1,630,486
	Shares	
Preferred Stocks-0.27%		
Asset Management & Custody Banks-0.27%		
AMG Capital Trust II, 5.15%, Conv. Pfd. (Cost $106,269)	1,700	84,968

	Shares	Value
Money Market Funds-4.15%		
Invesco Government & Agency Portfolio, Institutional Class, 0.03%[j][k]	513,587	$ 513,587
Invesco Liquid Assets Portfolio, Institutional Class, 0.08%[j][k]	194,348	194,406
Invesco Treasury Portfolio, Institutional Class, 0.01%[j][k]	586,956	586,956
Total Money Market Funds (Cost $1,294,957)		1,294,949
TOTAL INVESTMENTS IN SECURITIES-100.00% (Cost $24,307,006)		31,203,547
OTHER ASSETS LESS LIABILITIES-(0.00)%		(205)
NET ASSETS-100.00%		$31,203,342

Investment Abbreviations:

Conv. - Convertible
LIBOR - London Interbank Offered Rate
Pfd. - Preferred
REIT - Real Estate Investment Trust
USD - U.S. Dollar

Notes to Schedule of Investments:

(a) Industry and/or sector classifications used in this report are generally according to the Global Industry Classification Standard, which was developed by and is the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.
(b) All or a portion of the value was pledged as collateral to cover margin requirements for open futures contracts. See Note 1K.
(c) Non-income producing security.
(d) Security has an irrevocable call by the issuer or mandatory put by the holder. Maturity date reflects such call or put.
(e) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at December 31, 2020 was $1,500,769, which represented 4.81% of the Fund's Net Assets.
(f) Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
(g) Perpetual bond with no specified maturity date.
(h) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on December 31, 2020.
(i) Zero coupon bond issued at a discount.
(j) Affiliated issuer. The issuer and/or the Fund is a wholly-owned subsidiary of Invesco Ltd., or is affiliated by having an investment adviser that is under common control of Invesco Ltd. The table below shows the Fund's transactions in, and earnings from, its investments in affiliates for the fiscal year ended December 31, 2020.

	Value December 31, 2019	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	Value December 31, 2020	Dividend Income
Investments in Affiliated Money Market Funds:							
Invesco Government & Agency Portfolio, Institutional Class	$ 619,911	$ 6,486,018	$ (6,592,342)	$ -	$ -	$ 513,587	$2,348
Invesco Liquid Assets Portfolio, Institutional Class	441,820	4,632,869	(4,879,906)	(8)	(369)	194,406	2,209
Invesco Treasury Portfolio, Institutional Class	708,469	7,412,592	(7,534,105)	-	-	586,956	2,520
Total	$1,770,200	$18,531,479	$(19,006,353)	$(8)	$(369)	$1,294,949	$7,077

(k) The rate shown is the 7-day SEC standardized yield as of December 31, 2020.

Open Futures Contracts

Short Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
Equity Risk					
E-Mini S&P 500 Index	16	March-2021	$(2,999,040)	$(35,368)	$(35,368)

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Open Forward Foreign Currency Contracts

Settlement Date	Counterparty	Contract to Deliver		Contract to Receive		Unrealized Appreciation (Depreciation)
Currency Risk						
01/15/2021	State Street Bank & Trust Co.	CHF	3,156	USD	3,571	$ 5
01/15/2021	State Street Bank & Trust Co.	EUR	4,649	USD	5,702	21
01/15/2021	State Street Bank & Trust Co.	USD	4,275	CAD	5,509	52
01/15/2021	State Street Bank & Trust Co.	USD	4,061	CHF	3,609	17
01/15/2021	State Street Bank & Trust Co.	USD	6,990	EUR	5,736	19
01/15/2021	State Street Bank & Trust Co.	USD	41,333	GBP	30,720	682
Subtotal—Appreciation						796
Currency Risk						
01/15/2021	Bank of New York Mellon (The)	CAD	147,610	USD	115,885	(85)
01/15/2021	Bank of New York Mellon (The)	EUR	130,204	USD	158,353	(754)
01/15/2021	Bank of New York Mellon (The)	GBP	377,930	USD	506,111	(10,762)
01/15/2021	State Street Bank & Trust Co.	CHF	193,274	USD	218,196	(190)
01/15/2021	State Street Bank & Trust Co.	EUR	2,944	USD	3,589	(9)
01/15/2021	State Street Bank & Trust Co.	GBP	9,588	USD	12,913	(199)
01/15/2021	State Street Bank & Trust Co.	USD	2,428	CAD	3,089	(1)
Subtotal—Depreciation						(12,000)
Total Forward Foreign Currency Contracts						$(11,204)

Abbreviations:

CAD – Canadian Dollar
CHF – Swiss Franc
EUR – Euro
GBP – British Pound Sterling
USD – U.S. Dollar

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Assets and Liabilities

December 31, 2020

Assets:	
Investments in securities, at value (Cost $23,012,049)	$29,908,598
Investments in affiliated money market funds, at value (Cost $1,294,957)	1,294,949
Other investments:	
Unrealized appreciation on forward foreign currency contracts outstanding	796
Foreign currencies, at value (Cost $11,542)	11,774
Receivable for:	
Investments sold	63,144
Fund shares sold	63,187
Dividends	37,994
Interest	45,287
Investment for trustee deferred compensation and retirement plans	72,568
Total assets	31,498,297
Liabilities:	
Other investments:	
Variation margin payable - futures contracts	19,137
Unrealized depreciation on forward foreign currency contracts outstanding	12,000
Payable for:	
Investments purchased	85,316
Fund shares reacquired	7,795
Amount due custodian	14,160
Accrued fees to affiliates	15,103
Accrued other operating expenses	64,406
Trustee deferred compensation and retirement plans	77,038
Total liabilities	294,955
Net assets applicable to shares outstanding	$31,203,342
Net assets consist of:	
Shares of beneficial interest	$27,098,950
Distributable earnings	4,104,392
	$31,203,342
Net Assets:	
Series I	$30,164,285
Series II	$ 1,039,057
Shares outstanding, no par value, with an unlimited number of shares authorized:	
Series I	2,582,436
Series II	89,989
Series I:	
Net asset value per share	$ 11.68
Series II:	
Net asset value per share	$ 11.55

Statement of Operations

For the year ended December 31, 2020

Investment income:	
Dividends (net of foreign withholding taxes of $5,264)	$ 510,725
Interest	217,227
Dividends from affiliated money market funds	7,077
Total investment income	735,029
Expenses:	
Advisory fees	184,818
Administrative services fees	50,597
Custodian fees	13,863
Distribution fees - Series II	2,642
Transfer agent fees	17,824
Trustees' and officers' fees and benefits	20,029
Reports to shareholders	9,919
Professional services fees	50,080
Other	(1,061)
Total expenses	348,711
Less: Fees waived	(1,640)
Net expenses	347,071
Net investment income	387,958
Realized and unrealized gain (loss) from:	
Net realized gain (loss) from:	
Unaffiliated investment securities	158,366
Affiliated investment securities	(369)
Foreign currencies	14,843
Forward foreign currency contracts	(73,949)
Futures contracts	(2,926,763)
	(2,827,872)
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	1,484,809
Affiliated investment securities	(8)
Foreign currencies	289
Forward foreign currency contracts	21,786
Futures contracts	(35,368)
	1,471,508
Net realized and unrealized gain (loss)	(1,356,364)
Net increase (decrease) in net assets resulting from operations	$ (968,406)

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Changes in Net Assets

For the years ended December 31, 2020 and 2019

	2020	2019
Operations:		
Net investment income	$ 387,958	$ 569,748
Net realized gain (loss)	(2,827,872)	708,999
Change in net unrealized appreciation	1,471,508	5,011,773
Net increase (decrease) in net assets resulting from operations	(968,406)	6,290,520
Distributions to shareholders from distributable earnings:		
Series I	(1,284,342)	(1,896,583)
Series II	(40,901)	(63,708)
Total distributions from distributable earnings	(1,325,243)	(1,960,291)
Share transactions–net:		
Series I	(3,051,585)	(3,190,164)
Series II	(177,719)	(47,952)
Net increase (decrease) in net assets resulting from share transactions	(3,229,304)	(3,238,116)
Net increase (decrease) in net assets	(5,522,953)	1,092,113
Net assets:		
Beginning of year	36,726,295	35,634,182
End of year	$31,203,342	$36,726,295

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Financial Highlights

The following schedule presents financial highlights for a share of the Fund outstanding throughout the periods indicated.

	Net asset value, beginning of period	Net investment income[(a)]	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends from net investment income	Distributions from net realized gains	Total distributions	Net asset value, end of period	Total return [(b)]	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed	Ratio of net investment income to average net assets	Portfolio turnover [(c)]
Series I														
Year ended 12/31/20	$12.41	$0.14	$(0.36)	$(0.22)	$(0.24)	$(0.27)	$(0.51)	$11.68	(1.49)%	$30,164	1.11%[(d)]	1.12%[(d)]	1.28%[(d)]	97%
Year ended 12/31/19	11.04	0.19	1.82	2.01	(0.17)	(0.47)	(0.64)	12.41	18.58	35,409	1.07	1.08	1.55	109
Year ended 12/31/18	13.06	0.16	(1.51)	(1.35)	(0.22)	(0.45)	(0.67)	11.04	(11.00)	34,420	1.23	1.24	1.24	111
Year ended 12/31/17	11.97	0.18[(e)]	1.08	1.26	(0.17)	–	(0.17)	13.06	10.56	44,104	1.13	1.13	1.42[(e)]	91
Year ended 12/31/16	11.38	0.14	1.03	1.17	(0.22)	(0.36)	(0.58)	11.97	10.61	50,183	1.15	1.16	1.26	92
Series II														
Year ended 12/31/20	12.26	0.11	(0.34)	(0.23)	(0.21)	(0.27)	(0.48)	11.55	(1.67)	1,039	1.36[(d)]	1.37[(d)]	1.03[(d)]	97
Year ended 12/31/19	10.91	0.15	1.81	1.96	(0.14)	(0.47)	(0.61)	12.26	18.30	1,317	1.32	1.33	1.30	109
Year ended 12/31/18	12.92	0.12	(1.49)	(1.37)	(0.19)	(0.45)	(0.64)	10.91	(11.28)	1,214	1.48	1.49	0.99	111
Year ended 12/31/17	11.84	0.15[(e)]	1.07	1.22	(0.14)	–	(0.14)	12.92	10.33	1,446	1.38	1.38	1.17[(e)]	91
Year ended 12/31/16	11.26	0.11	1.02	1.13	(0.19)	(0.36)	(0.55)	11.84	10.31	1,462	1.40	1.41	1.01	92

(a) Calculated using average shares outstanding.
(b) 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. Total returns are not annualized for periods less than one year, if applicable, and do not reflect charges assessed in connection with a variable product, which if included would reduce total returns.
(c) Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.
(d) Ratios are based on average daily net assets (000's omitted) of $29,746 and $1,057 for Series I and Series II shares, respectively.
(e) Net investment income per share and the ratio of net investment income to average net assets includes significant dividends received during the year ended December 31, 2017. Net investment income per share and the ratio of net investment income to average net assets excluding the significant dividends are $0.14 and 1.11% and $0.11 and 0.86% for Series I and Series II shares, respectively.

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Notes to Financial Statements

December 31, 2020

NOTE 1—Significant Accounting Policies

Invesco V.I. Managed Volatility Fund (the "Fund") is a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the "Trust"). The Trust is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end series management investment company. Information presented in these financial statements pertains only to the Fund. Matters affecting the Fund or each class will be voted on exclusively by the shareholders of the Fund or each class. Current Securities and Exchange Commission ("SEC") guidance, however, requires participating insurance companies offering separate accounts to vote shares proportionally in accordance with the instructions of the contract owners whose investments are funded by shares of each Fund or class.

The Fund's investment objective is both capital appreciation and current income while managing portfolio volatility.

The Fund currently offers two classes of shares, Series I and Series II, both of which are offered to insurance company separate accounts funding variable annuity contracts and variable life insurance policies ("variable products").

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 946, *Financial Services – Investment Companies*.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements.

A. Security Valuations – Securities, including restricted securities, are valued according to the following policy.

A security listed or traded on an exchange (except convertible securities) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued by an independent pricing service they may be considered fair valued. Futures contracts are valued at the final settlement price set by an exchange on which they are principally traded. Listed options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and asked prices. For purposes of determining net asset value ("NAV") per share, futures and option contracts generally are valued 15 minutes after the close of the customary trading session of the New York Stock Exchange ("NYSE").

Investments in open-end and closed-end registered investment companies that do not trade on an exchange are valued at the end-of-day net asset value per share. Investments in open-end and closed-end registered investment companies that trade on an exchange are valued at the last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded.

Debt obligations (including convertible securities) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate (for unlisted equities), yield (for debt obligations), quality, type of issue, coupon rate (for debt obligations), maturity (for debt obligations), individual trading characteristics and other market data. Pricing services generally value debt obligations assuming orderly transactions of institutional round lot size, but a fund may hold or transact in the same securities in smaller, odd lot sizes. Odd lots often trade at lower prices than institutional round lots. Debt obligations are subject to interest rate and credit risks. In addition, all debt obligations involve some risk of default with respect to interest and/or principal payments.

Foreign securities' (including foreign exchange contracts) prices are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that the investment adviser determines are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities' prices meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources. The last bid price may be used to value equity securities. The mean between the last bid and asked prices is used to value debt obligations, including corporate loans.

Securities for which market quotations are not readily available or became unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/asked quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

The Fund may invest in securities that are subject to interest rate risk, meaning the risk that the prices will generally fall as interest rates rise and, conversely, the prices will generally rise as interest rates fall. Specific securities differ in their sensitivity to changes in interest rates depending on their individual characteristics. Changes in interest rates may result in increased market volatility, which may affect the value and/or liquidity of certain Fund investments.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer's assets, general market conditions which are not specifically related to the particular issuer, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, regional or global instability, natural or environmental disasters, widespread disease or other public health issues, war, acts of terrorism or adverse investor sentiment generally and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Securities Transactions and Investment Income - Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on an accrual basis from settlement date. Bond premiums and discounts are amortized and/or accreted over the lives of the respective securities. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and the Statement of Changes in Net Assets, or the net investment income per share and the ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the investment adviser.

The Fund allocates income and realized and unrealized capital gains and losses to a class based on the relative net assets of each class.

C. Country Determination – For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

D. Distributions - Distributions from net investment income and net realized capital gain, if any, are generally declared and paid to separate accounts of participating insurance companies annually and recorded on the ex-dividend date.

E. Federal Income Taxes – The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained. Management has analyzed the Fund's uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

The Fund files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally, the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

F. Expenses - Fees provided for under the Rule 12b-1 plan of a particular class of the Fund and which are directly attributable to that class are charged to the operations of such class. All other expenses are allocated among the classes based on relative net assets.

G. Accounting Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("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 reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Fund monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.

H. Indemnifications - Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts, including the Fund's servicing agreements, that contain a variety of 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. The risk of material loss as a result of such indemnification claims is considered remote.

I. Foreign Currency Translations – Foreign currency is valued at the close of the NYSE based on quotations posted by banks and major currency dealers. Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of portfolio securities (net of foreign taxes withheld on disposition) and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not separately account for the portion of the results of operations resulting from changes in foreign exchange rates on investments and the fluctuations arising from changes in market prices of securities held. The combined results of changes in foreign exchange rates and the fluctuation of market prices on investments (net of estimated foreign tax withholding) are included with the net realized and unrealized gain or loss from investments in the Statement of Operations. Reported net realized foreign currency gains or losses arise from (1) sales of foreign currencies, (2) currency gains or losses realized between the trade and settlement dates on securities transactions, and (3) 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 currency gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

The Fund may invest in foreign securities, which may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests and are shown in the Statement of Operations.

J. Forward Foreign Currency Contracts – The Fund may engage in foreign currency transactions either on a spot (i.e. for prompt delivery and settlement) basis, or through forward foreign currency contracts, to manage or minimize currency or exchange rate risk.

The Fund may also enter into forward foreign currency contracts for the purchase or sale of a security denominated in a foreign currency in order to "lock in" the U.S. dollar price of that security, or the Fund may also enter into forward foreign currency contracts that do not provide for physical settlement of the two currencies, but instead are settled by a single cash payment calculated as the difference between the agreed upon exchange rate and the spot rate at settlement based upon an agreed upon notional amount (non-deliverable forwards). The Fund will set aside liquid assets in an amount equal to the daily mark-to-market obligation for forward foreign currency contracts.

A forward foreign currency contract is an obligation between two parties ("Counterparties") to purchase or sell a specific currency for an agreed-upon price at a future date. The use of forward foreign currency contracts does not eliminate fluctuations in the price of the underlying securities the Fund owns or intends to acquire but establishes a rate of exchange in advance. Fluctuations in the value of these contracts are measured by the difference in the contract date and reporting date exchange rates and are recorded as unrealized appreciation (depreciation) until the contracts are closed. When the contracts are closed, realized gains (losses) are recorded. Realized and unrealized gains (losses) on the contracts are included in the Statement of Operations. The primary risks associated with forward foreign currency contracts include failure of the Counterparty to meet the terms of the contract and the value of the foreign currency changing unfavorably. These risks may be in excess of the amounts reflected in the Statement of Assets and Liabilities.

K. Futures Contracts – The Fund may enter into futures contracts to manage exposure to interest rate, equity and market price movements and/or currency risks. A futures contract is an agreement between two parties ("Counterparties") to purchase or sell a specified underlying security, currency or commodity (or delivery of a cash settlement price, in the case of an index future) for a fixed price at a future date. The Fund currently invests only in exchange-traded futures and they are standardized as to maturity date and underlying financial instrument. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral at the futures commission merchant (broker). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by recalculating the value of the contracts on a daily basis. Subsequent or variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. These amounts are reflected as receivables or payables on the Statement of Assets and Liabilities. When the contracts are closed or expire, 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 basis in the contract. The net realized gain (loss) and the change in unrealized gain (loss) on futures contracts held during the period is included on the Statement of Operations. The primary risks associated with futures contracts are market risk and the absence of a liquid secondary market. If the Fund were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Fund would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Futures contracts have minimal Counterparty risk since the exchange's clearinghouse, as Counterparty to all exchange-traded futures, guarantees the futures against default. Risks may exceed amounts recognized in the Statement of Assets and Liabilities.

L. Other Risks - Active trading of portfolio securities may result in added expenses, a lower return and increased tax liability.

The current low interest rate environment was created in part by the Federal Reserve Board (FRB) and certain foreign central banks keeping the federal funds and equivalent foreign rates near historical lows. Increases in the federal funds and equivalent foreign rates may expose fixed income markets to heightened volatility and reduced liquidity for certain fixed income investments, particularly those with longer maturities. In addition, decreases in fixed income dealer market-making capacity may also potentially lead to heightened volatility and reduced liquidity in the fixed income markets. As a result, the value of the Fund's investments and share price may decline. Changes in central bank policies could also result in higher than normal shareholder redemptions, which could potentially increase portfolio turnover and the Fund's transaction costs.

The market values of convertible securities are affected by market interest rates, the risk of actual issuer default on interest or principal payments and the value of the underlying common stock into which the convertible security may be converted. Additionally, a convertible security is subject to the same types of market and issuer risks as apply to the underlying common stock. In addition, certain convertible securities are subject to involuntary conversions and may undergo principal write-downs upon the occurrence of certain triggering events, and, as a result, are subject to an increased risk of loss. Convertible securities may be rated below investment grade.

M. Collateral —To the extent the Fund has designated or segregated a security as collateral and that security is subsequently sold, it is the Fund's practice to replace such collateral no later than the next business day.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with Invesco Advisers, Inc. (the "Adviser" or "Invesco"). Under the terms of the investment advisory agreement, the Fund accrues daily and pays monthly an advisory fee to the Adviser at the annual rate of 0.60% of the Fund's average daily net assets.

Under the terms of a master sub-advisory agreement between the Adviser and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. and separate sub-advisory agreements with Invesco Capital Management LLC and Invesco Asset Management (India) Private Limited (collectively, the "Affiliated Sub-Advisers") the Adviser, not the Fund, will pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide(s) discretionary investment management services to the Fund based on the percentage of assets allocated to such Affiliated Sub-Adviser(s).

The Adviser has contractually agreed, through at least June 30, 2021, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (excluding certain items discussed below) of Series I shares to 2.00% and Series II shares to 2.25% of the Fund's average daily net assets (the "expense limits"). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on June 30, 2021. During its term, the fee waiver agreement cannot be terminated or amended to increase the expense limits or reduce the advisory fee waiver without approval of the Board of Trustees. The Adviser did not waive fees and/or reimburse expenses during the period under these expense limits.

Further, the Adviser has contractually agreed, through at least June 30, 2022, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash in such affiliated money market funds.

For the year ended December 31, 2020, the Adviser waived advisory fees of $1,640.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Fund has agreed to pay Invesco a fee for costs incurred in providing accounting services and fund administrative services to the Fund and to reimburse Invesco for fees paid to insurance companies that have agreed to provide certain administrative services to the Fund. These administrative services provided by the insurance companies may include, among other things: maintenance of master accounts with the Fund; tracking, recording and transmitting net purchase and redemption orders for Fund shares; maintaining and preserving records related to the purchase, redemption and other account activity of variable product owners; distributing copies of Fund documents such as prospectuses, proxy materials and periodic reports, to variable product owners, and responding to inquiries from variable product owners about the Fund. Pursuant to such agreement, for the year ended December 31, 2020, Invesco was paid $4,443 for accounting and fund administrative services and was reimbursed $46,154 for fees paid to insurance companies. Invesco has entered into a sub-administration agreement whereby State Street Bank and Trust Company ("SSB") serves as fund accountant and provides certain administrative services to the Fund. Pursuant to a custody agreement with the Trust on behalf of the Fund, SSB also serves as the Fund's custodian.

The Trust has entered into a transfer agency and service agreement with Invesco Investment Services, Inc. ("IIS") pursuant to which the Fund has agreed to pay IIS a fee for providing transfer agency and shareholder services to the Fund and reimburse IIS for certain expenses incurred by IIS in the course of providing such services. For the year ended December 31, 2020, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the year ended December 31, 2020, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

Certain officers and trustees of the Trust are officers and directors of the Adviser, IIS and/or IDI.

NOTE 3—Additional Valuation Information

GAAP defines fair value as the price 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, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods, giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3), generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 – Prices are determined using quoted prices in an active market for identical assets.

Level 2 – Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 – Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of December 31, 2020. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
Investments in Securities				
Common Stocks & Other Equity Interests	$19,203,712	$ 1,141,639	$–	$20,345,351
U.S. Dollar Denominated Bonds & Notes	–	7,847,793	–	7,847,793
U.S. Treasury Securities	–	1,630,486	–	1,630,486
Preferred Stocks	84,968	–	–	84,968
Money Market Funds	1,294,949	–	–	1,294,949
Total Investments in Securities	20,583,629	10,619,918	–	31,203,547
Other Investments - Assets*				
Forward Foreign Currency Contracts	–	796	–	796
Other Investments - Liabilities*				
Futures Contracts	(35,368)	–	–	(35,368)
Forward Foreign Currency Contracts	–	(12,000)	–	(12,000)
	(35,368)	(12,000)	–	(47,368)
Total Other Investments	(35,368)	(11,204)	–	(46,572)
Total Investments	$20,548,261	$10,608,714	$–	$31,156,975

* Unrealized appreciation (depreciation).

NOTE 4—Derivative Investments

The Fund may enter into an International Swaps and Derivatives Association Master Agreement ("ISDA Master Agreement") under which a fund may trade OTC derivatives. An OTC transaction entered into under an ISDA Master Agreement typically involves a collateral posting arrangement, payment netting provisions and close-out netting provisions. These netting provisions allow for reduction of credit risk through netting of contractual obligations. The enforceability of the netting provisions of the ISDA Master Agreement depends on the governing law of the ISDA Master Agreement, among other factors.

For financial reporting purposes, the Fund does not offset OTC derivative assets or liabilities that are subject to ISDA Master Agreements in the Statement of Assets and Liabilities.

Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund's derivative investments, detailed by primary risk exposure, held as of December 31, 2020:

	Value		
Derivative Assets	**Currency Risk**	**Equity Risk**	**Total**
Unrealized appreciation on forward foreign currency contracts outstanding	$ 796	$ -	$ 796
Derivatives not subject to master netting agreements	-	-	-
Total Derivative Assets subject to master netting agreements	$ 796	$ -	$ 796

	Value		
Derivative Liabilities	**Currency Risk**	**Equity Risk**	**Total**
Unrealized depreciation on futures contracts – Exchange-Traded[(a)]	$ -	$(35,368)	$(35,368)
Unrealized depreciation on forward foreign currency contracts outstanding	(12,000)	-	(12,000)
Total Derivative Liabilities	(12,000)	(35,368)	(47,368)
Derivatives not subject to master netting agreements	-	35,368	35,368
Total Derivative Liabilities subject to master netting agreements	$(12,000)	$ -	$(12,000)

(a) The daily variation margin receivable (payable) at period-end is recorded in the Statement of Assets and Liabilities.

Offsetting Assets and Liabilities

The table below reflects the Fund's exposure to Counterparties subject to either an ISDA Master Agreement or other agreement for OTC derivative transactions as of December 31, 2020.

	Financial Derivative Assets	Financial Derivative Liabilities		Collateral (Received)/Pledged		
Counterparty	Forward Foreign Currency Contracts	Forward Foreign Currency Contracts	Net Value of Derivatives	Non-Cash	Cash	Net Amount
Bank of New York Mellon (The)	$ -	$(11,601)	$(11,601)	$-	$-	$(11,601)
State Street Bank & Trust Co.	796	(399)	397	-	-	397
Total	$796	$(12,000)	$(11,204)	$-	$-	$(11,204)

Effect of Derivative Investments for the year ended December 31, 2020

The table below summarizes the gains (losses) on derivative investments, detailed by primary risk exposure, recognized in earnings during the period:

	Location of Gain (Loss) on Statement of Operations		
	Currency Risk	Equity Risk	Total
Realized Gain (Loss):			
Forward foreign currency contracts	$(73,949)	$ -	$ (73,949)
Futures contracts	-	(2,926,763)	(2,926,763)
Change in Net Unrealized Appreciation (Depreciation):			
Forward foreign currency contracts	21,786	-	21,786
Futures contracts	-	(35,368)	(35,368)
Total	$(52,163)	$(2,962,131)	$(3,014,294)

The table below summarizes the average notional value of derivatives held during the period.

	Forward Foreign Currency Contracts	Futures Contracts
Average notional value	$1,614,916	$9,376,707

NOTE 5—Trustees' and Officers' Fees and Benefits

Trustees' and Officers' Fees and Benefits include amounts accrued by the Fund to pay remuneration to certain Trustees and Officers of the Fund. Trustees have the option to defer compensation payable by the Fund, and *Trustees' and Officers' Fees and Benefits* also include amounts accrued by the Fund to fund such deferred compensation amounts. Those Trustees who defer compensation have the option to select various Invesco Funds in which their deferral accounts shall be deemed to be invested. Finally, certain current Trustees were eligible to participate in a retirement plan that provided for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Fund may have certain former Trustees who also participate in a retirement plan and receive benefits under such plan. *Trustees' and Officers' Fees and Benefits* include amounts accrued by the Fund to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Fund.

NOTE 6—Cash Balances

The Fund is permitted to temporarily carry a negative or overdrawn balance in its account with SSB, the custodian bank. Such balances, if any at period-end, are shown in the Statement of Assets and Liabilities under the payable caption Amount due custodian. To compensate the custodian bank for such overdrafts, the overdrawn Fund may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate. The Fund may not purchase additional securities when any borrowings from banks or broker-dealers exceed 5% of the Fund's total assets, or when any borrowings from an Invesco Fund are outstanding.

NOTE 7—Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended December 31, 2020 and 2019:

	2020	2019
Ordinary income*	$ 634,855	$ 514,166
Long-term capital gain	690,388	1,446,125
Total distributions	$1,325,243	$1,960,291

* Includes short-term capital gain distributions, if any.

Tax Components of Net Assets at Period-End:

	2020
Undistributed ordinary income	$ 491,902
Net unrealized appreciation — investments	6,181,006
Net unrealized appreciation - foreign currencies	615
Temporary book/tax differences	(52,489)
Capital loss carryforward	(2,516,642)
Shares of beneficial interest	27,098,950
Total net assets	$31,203,342

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is due to differences in the timing of recognition of gains and losses on investments for tax and book purposes. The Fund's net unrealized appreciation (depreciation) difference is attributable primarily to wash sales and grantor trust adjustments.

The temporary book/tax differences are a result of timing differences between book and tax recognition of income and/or expenses. The Fund's temporary book/tax differences are the result of the trustee deferral of compensation and retirement plan benefits.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Fund has a capital loss carryforward as of December 31, 2020, as follows:

Capital Loss Carryforward*

Expiration	Short-Term	Long-Term	Total
Not subject to expiration	$856,943	$1,659,699	$2,516,642

* Capital loss carryforward is reduced for limitations, if any, to the extent required by the Internal Revenue Code and may be further limited depending upon a variety of factors, including the realization of net unrealized gains or losses as of the date of any reorganization.

NOTE 8—Investment Transactions

The aggregate amount of investment securities (other than short-term securities, U.S. Treasury obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2020 was $9,588,445 and $14,907,885, respectively. During the same period, purchases and sales of U.S. Treasury obligations were $18,845,092 and $20,168,743, respectively. Cost of investments, including any derivatives, on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed federal income tax reporting period-end.

Unrealized Appreciation (Depreciation) of Investments on a Tax Basis

Aggregate unrealized appreciation of investments	$6,442,593
Aggregate unrealized (depreciation) of investments	(261,587)
Net unrealized appreciation of investments	$6,181,006

Cost of investments for tax purposes is $24,975,969.

NOTE 9—Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of contingent payment debt instruments adjustments, grantor trusts and foreign currency transactions, on December 31, 2020, undistributed net investment income was increased by $96,968 and undistributed net realized gain (loss) was decreased by $96,968. This reclassification had no effect on the net assets or the distributable earnings of the Fund.

NOTE 10—Share Information

	Summary of Share Activity			
	Year ended December 31, 2020[(a)]		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Sold:				
Series I	173,050	$ 1,946,065	262,050	$ 3,173,461
Series II	8,311	92,914	2,709	32,332
Issued as reinvestment of dividends:				
Series I	117,399	1,284,342	161,687	1,896,583
Series II	3,780	40,901	5,492	63,708

	Summary of Share Activity			
	Year ended December 31, 2020[a]		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Reacquired:				
Series I	(560,998)	$(6,281,992)	(688,807)	$(8,260,208)
Series II	(29,512)	(311,534)	(12,075)	(143,992)
Net increase (decrease) in share activity	(287,970)	$(3,229,304)	(268,944)	$(3,238,116)

[a] There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 59% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

NOTE 11—Coronavirus (COVID-19) Pandemic

During the first quarter of 2020, the World Health Organization declared COVID-19 to be a public health emergency. COVID-19 has led to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets in general. COVID-19 may adversely impact the Fund's ability to achieve its investment objective. Because of the uncertainties on valuation, the global economy and business operations, values reflected in these financial statements may materially differ from the value received upon actual sales of those investments.

The extent of the impact on the performance of the Fund and its investments will depend on future developments, including the duration and spread of the COVID-19 outbreak, related restrictions and advisories, and the effects on the financial markets and economy overall, all of which are highly uncertain and cannot be predicted.

NOTE 12—Subsequent Event

The Board of Trustees of the Fund unanimously approved an Agreement and Plan of Reorganization (the "Agreement") pursuant to which the Fund would transfer all of its assets and liabilities to Invesco V.I. Equity and Income Fund (the "Acquiring Fund").

The Agreement requires approval of the Fund's shareholders and will be submitted to the shareholders for their consideration at a meeting to be held in or around April 2021. The reorganization is expected to be consummated shortly thereafter. Upon closing of the reorganization, shareholders of the Fund will receive shares of the Acquiring Fund in exchange for their shares of the Fund, and the Fund will liquidate and cease operations.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) and Shareholders of Invesco V.I. Managed Volatility Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Invesco V.I. Managed Volatility Fund (one of the funds constituting AIM Variable Insurance Funds (Invesco Variable Insurance Funds), referred to hereafter as the "Fund") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (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, 2020, 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, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 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, 2020 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

Houston, Texas
February 16, 2021

We have served as the auditor of one or more investment companies in the Invesco group of investment companies since at least 1995. We have not been able to determine the specific year we began serving as auditor.

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees; distribution and/or service fees (12b-1); and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with 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, 2020 through December 31, 2020.

The actual and hypothetical expenses in the examples below do not represent the effect of any fees or other expenses assessed in connection with a variable product; if they did, the expenses shown would be higher while the ending account values shown would be lower.

Actual expenses

The table below provides information about actual account values and actual expenses. You may use the information in this table, 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 table under the heading entitled "Actual Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The table below also provides information 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.

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. Therefore, the hypothetical information is useful in comparing ongoing costs, and will not help you determine the relative total costs of owning different funds.

		ACTUAL		HYPOTHETICAL (5% annual return before expenses)		
	Beginning Account Value (07/01/20)	Ending Account Value (12/31/20)[1]	Expenses Paid During Period[2]	Ending Account Value (12/31/20)	Expenses Paid During Period[2]	Annualized Expense Ratio
Series I	$1,000.00	$1,127.70	$6.36	$1,019.15	$6.04	1.19%
Series II	1,000.00	1,125.60	7.69	1,017.90	7.30	1.44

[1] The actual ending account value is based on the actual total return of the Fund for the period July 1, 2020 through December 31, 2020, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

[2] Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 184/366 to reflect the most recent fiscal half year.

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax advisers.

The following distribution information is being provided as required by the Internal Revenue Code or to meet a specific state's requirement.

The Fund designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended December 31, 2020:

Federal and State Income Tax	
Long-Term Capital Gain Distributions	$690,388
Qualified Dividend Income*	0.00%
Corporate Dividends Received Deduction*	71.62%
Business Interest Income*	25.45%
U.S. Treasury Obligations*	6.02%

* The above percentages are based on ordinary income dividends paid to shareholders during the Fund's fiscal year.

Trustees and Officers

The address of each trustee and officer is AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the "Trust"), 11 Greenway Plaza, Suite 1000, Houston, Texas 77046-1173. The trustees serve for the life of the Trust, subject to their earlier death, incapacitation, resignation, retirement or removal as more specifically provided in the Trust's organizational documents. Each officer serves for a one year term or until their successors are elected and qualified. Column two below includes length of time served with predecessor entities, if any.

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Interested Trustee				
Martin L. Flanagan[1] – 1960 Trustee and Vice Chair	2007	Executive Director, Chief Executive Officer and President, Invesco Ltd. (ultimate parent of Invesco and a global investment management firm); Trustee and Vice Chair, The Invesco Funds; Vice Chair, Investment Company Institute; and Member of Executive Board, SMU Cox School of Business Formerly: Advisor to the Board, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Chairman and Chief Executive Officer, Invesco Advisers, Inc. (registered investment adviser); Director, Chairman, Chief Executive Officer and President, Invesco Holding Company (US), Inc. (formerly IVZ Inc.) (holding company), Invesco Group Services, Inc. (service provider) and Invesco North American Holdings, Inc. (holding company); Director, Chief Executive Officer and President, Invesco Holding Company Limited (parent of Invesco and a global investment management firm); Director, Invesco Ltd.; Chairman, Investment Company Institute and President, Co-Chief Executive Officer, Co-President, Chief Operating Officer and Chief Financial Officer, Franklin Resources, Inc. (global investment management organization)	197	None

1 Mr. Flanagan is considered an interested person (within the meaning of Section 2(a)(19) of the 1940 Act) of the Trust because he is an officer of the Adviser to the Trust, and an officer and a director of Invesco Ltd., ultimate parent of the Adviser.

Trustees and Officers–(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Independent Trustees				
Christopher L. Wilson – 1967 Trustee and Chair	2017	Retired Formerly: Director, TD Asset Management USA Inc. (mutual fund complex) (22 portfolios); Managing Partner, CT2, LLC (investing and consulting firm); President/Chief Executive Officer, Columbia Funds, Bank of America Corporation; President/Chief Executive Officer, CDC IXIS Asset Management Services, Inc.; Principal & Director of Operations, Scudder Funds, Scudder, Stevens & Clark, Inc.; Assistant Vice President, Fidelity Investments	197	enaible, Inc. (artificial intelligence technology); ISO New England, Inc. (non-profit organization managing regional electricity market)
Beth Ann Brown – 1968 Trustee	2019	Independent Consultant Formerly: Head of Intermediary Distribution, Managing Director, Strategic Relations, Managing Director, Head of National Accounts, Senior Vice President, National Account Manager and Senior Vice President, Key Account Manager, Columbia Management Investment Advisers LLC; Vice President, Key Account Manager, Liberty Funds Distributor, Inc.; and Trustee of certain Oppenheimer Funds	197	Director, Board of Directors of Caron Engineering Inc.; Advisor, Board of Advisors of Caron Engineering Inc.; President and Director, Acton Shapleigh Youth Conservation Corps (non - profit); and Vice President and Director of Grahamtastic Connection (non-profit)
Jack M. Fields – 1952 Trustee	1997	Chief Executive Officer, Twenty First Century Group, Inc. (government affairs company); and Board Member, Impact(Ed) (non-profit) Formerly: Owner and Chief Executive Officer, Dos Angeles Ranch L.P. (cattle, hunting, corporate entertainment); Director, Insperity, Inc. (formerly known as Administaff) (human resources provider); Chief Executive Officer, Texana Timber LP (sustainable forestry company); Director of Cross Timbers Quail Research Ranch (non-profit); and member of the U.S. House of Representatives	197	Member, Board of Directors of Baylor College of Medicine
Cynthia Hostetler –1962 Trustee	2017	Non-Executive Director and Trustee of a number of public and private business corporations Formerly: Director, Aberdeen Investment Funds (4 portfolios); Artio Global Investment LLC (mutual fund complex); Edgen Group, Inc. (specialized energy and infrastructure products distributor); Head of Investment Funds and Private Equity, Overseas Private Investment Corporation; President, First Manhattan Bancorporation, Inc.; Attorney, Simpson Thacher & Bartlett LLP	197	Resideo Technologies, Inc. (Technology); Vulcan Materials Company (construction materials company); Trilinc Global Impact Fund; Genesee & Wyoming, Inc. (railroads); Investment Company Institute (professional organization); Independent Directors Council (professional organization)
Eli Jones – 1961 Trustee	2016	Professor and Dean, Mays Business School - Texas A&M University Formerly: Professor and Dean, Walton College of Business, University of Arkansas and E.J. Ourso College of Business, Louisiana State University; Director, Arvest Bank	197	Insperity, Inc. (formerly known as Administaff) (human resources provider)

Trustees and Officers–(continued)

Name , Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Independent Trustees—(continued)				
Elizabeth Krentzman – 1959 Trustee	2019	Formerly: Principal and Chief Regulatory Advisor for Asset Management Services and U.S. Mutual Fund Leader of Deloitte & Touche LLP; General Counsel of the Investment Company Institute (trade association); National Director of the Investment Management Regulatory Consulting Practice, Principal, Director and Senior Manager of Deloitte & Touche LLP; Assistant Director of the Division of Investment Management - Office of Disclosure and Investment Adviser Regulation of the U.S. Securities and Exchange Commission and various positions with the Division of Investment Management – Office of Regulatory Policy of the U.S. Securities and Exchange Commission; Associate at Ropes & Gray LLP; Advisory Board Member of the Securities and Exchange Commission Historical Society; and Trustee of certain Oppenheimer Funds	197	Trustee of the University of Florida National Board Foundation and Audit Committee Member; Member of the Cartica Funds Board of Directors (private investment funds); Member of the University of Florida Law Center Association, Inc. Board of Trustees and Audit Committee Member
Anthony J. LaCava, Jr. – 1956 Trustee	2019	Formerly: Director and Member of the Audit Committee, Blue Hills Bank (publicly traded financial institution) and Managing Partner, KPMG LLP	197	Blue Hills Bank; Chairman, Bentley University; Member, Business School Advisory Council; and Nominating Committee KPMG LLP
Prema Mathai-Davis – 1950 Trustee	1998	Retired Formerly: Co-Founder & Partner of Quantalytics Research, LLC, (a FinTech Investment Research Platform for the Self-Directed Investor); Trustee of YWCA Retirement Fund; CEO of YWCA of the USA; Board member of the NY Metropolitan Transportation Authority; Commissioner of the NYC Department of Aging; Board member of Johns Hopkins Bioethics Institute	197	None
Joel W. Motley – 1952 Trustee	2019	Director of Office of Finance, Federal Home Loan Bank System; Managing Director of Carmona Motley Inc. (privately held financial advisor); Member of the Council on Foreign Relations and its Finance and Budget Committee; Chairman Emeritus of Board of Human Rights Watch and Member of its Investment Committee; and Member of Investment Committee and Board of Historic Hudson Valley (non-profit cultural organization) Formerly: Managing Director of Public Capital Advisors, LLC (privately held financial advisor); Managing Director of Carmona Motley Hoffman, Inc. (privately held financial advisor); Trustee of certain Oppenheimer Funds; and Director of Columbia Equity Financial Corp. (privately held financial advisor); and Member of the Vestry of Trinity Church Wall Street	197	Member of Board of Greenwall Foundation (bioethics research foundation) and its Investment Committee; Member of Board of Friends of the LRC (non-profit legal advocacy); Board Member and Investment Committee Member of Pulizer Center for Crisis Reporting (non-profit journalism)
Teresa M. Ressel – 1962 Trustee	2017	Non-executive director and trustee of a number of public and private business corporations Formerly: Chief Executive Officer, UBS Securities LLC (investment banking); Chief Operating Officer, UBS AG Americas (investment banking); Sr. Management Team Olayan America, The Olayan Group (international investor/commercial/industrial); Assistant Secretary for Management & Budget and Designated Chief Financial Officer, U.S. Department of Treasury	197	Elucida Oncology (nanotechnology & medical particles company); Atlantic Power Corporation (power generation company); ON Semiconductor Corporation (semiconductor manufacturing)

Trustees and Officers–(continued)

Name , Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Independent Trustees—(continued)				
Ann Barnett Stern - 1957 Trustee	2017	President and Chief Executive Officer, Houston Endowment Inc. (private philanthropic institution) Formerly: Executive Vice President and General Counsel, Texas Children's Hospital; Attorney, Beck, Redden and Secrest, LLP; Business Law Instructor, University of St. Thomas; Attorney, Andrews & Kurth LLP and Federal Reserve Bank of Dallas	197	None
Robert C. Troccoli - 1949 Trustee	2016	Retired Formerly: Adjunct Professor, University of Denver – Daniels College of Business; and Managing Partner, KPMG LLP	197	None
Daniel S. Vandivort -1954 Trustee	2019	Trustee, Board of Trustees, Huntington Disease Foundation of America; and President, Flyway Advisory Services LLC (consulting and property management) Formerly: Trustee and Governance Chair, of certain Oppenheimer Funds; and Treasurer, Chairman of the Audit and Finance Committee, Huntington Disease Foundation of America	197	None
James D. Vaughn - 1945 Trustee	2019	Retired Formerly: Managing Partner, Deloitte & Touche LLP; Trustee and Chairman of the Audit Committee, Schroder Funds; Board Member, Mile High United Way, Boys and Girls Clubs, Boy Scouts, Colorado Business Committee for the Arts, Economic Club of Colorado and Metro Denver Network (economic development corporation); and Trustee of certain Oppenheimer Funds	197	Board member and Chairman of Audit Committee of AMG National Trust Bank; Trustee and Investment Committee member, University of South Dakota Foundation; Board member, Audit Committee Member and past Board Chair, Junior Achievement (non-profit)

Trustees and Officers–(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Officers				
Sheri Morris – 1964 President and Principal Executive Officer	1999	Head of Global Fund Services, Invesco Ltd.; President and Principal Executive Officer, The Invesco Funds; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); and Vice President, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; and Vice President, OppenheimerFunds, Inc. Formerly: Vice President, Treasurer and Principal Financial Officer, The Invesco Funds; Vice President, Invesco AIM Advisers, Inc., Invesco AIM Capital Management, Inc. and Invesco AIM Private Asset Management, Inc.; Assistant Vice President and Assistant Treasurer, The Invesco Funds; Vice President and Assistant Vice President, Invesco Advisers, Inc.; Assistant Vice President, Invesco AIM Capital Management, Inc. and Invesco AIM Private Asset Management, Inc.; and Treasurer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust and Invesco Actively Managed Exchange-Traded Fund Trust	N/A	N/A
Russell C. Burk – 1958 Senior Vice President and Senior Officer	2005	Senior Vice President and Senior Officer, The Invesco Funds	N/A	N/A
Jeffrey H. Kupor – 1968 Senior Vice President, Chief Legal Officer and Secretary	2018	Head of Legal of the Americas, Invesco Ltd.; Senior Vice President and Secretary, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Senior Vice President and Secretary, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Vice President and Secretary, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.) Senior Vice President, Chief Legal Officer and Secretary, The Invesco Funds; Secretary and General Counsel, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Secretary and General Counsel, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.) and Chief Legal Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Secretary, Invesco Indexing LLC; Secretary, W.L. Ross & Co., LLC ; Secretary and Vice President, Harbourview Asset Management Corporation; Secretary and Vice President, OppenheimerFunds, Inc. and Invesco Managed Accounts, LLC; Secretary and Senior Vice President, OFI Global Institutional, Inc.; Secretary and Vice President, OFI SteelPath, Inc.; Secretary and Vice President, Oppenheimer Acquisition Corp.; Secretary and Vice President, Shareholder Services, Inc.; Secretary and Vice President, Trinity Investment Management Corporation Formerly: Secretary and Vice President, Jemstep, Inc.; Head of Legal, Worldwide Institutional, Invesco Ltd.; Secretary and General Counsel, INVESCO Private Capital Investments, Inc.; Senior Vice President, Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Assistant Secretary, INVESCO Asset Management (Bermuda) Ltd.; Secretary and General Counsel, Invesco Private Capital, Inc.; Assistant Secretary and General Counsel, INVESCO Realty, Inc.; Secretary and General Counsel, Invesco Senior Secured Management, Inc.; and Secretary, Sovereign G./P. Holdings Inc.	N/A	N/A
Andrew R. Schlossberg – 1974 Senior Vice President	2019	Head of the Americas and Senior Managing Director, Invesco Ltd.; Director and Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director and Chairman, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.) (registered transfer agent); Senior Vice President, The Invesco Funds; Director, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Director, President and Chairman, Invesco Insurance Agency, Inc. Formerly: Director, Invesco UK Limited; Director and Chief Executive, Invesco Asset Management Limited and Invesco Fund Managers Limited; Assistant Vice President, The Invesco Funds; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director and Chief Executive, Invesco Administration Services Limited and Invesco Global Investment Funds Limited; Director, Invesco Distributors, Inc.; Head of EMEA, Invesco Ltd.; President, Invesco Actively Managed Exchange-Traded Commodity Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II and Invesco India Exchange-Traded Fund Trust; Managing Director and Principal Executive Officer, Invesco Capital Management LLC	N/A	N/A

Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Officers—(continued)				
John M. Zerr – 1962 Senior Vice President	2006	Chief Operating Officer of the Americas; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Senior Vice President, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Director and Vice President, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.) Senior Vice President, The Invesco Funds; Managing Director, Invesco Capital Management LLC; Director, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Senior Vice President, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.); Manager, Invesco Indexing LLC; Manager, Invesco Specialized Products, LLC; Director and Senior Vice President, Invesco Insurance Agency, Inc.; Member, Invesco Canada Funds Advisory Board; Director, President and Chief Executive Officer, Invesco Corporate Class Inc. (corporate mutual fund company); and Director, Chairman, President and Chief Executive Officer, Invesco Canada Ltd. (formerly known as Invesco Trimark Ltd./Invesco Trimark Ltèe) (registered investment adviser and registered transfer agent); President, Invesco, Inc.; President, Invesco Global Direct Real Estate Feeder GP Ltd.; President, Invesco IP Holdings(Canada) Ltd; President, Invesco Global Direct Real Estate GP Ltd.; President, Invesco Financial Services Ltd. / Services Financiers Invesco Ltée; and President, Trimark Investments Ltd./Placements Trimark Ltée Formerly: Director and Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Secretary, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.); Chief Legal Officer and Secretary, The Invesco Funds; Secretary and General Counsel, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Secretary and General Counsel, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.); Chief Legal Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Secretary, Invesco Indexing LLC; Director, Secretary, General Counsel and Senior Vice President, Van Kampen Exchange Corp.; Director, Vice President and Secretary, IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.); Director and Vice President, INVESCO Funds Group, Inc.; Director and Vice President, Van Kampen Advisors Inc.; Director, Vice President, Secretary and General Counsel, Van Kampen Investor Services Inc.;Director and Secretary, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Director, Senior Vice President, General Counsel and Secretary, Invesco AIM Advisers, Inc. and Van Kampen Investments Inc.; Director, Vice President and Secretary, Fund Management Company; Director, Senior Vice President, Secretary, General Counsel and Vice President, Invesco AIM Capital Management, Inc.; Chief Operating Officer and General Counsel, Liberty Ridge Capital, Inc. (an investment adviser)	N/A	N/A
Gregory G. McGreevey - 1962 Senior Vice President	2012	Senior Managing Director, Invesco Ltd.; Director, Chairman, President, and Chief Executive Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director, Invesco Mortgage Capital, Inc. and Invesco Senior Secured Management, Inc.; and Senior Vice President, The Invesco Funds; and President, SNW Asset Management Corporation and Invesco Managed Accounts, LLC; Chairman and Director, Invesco Private Capital, Inc.; Chairman and Director, INVESCO Private Capital Investments, Inc.; and Chairman and Director, INVESCO Realty, Inc. Formerly: Senior Vice President, Invesco Management Group, Inc. and Invesco Advisers, Inc.; Assistant Vice President, The Invesco Funds	N/A	N/A
Adrien Deberghes- 1967 Principal Financial Officer, Treasurer and Vice President	2020	Head of the Fund Office of the CFO and Fund Administration; Principal Financial Officer, Treasurer and Vice President, The Invesco Funds; Vice President, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust Formerly: Senior Vice President and Treasurer, Fidelity Investments	N/A	N/A
Crissie M. Wisdom – 1969 Anti-Money Laundering Compliance Officer	2013	Anti-Money Laundering and OFAC Compliance Officer for Invesco U.S. entities including: Invesco Advisers, Inc. and its affiliates, Invesco Capital Markets, Inc., Invesco Distributors, Inc., Invesco Investment Services, Inc., The Invesco Funds, Invesco Capital Management, LLC, Invesco Trust Company; OppenheimerFunds Distributor, Inc., and Fraud Prevention Manager for Invesco Investment Services, Inc.	N/A	N/A

Trustees and Officers–(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Officers—(continued)				
Todd F. Kuehl – 1969 Chief Compliance Officer and Senior Vice President	2020	Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser); and Chief Compliance Officer, The Invesco Funds and Senior Vice President Formerly: Managing Director and Chief Compliance Officer, Legg Mason (Mutual Funds);Chief Compliance Officer, Legg Mason Private Portfolio Group (registered investment adviser)	N/A	N/A
Michael McMaster – 1962 Chief Tax Officer, Vice President and Assistant Treasurer	2020	Head of Global Fund Services Tax; Chief Tax Officer, Vice President and Assistant Treasurer, The Invesco Funds; Assistant Treasurer, Invesco Capital Management LLC, Assistant Treasurer and Chief Tax Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Assistant Treasurer, Invesco Specialized Products, LLC Formerly: Senior Vice President – Managing Director of Tax Services, U.S. Bank Global Fund Services (GFS)	N/A	N/A

The Statement of Additional Information of the Trust includes additional information about the Fund's Trustees and is available upon request, without charge, by calling 1.800.959.4246. Please refer to the Fund's Statement of Additional Information for information on the Fund's sub-advisers.

Office of the Fund
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Investment Adviser
Invesco Advisers, Inc.
1555 Peachtree Street, N.E.
Atlanta, GA 30309

Distributor
Invesco Distributors, Inc.
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Auditors
PricewaterhouseCoopers LLP
1000 Louisiana Street, Suite 5800
Houston, TX 77002-5678

Counsel to the Fund
Stradley Ronon Stevens & Young, LLP
2005 Market Street, Suite 2600
Philadelphia, PA 19103-7018

Counsel to the Independent Trustees
Goodwin Procter LLP
901 New York Avenue, N.W.
Washington, D.C. 20001

Transfer Agent
Invesco Investment Services, Inc.
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Custodian
State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110-2801

ANNUAL REPORT
December 31, 2020

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

Table of Contents

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, 2020, Janus Henderson VIT Forty Portfolio’s Institutional Shares and Service Shares returned 39.40% and 39.03%, respectively, versus a return of 38.49% for the Portfolio’s primary benchmark, the Russell 1000® Growth Index. The Portfolio’s secondary benchmark, the S&P 500® Index, returned 18.40% for the period.

INVESTMENT ENVIRONMENT

The Russell 1000 Growth Index posted a strong gain for the year after a sharp downturn in the first quarter, reaching record levels on the heels of highly effective coronavirus vaccine trials, subsequent regulatory approvals and the rollout of initial vaccinations. The beginning of inoculations fueled optimism for a return to normalcy and a full reopening of the economy as the population gets closer to herd immunity. Significant sources of uncertainty waned later in the period as the results of the U.S. presidential election were finalized and markets welcomed the passing of a second round of fiscal stimulus by Congress. However, sustained coronavirus cases and ongoing social restrictions weighed on sentiment throughout the year.

PERFORMANCE DISCUSSION

The Portfolio outperformed both its primary benchmark, the Russell 1000 Growth Index, and its secondary benchmark, the S&P 500 Index, during the year ended December 31, 2020. Stock selection in the Portfolio was the main contributor to 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.

Social media operator Snap, Inc. was among the top relative contributors during the period. The company reported results that beat estimates, driven by faster average revenue per user growth in North America and Europe and new user growth in the rest of the world. As Snap has introduced new features and the company has matured, we have begun to see its business model evolve into a core digital advertising platform with the potential for significant growth.

Align Technology, a medical device company that designs, manufactures and markets dentistry products, was also among the top contributors. During the period, the company reported results that surpassed estimates, and its strong balance sheet has enabled it to invest significantly. As COVID-19 accelerated the digitization of dental procedures, Align had the ability and the willingness to implement market development initiatives and disproportionately benefit while competitors were struggling. We continue to believe that Align is competitively positioned to capitalize on the long-term trend away from traditional bracket braces to clear aligners.

Avalara was another top contributor for the period. The Software as a Service company is a provider of tax calculation solutions for medium-size e-commerce businesses. Companies that sell goods online are now required to collect the appropriate sales tax for each state they sell into, even if they do not have a physical presence in that state. This requirement, combined with the complexity of the U.S. tax code, makes Avalara’s software an essential service for many online businesses. The stock was up after reporting strong earnings and a growing customer base through a challenging economic environment.

Boston Scientific, a cardiovascular-focused medical device company, was among the top detractors from benchmark-relative performance. During the period, the company's shares suffered as it voluntarily recalled its Lotus Edge transcatheter aortic valve replacement (TAVR) product. We remain constructive on the stock despite this setback. The TAVR market is currently a small portion of the company's revenue and profitability and, in our view, the company is attractively valued as one of the fastest-growing companies within the medical technology industry.

Another top detractor for the period was defense contractor L3Harris Technologies. Defense stocks in general held up better during the initial COVID-related market sell-off but have struggled more recently. Huge levels of fiscal stimulus will likely lead to strained government budgets for the foreseeable future. As a result, fears that defense spending will be negatively impacted have weighed on the stock.

American Tower REIT, which owns and operates wireless and broadcast communications towers, was another detractor. Investors priced in slightly lower cell tower growth after the company renegotiated its contracts with the combined T-Mobile/Sprint. The stock also lagged later in the period as investors sought companies with strong secular growth or cyclical recovery prospects. Long term, we believe that the company can benefit from increasing wireless data consumption and the transition to 5G networks as well as growth outside the U.S.

OUTLOOK

We expect strong economic growth to reemerge in 2021 in the wake of headwinds from the pandemic in 2020 and the U.S.-China trade war in 2019. Market leadership in 2020 was dominated by stocks that benefited as a direct result of the COVID environment, driven partially by retail investor participation spurred by zero-cost trading and an increase in hours spent at home for individual investors. While leadership has thus far been narrow – limited mostly to the digital economy – we foresee a broadening recovery as vaccines are widely implemented and consumers are able to reengage with the physical economy.

Healthy consumer balance sheets, bolstered by a robust housing market and swift market recovery, can kindle pent-up demand in hard-hit industries like travel, entertainment and dining. Moving forward from the current trough, we see a long period of growth for select companies in industries like leisure travel. For instance, we see opportunity in some companies with variable cost structures that have been able to cut expenses to adjust to a drop in demand. While they have lost cash flow in the near term, they have not permanently impaired capital by diluting shareholders with additional equity. These companies have been willing to invest in their business during the downturn, and we believe they can continue to grow as the global economy recovers.

In our view, equities remain attractive as unparalleled levels of fiscal and monetary stimulus and a historically low interest rate environment have continued to support company valuations. As the economy normalizes, we see the potential for companies with more cyclical characteristics to rebound; however, we believe innovation will continue to be the primary driver of durable growth moving forward. Thus, we believe that it will be essential to remain focused on identifying the most innovative companies in the world.

Thank you for your investment in Janus Henderson VIT Forty Portfolio.

Janus Henderson VIT Forty Portfolio (unaudited)
Portfolio At A Glance
December 31, 2020

5 Top Contributors - Holdings

	Average Weight	Relative Contribution
Snap Inc	1.22%	2.03%
Align Technology Inc	0.59%	0.95%
Avalara Inc	0.93%	0.79%
Netflix Inc	2.61%	0.64%
Amazon.com Inc	8.10%	0.56%

5 Top Detractors - Holdings

	Average Weight	Relative Contribution
Tesla Inc	0.10%	-2.89%
Boston Scientific Corp	3.06%	-2.12%
Apple Inc	5.31%	-1.57%
L3Harris Technologies Inc	2.73%	-1.14%
American Tower Corp	2.69%	-0.80%

5 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Communication Services	2.04%	15.45%	11.50%
Consumer Staples	0.70%	1.78%	4.61%
Industrials	0.51%	5.70%	6.39%
Health Care	0.23%	13.20%	14.28%
Energy	0.15%	0.00%	0.13%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Information Technology	-0.72%	37.69%	42.12%
Materials	-0.58%	2.71%	1.04%
Financials	-0.31%	3.08%	2.46%
Real Estate	-0.30%	2.69%	2.10%
Other**	-0.28%	1.91%	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, 2020

5 Largest Equity Holdings - (% of Net Assets)

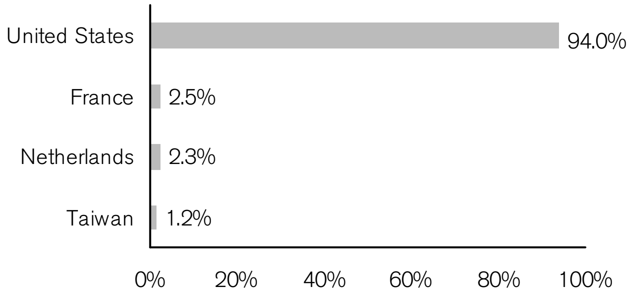
Amazon.com Inc	
Internet & Direct Marketing Retail	8.5%
Microsoft Corp	
Software	7.5%
Mastercard Inc	
Information Technology Services	6.2%
Apple Inc	
Technology Hardware, Storage & Peripherals	5.3%
Facebook Inc	
Interactive Media & Services	4.4%
	31.9%

Asset Allocation - (% of Net Assets)

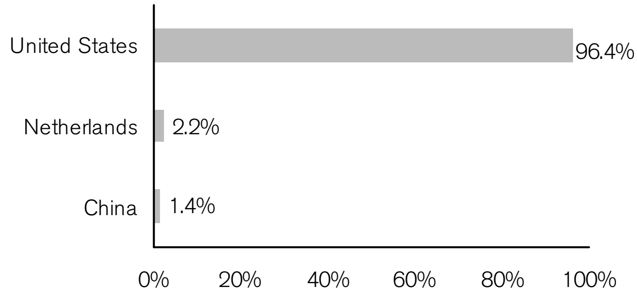
Common Stocks	97.6%
Investment Companies	2.1%
Other	0.3%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

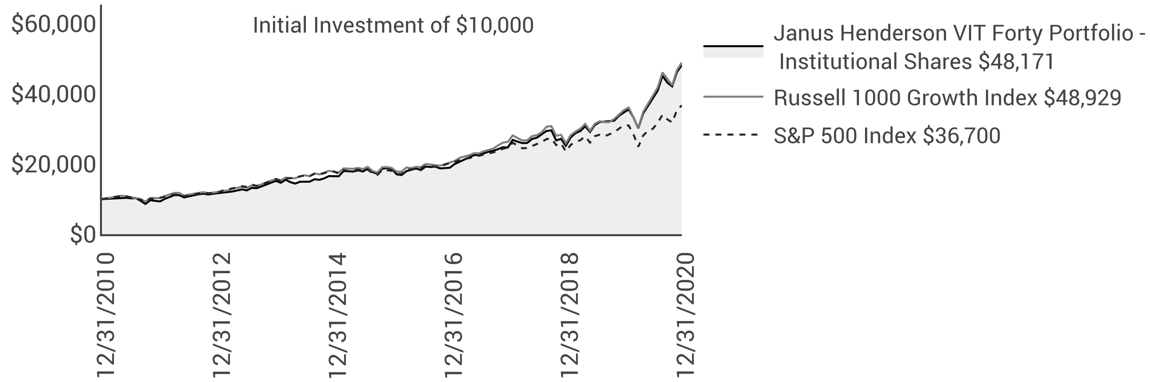
As of December 31, 2020



As of December 31, 2019



Janus Henderson VIT Forty Portfolio (unaudited)
Performance



Average Annual Total Return - for the periods ended December 31, 2020	One Year	Five Year	Ten Year	Since Inception*	Expense Ratios: Total Annual Fund Operating Expenses‡
Institutional Shares	39.40%	21.03%	17.02%	13.06%	0.77%
Service Shares	39.03%	20.73%	16.73%	12.75%	1.02%
Russell 1000 Growth Index	38.49%	21.00%	17.21%	9.50%	
S&P 500 Index	18.40%	15.22%	13.88%	8.79%	
Morningstar Quartile - Institutional Shares	2nd	1st	1st	1st	
Morningstar Ranking - based on total returns for Large Growth Funds	418/1,319	216/1,211	213/1,058	12/550	

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), 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.

High absolute short-term performance is not typical and may not be achieved in the future. Such results should not be the sole basis for evaluating material facts in making an investment decision.

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.

There is no assurance that the investment process will consistently lead to successful investing.

See important disclosures on the next page.

Janus Henderson VIT Forty Portfolio (unaudited)
Performance

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 – 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 (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Net Annualized Expense Ratio (7/1/20 - 12/31/20)
Institutional Shares	$1,000.00	$1,257.70	$4.26	$1,000.00	$1,021.37	$3.81	0.75%
Service Shares	$1,000.00	$1,256.20	$5.67	$1,000.00	$1,020.11	$5.08	1.00%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/366 (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, 2020

	Shares	Value
Common Stocks– 97.6%		
Aerospace & Defense – 2.8%		
L3Harris Technologies Inc	163,089	$30,827,083
Biotechnology – 1.4%		
Vertex Pharmaceuticals Inc*	64,670	15,284,108
Capital Markets – 2.6%		
Blackstone Group Inc	445,093	28,846,477
Chemicals – 1.9%		
Sherwin-Williams Co	28,141	20,681,102
Diversified Financial Services – 0.3%		
Altimeter Growth Corp*	284,205	3,694,665
Entertainment – 3.6%		
Netflix Inc*	46,933	25,378,081
Walt Disney Co*	76,012	13,771,854
		39,149,935
Equity Real Estate Investment Trusts (REITs) – 2.0%		
American Tower Corp	97,278	21,835,020
Health Care Equipment & Supplies – 8.1%		
Align Technology Inc*	47,079	25,158,076
Boston Scientific Corp*	696,903	25,053,663
Danaher Corp	123,360	27,403,190
Edwards Lifesciences Corp*	125,970	11,492,243
		89,107,172
Hotels, Restaurants & Leisure – 0.6%		
Caesars Entertainment Inc*	85,425	6,344,515
Household Products – 2.2%		
Procter & Gamble Co	176,038	24,493,927
Information Technology Services – 9.1%		
Mastercard Inc	191,073	68,201,597
PayPal Holdings Inc*	84,660	19,827,372
Twilio Inc*	34,852	11,797,402
		99,826,371
Interactive Media & Services – 11.3%		
Alphabet Inc - Class C*	16,836	29,494,652
Facebook Inc*	176,648	48,253,168
Match Group Inc*	87,336	13,204,330
Snap Inc*	652,308	32,661,062
		123,613,212
Internet & Direct Marketing Retail – 11.9%		
Amazon.com Inc*	28,685	93,425,037
Booking Holdings Inc*	15,296	34,068,322
DoorDash Inc - Class A*	17,147	2,447,734
		129,941,093
Life Sciences Tools & Services – 1.5%		
Illumina Inc*	45,529	16,845,730
Pharmaceuticals – 1.7%		
Elanco Animal Health Inc*	587,960	18,032,733
Professional Services – 2.0%		
CoStar Group Inc*	23,541	21,758,475
Semiconductor & Semiconductor Equipment – 8.3%		
ASML Holding NV	50,830	24,790,808
NVIDIA Corp	43,296	22,609,171
Taiwan Semiconductor Manufacturing Co Ltd (ADR)	123,850	13,504,604
Texas Instruments Inc	184,213	30,234,880
		91,139,463
Software – 13.9%		
Adobe Inc*	61,304	30,659,356
Avalara Inc*	26,897	4,435,046
Microsoft Corp	369,831	82,257,811
salesforce.com Inc*	158,009	35,161,743
		152,513,956

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2020

	Shares	Value
Common Stocks– (continued)		
Technology Hardware, Storage & Peripherals – 5.3%		
Apple Inc	437,981	$58,115,699
Textiles, Apparel & Luxury Goods – 4.4%		
LVMH Moet Hennessy Louis Vuitton SE	44,543	27,828,264
NIKE Inc	147,294	20,837,682
		48,665,946
Wireless Telecommunication Services – 2.7%		
T-Mobile US Inc*	219,823	29,643,132
Total Common Stocks (cost $536,693,675)		1,070,359,814
Investment Companies– 2.1%		
Money Markets – 2.1%		
Janus Henderson Cash Liquidity Fund LLC, 0.1108%[∞,£] (cost $22,532,880)	22,530,627	22,532,880
Total Investments (total cost $559,226,555) – 99.7%		1,092,892,694
Cash, Receivables and Other Assets, net of Liabilities – 0.3%		3,716,393
Net Assets – 100%		$1,096,609,087

Summary of Investments by Country - (Long Positions) (unaudited)

Country	*Value*	*% of Investment Securities*
United States	$1,026,769,018	94.0 %
France	27,828,264	2.5
Netherlands	24,790,808	2.3
Taiwan	13,504,604	1.2
Total	$1,092,892,694	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, 2020

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/20
Investment Companies - 2.1%				
Money Markets - 2.1%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108%°°	$ 104,495	$ 5,437	$ 223	$ 22,532,880
Investments Purchased with Cash Collateral from Securities Lending - N/A				
Investment Companies - N/A				
Janus Henderson Cash Collateral Fund LLC, 0.0264%°°	283,080Δ	-	-	-
Total Affiliated Investments - 2.1%	$ 387,575	$ 5,437	$ 223	$ 22,532,880

	Value at 12/31/19	Purchases	Sales Proceeds	Value at 12/31/20
Investment Companies - 2.1%				
Money Markets - 2.1%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108%°°	17,377,343	270,952,708	(265,802,831)	22,532,880
Investments Purchased with Cash Collateral from Securities Lending - N/A				
Investment Companies - N/A				
Janus Henderson Cash Collateral Fund LLC, 0.0264%°°	-	31,371,081	(31,371,081)	-

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, 2020.
£	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, 2020. 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			
Textiles, Apparel & Luxury Goods	$ 20,837,682	$ 27,828,264	$ -
All Other	1,021,693,868	-	-
Investment Companies	-	22,532,880	-
Total Assets	$ 1,042,531,550	$ 50,361,144	$ -

Janus Henderson VIT Forty Portfolio
Statement of Assets and Liabilities
December 31, 2020

Assets:		
Unaffiliated investments, at value[(1)]	$	1,070,359,814
Affiliated investments, at value[(2)]		22,532,880
Non-interested Trustees' deferred compensation		25,279
Receivables:		
Investments sold		8,494,752
Portfolio shares sold		426,404
Dividends		183,179
Foreign tax reclaims		7,160
Dividends from affiliates		2,041
Other assets		9,463
Total Assets		1,102,040,972
Liabilities:		
Payables:		
Investments purchased		2,233,048
Portfolio shares repurchased		2,121,255
Advisory fees		708,874
12b-1 Distribution and shareholder servicing fees		144,639
Transfer agent fees and expenses		54,246
Professional fees		36,783
Non-interested Trustees' deferred compensation fees		25,279
Affiliated portfolio administration fees payable		2,499
Non-interested Trustees' fees and expenses		1,442
Custodian fees		1,228
Accrued expenses and other payables		102,592
Total Liabilities		5,431,885
Net Assets	$	1,096,609,087
Net Assets Consist of:		
Capital (par value and paid-in surplus)	$	421,985,829
Total distributable earnings (loss)		674,623,258
Total Net Assets	$	1,096,609,087
Net Assets - Institutional Shares	$	462,216,274
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		8,109,308
Net Asset Value Per Share	$	57.00
Net Assets - Service Shares	$	634,392,813
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		11,978,720
Net Asset Value Per Share	$	52.96

(1) Includes cost of $536,693,675.
(2) Includes cost of $22,532,880.

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Statement of Operations
For the year ended December 31, 2020

Investment Income:		
Dividends	$	6,626,305
Affiliated securities lending income, net		283,080
Dividends from affiliates		104,495
Unaffiliated securities lending income, net		3,166
Other income		113
Foreign tax withheld		(80,047)
Total Investment Income		6,937,112
Expenses:		
Advisory fees		6,377,205
12b-1 Distribution and shareholder servicing fees:		
Service Shares		1,381,019
Transfer agent administrative fees and expenses:		
Institutional Shares		196,107
Service Shares		276,204
Other transfer agent fees and expenses:		
Institutional Shares		18,719
Service Shares		11,879
Professional fees		44,872
Shareholder reports expense		41,138
Registration fees		25,729
Affiliated portfolio administration fees		23,615
Non-interested Trustees' fees and expenses		18,071
Custodian fees		9,440
Other expenses		90,493
Total Expenses		8,514,491
Net Investment Income/(Loss)		(1,577,379)
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		142,550,247
Investments in affiliates		5,437
Total Net Realized Gain/(Loss) on Investments		142,555,684
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		177,594,218
Investments in affiliates		223
Total Change in Unrealized Net Appreciation/Depreciation		177,594,441
Net Increase/(Decrease) in Net Assets Resulting from Operations	$	318,572,746

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Statements of Changes in Net Assets

	Year ended December 31, 2020	Year ended December 31, 2019
Operations:		
Net investment income/(loss)	$ (1,577,379)	$ 678,107
Net realized gain/(loss) on investments	142,555,684	71,678,445
Change in unrealized net appreciation/depreciation	177,594,441	183,133,171
Net Increase/(Decrease) in Net Assets Resulting from Operations	318,572,746	255,489,723
Dividends and Distributions to Shareholders:		
Institutional Shares	(28,629,140)	(27,749,524)
Service Shares	(43,209,494)	(42,198,627)
Net Decrease from Dividends and Distributions to Shareholders	(71,838,634)	(69,948,151)
Capital Share Transactions:		
Institutional Shares	(4,352,608)	(6,219,350)
Service Shares	(32,885,634)	(11,662,110)
Net Increase/(Decrease) from Capital Share Transactions	(37,238,242)	(17,881,460)
Net Increase/(Decrease) in Net Assets	209,495,870	167,660,112
Net Assets:		
Beginning of period	887,113,217	719,453,105
End of period	$ 1,096,609,087	$ 887,113,217

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	$44.38	$35.20	$39.76	$32.19	$36.37
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[(1)]	(0.01)	0.09	0.07	0.02	0.05
Net realized and unrealized gain/(loss)	16.29	12.55	1.31	9.58	0.58
Total from Investment Operations	16.28	12.64	1.38	9.60	0.63
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.14)	(0.06)	—	—	—
Distributions (from capital gains)	(3.52)	(3.40)	(5.94)	(2.03)	(4.81)
Total Dividends and Distributions	(3.66)	(3.46)	(5.94)	(2.03)	(4.81)
Net Asset Value, End of Period	$57.00	$44.38	$35.20	$39.76	$32.19
Total Return*	39.40%	37.16%	1.98%	30.31%	2.20%
Net Assets, End of Period (in thousands)	$462,216	$362,001	$292,132	$309,258	$257,009
Average Net Assets for the Period (in thousands)	$389,419	$337,416	$327,962	$297,125	$273,374
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.76%	0.77%	0.71%	0.82%	0.72%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.76%	0.77%	0.71%	0.82%	0.72%
Ratio of Net Investment Income/(Loss)	(0.02)%	0.23%	0.17%	0.05%	0.15%
Portfolio Turnover Rate	41%	35%	41%	39%	53%

Service Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	$41.53	$33.15	$37.84	$30.79	$35.08
Income/(Loss) from Investment Operations:					
Net investment income/(loss)[(1)]	(0.12)	(0.01)	(0.03)	(0.07)	(0.03)
Net realized and unrealized gain/(loss)	15.15	11.80	1.28	9.15	0.55
Total from Investment Operations	15.03	11.79	1.25	9.08	0.52
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.08)	(0.01)	—	—	—
Distributions (from capital gains)	(3.52)	(3.40)	(5.94)	(2.03)	(4.81)
Total Dividends and Distributions	(3.60)	(3.41)	(5.94)	(2.03)	(4.81)
Net Asset Value, End of Period	$52.96	$41.53	$33.15	$37.84	$30.79
Total Return*	39.03%	36.85%	1.72%	29.99%	1.94%
Net Assets, End of Period (in thousands)	$634,393	$525,112	$427,321	$466,969	$430,510
Average Net Assets for the Period (in thousands)	$548,645	$495,465	$487,559	$457,168	$464,943
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	1.01%	1.02%	0.96%	1.06%	0.97%
Ratio of Net Expenses (After Waivers and Expense Offsets)	1.01%	1.02%	0.96%	1.06%	0.97%
Ratio of Net Investment Income/(Loss)	(0.27)%	(0.02)%	(0.08)%	(0.19)%	(0.09)%
Portfolio Turnover Rate	41%	35%	41%	39%	53%

* 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 11 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.

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 other portfolios, 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 priciples ("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, 2020 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. 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 the aftermath of the 2007-2008 financial crisis, the financial sector experienced reduced liquidity in credit and other fixed-income markets, and an unusually high degree of volatility, both domestically and internationally. In response to the crisis, the United States and certain foreign governments, along with the U.S. Federal Reserve and certain foreign central banks, took a number of unprecedented steps designed to support the financial markets. For example, the enactment of the Dodd-Frank Act in 2010 provided for widespread regulation of financial institutions, consumer financial products and services, broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expanded federal oversight in the financial sector, including the investment management industry. More recently, 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, 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 Fund'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 Fund from executing advantageous investment decisions in a timely manner and negatively impact a Fund's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Fund. In addition, these disruptions could also impair the information technology and other operational systems upon which the Fund's service providers, including Janus Capital Management LLC ("Janus Capital") or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Fund's service providers to perform essential tasks on behalf of the Fund. 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. The risk of investing in securities in the European markets may also be heightened due to the referendum in which the United Kingdom voted to exit the EU, commonly known as "Brexit," which immediately led to significant market volatility around the world, as well as political, economic and legal uncertainty. The United Kingdom formally left the EU on January 31, 2020 and entered into an eleven-month transition period, which expired on December 31, 2020. The negative impact on not only the United Kingdom and European economies could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on the United Kingdom and/or Europe for their business activities and revenues. Any further exits from the EU, or an increase in the belief that such exits are likely or possible, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

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 Janus Capital believes to be creditworthy at the time of the transaction. There is always the risk that Janus Capital'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.

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, Janus Capital 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 Securities and Exchange Commission (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, Janus Capital 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. Janus Capital currently intends to primarily invest the cash collateral in a cash management vehicle for which Janus Capital 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, Janus Capital 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, Janus Capital 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.

The cash collateral invested by Janus Capital 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.

There were no securities on loan as of December 31, 2020.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays Janus Capital Management LLC (“Janus Capital”) an investment advisory fee which is calculated daily and paid monthly. The Portfolio’s "base" fee rate prior to any performance adjustment (expressed as an annual rate) is 0.64%.

The investment advisory fee rate is determined by calculating a base fee and applying a performance adjustment. The base fee rate is the same as the contractual investment advisory fee rate. The performance adjustment either increases or decreases the base fee depending on how well the Portfolio has performed relative to its benchmark index. The Portfolio's benchmark index used in the calculation is the Russell 1000® Growth Index.

The calculation of the performance adjustment applies as follows:

Investment Advisory Fee = Base Fee Rate +/- Performance Adjustment

The investment advisory fee rate paid to Janus Capital 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 ("Base Fee Rate"), plus or minus (2) a performance-fee adjustment ("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 performance of a Portfolio's Service Shares, for the performance measurement period is used to calculate the Performance Adjustment. 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 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, 2020, the performance adjusted investment advisory fee rate before any waivers and/or reimbursements of expenses is 0.68%.

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent. Janus Services 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. Janus Services 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, Janus Services provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. Janus Services 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 Distributors LLC ("Janus Distributors"), a wholly-owned subsidiary of Janus Capital, 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 Janus Distributors 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.

Janus Capital serves as administrator to the Portfolio pursuant to an administration agreement between Janus Capital and the Trust. Under the administration agreement, Janus Capital 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 Janus Capital seeks reimbursement and such costs are not otherwise waived). In addition, employees of Janus Capital 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 Janus Capital 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 Janus Capital, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services Janus Capital (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 Janus Capital and/or its affiliates, are shared with the Portfolio. Total compensation of $34,973 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2020. 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, 2020 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, 2020 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 $471,450 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2020.

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, Janus Capital 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, 2020 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 Janus Capital 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, 2020, the Portfolio engaged in cross trades amounting to $44,137 in purchases and $1,075,151 in sales, resulting in a net realized loss of $565,414. The net realized loss 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		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)*
$ 6,110,328	$ 138,007,250	$ -	$ -	$ -	$ (22,551)	$530,528,231

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, 2020 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals, investments in partnerships, and investments in passive foreign investment companies.

Federal Tax Cost	*Unrealized Appreciation*	*Unrealized (Depreciation)*	*Net Tax Appreciation/ (Depreciation)*
$ 562,364,463	$530,623,143	$ (94,912)	$ 530,528,231

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, passive foreign investment companies, 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, 2020

Distributions			
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 6,253,584	$ 65,585,050	$ -	$ -

For the year ended December 31, 2019

Distributions			
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 618,837	$ 69,329,314	$ -	$ -

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*
$ (2)	$ 913,636	$ (913,634)

5. Capital Share Transactions

	Year ended December 31, 2020		*Year ended December 31, 2019*	
	Shares	*Amount*	*Shares*	*Amount*
Institutional Shares:				
Shares sold	1,037,980	$ 48,778,741	1,174,768	$ 48,016,950
Reinvested dividends and distributions	667,502	28,629,140	703,924	27,749,524
Shares repurchased	(1,752,621)	(81,760,489)	(2,021,587)	(81,985,824)
Net Increase/(Decrease)	(47,139)	$ (4,352,608)	(142,895)	$ (6,219,350)
Service Shares:				
Shares sold	1,055,239	$ 47,177,425	919,315	$ 34,835,599
Reinvested dividends and distributions	1,082,945	43,209,494	1,143,734	42,198,627
Shares repurchased	(2,804,441)	(123,272,553)	(2,307,562)	(88,696,336)
Net Increase/(Decrease)	(666,257)	$(32,885,634)	(244,513)	$(11,662,110)

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2020, 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*
$379,038,219	$ 499,636,029	$ -	$ -

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2020 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, 2020, the related statement of operations for the year ended December 31, 2020, the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (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, 2020, 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, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 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, 2020 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

Denver, Colorado
February 16, 2021

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 (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 agreements for the Janus Henderson Funds that utilize subadvisers.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received, and reviewed information provided by Janus Capital and the respective subadvisers 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 a meeting held on December 9, 2020, based on the Trustees' evaluation of the information provided by Janus Capital, the subadvisers, and the independent fee consultant, as well as other information, the Trustees determined that the overall arrangements between each Janus Henderson Fund and Janus Capital and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by Janus Capital, its affiliates and the subadvisers, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment. At that meeting, the Trustees 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, 2021 through February 1, 2022, 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 Janus Capital and the subadvisers 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 Janus Capital and each 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 Janus Capital or the subadvisers, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered Janus Capital's role as administrator to the Janus Henderson Funds, noting that Janus Capital generally does not receive a fee for its services but is reimbursed for its out-of-pocket costs. The Trustees considered the role of Janus Capital 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 Janus Capital 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, Janus Capital is a capable provider of those services. The independent fee consultant also provided its belief that Janus Capital 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 Janus Capital or 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 Janus Capital and each subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and 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, 2020, approximately 75% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2020, approximately 62% 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, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020.
- 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, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital 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 third Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance, and that the performance trend was improving.

- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- 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, 2020 and the bottom Broadridge quartile-for the 12 months ended May 31, 2020. 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 Janus Capital 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 first Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. 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 Janus Capital and Perkins had taken or were taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. 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 Janus Capital had taken or was taking to improve performance.
- 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, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. 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 Janus Capital 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 second Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020.

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 Janus Capital out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by Janus Capital to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by Janus Capital. 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 10% 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 9% 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 Janus Capital and each 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 Janus Capital and each subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by Janus Capital or by a subadviser (for which Janus Capital 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 Janus Capital noted that, under the terms of the management agreements with the Janus Henderson Funds, Janus Capital 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, Janus Capital assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, they noted that the independent fee consultant found that: (1) the management fees Janus Capital charges to the Janus Henderson Funds are reasonable in relation to the management fees Janus Capital charges to funds subadvised by Janus Capital and to the fees Janus Capital 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; and (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; (4) 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by Janus Capital; and (5) 5 of 8 Janus Henderson Funds have lower management fees than similar separate accounts managed by Janus Capital.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2019, 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 Janus Capital 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 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 Janus Capital 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 the Fund's total expenses were below the peer group for both share classes.
- 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 Janus Capital and its affiliates of their relationship 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 Janus Capital from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether Janus Capital and each 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 Janus Capital 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 Janus Capital 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 Janus Capital'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 Janus Capital and its affiliates, as well as the fees paid by Janus Capital to the subadvisers 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 Janus Capital and the subadvisers 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 Janus Capital and any subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by Janus Capital.

Economies of Scale

The Trustees considered information about the potential for Janus Capital 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 73% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. They also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of Janus Capital, Janus Capital is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) as the assets of some of the Janus Henderson Funds have declined in the past few years, certain of those Janus Henderson Funds have benefited from having advisory fee rates that have remained constant rather than increasing as assets declined; (3) 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 (4) 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 Janus Capital 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 Janus Capital, Janus Capital'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, Janus Capital 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 Janus Capital.

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 Janus Capital 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 Janus Capital

The Trustees also considered benefits that accrue to Janus Capital and its affiliates and subadvisers to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of Janus Capital 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 Janus Capital and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered Janus Capital'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 Janus Capital and Janus Capital, and/or a subadviser to a Janus Henderson Fund. The Trustees concluded that Janus Capital's and the subadvisers' 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 Janus Capital and its affiliates and subadvisers pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and Janus Capital and the subadvisers may potentially benefit from their relationship with each other in other ways. They concluded that Janus Capital 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 Janus Capital and its affiliates. They also concluded that Janus Capital and/or the subadvisers 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 Janus Capital's and/or the subadvisers' receipt of those products and services as well as research products and services acquired through commissions paid by other clients of Janus Capital and/or other clients of the subadvisers. They further concluded that the success of any Janus Henderson Fund could attract other business to Janus Capital, the subadvisers or other Janus Henderson funds, and that the success of Janus Capital and the subadvisers could enhance Janus Capital's and the subadvisers' 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, 2020. 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 Janus Capital 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 Barclays 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. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to "Reinvested Dividends and Distributions," you will notice that dividends and distributions have little effect on the Portfolio's net assets. This is because the majority of the Portfolio's investors reinvest their dividends and/or distributions.

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 Forty Portfolio
Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2020:

Capital Gain Distributions	$65,585,050
Dividends Received Deduction Percentage	26%

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 Janus Capital: Janus Investment Fund. Collectively, these two registered investment companies consist of 56 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 Janus Capital. 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.

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).	56	Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (since 2016), Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 2 funds) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006).

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).	56	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).	56	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).

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), and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (since 2016). Formerly, Senior Vice President (2011-2015), Albright Stonebridge Group LLC, and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	56	Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
William M. Fitzgerald, Sr. 151 Detroit Street Denver, CO 80206 DOB: 1964	Trustee	9/19-Present	Founder, Fitzgerald Asset Management LLC (since 2012). Formerly, Founder and Chief Investment Officer, Global Infrastructure Asset Management LLC (2008-2017), Chief Investment Officer of Nuveen Asset Management (2000-2007), and Managing Director, Nuveen Investment LLC (1988-2007).	56	Board of Directors, Municipal Securities Rulemaking Board (since 2017). Formerly, Board of Directors of Syncora Holdings Ltd, Syncora Guarantee Inc., and Syncora Capital Assurance Inc. (2009-2016), and Trustee, Destra Investment Trust (2010-2014).

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					
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.	56	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013) and West Bend Mutual Insurance Company (property/casualty insurance) (since 2013). Formerly, Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).
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).	56	Director of Family Service of Lake County (since 2019). Formerly, 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).

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					
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).	56	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), Shirley Ryan Ability Lab and Wrapports, LLC (digital communications company). Formerly, 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.
Bruce L. Koepfgen 151 Detroit Street Denver, CO 80206 DOB: 1952	President and Chief Executive Officer	7/14-Present	Executive Vice President and Head of North America at Janus Henderson Investors (since 2017), President and Head of North America at Janus Capital Management LLC (since 2013 and 2017, respectively), President at Janus Capital Group Inc. (since 2013), President and Director at Janus International Holding LLC (since 2019 and 2011, respectively), President at Janus Holdings LLC (since 2019), President and Director at Janus Management Holdings Corporation (since 2017 and 2012, respectively), Executive Vice President and Head of North America at Janus Distributors LLC (since 2011 and 2019, respectively), Vice President and Director at Intech Investment Management LLC (since 2012), and Executive Vice President at Perkins Investment Management LLC (since 2011). Formerly, Executive Vice President at Janus Capital Group Inc., Janus International Holding LLC, and Janus Management Holdings Corporation (2011-2019), Director at Perkins Investment Management LLC (2011-2019), and Chief Financial Officer at Janus Capital Group Inc. (2011-2013).

* 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.

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 Capital Management 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 (May 2017-September 2017), Vice President, Compliance at Janus Capital Group Inc., Janus Capital Management LLC, and Janus Distributors 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 Services 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.

Janus Henderson Distributors

109-02-81115 03-21

PIMCO

PIMCO VARIABLE INSURANCE TRUST

Annual Report

December 31, 2020

PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

As permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Portfolio's annual and semi-annual shareholder reports will no longer be sent by mail from the insurance company that offers your contract unless you specifically request paper copies of the reports 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 should contact the insurance company if you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all portfolio companies available under your contract at the insurance company.

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Table of Contents

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 with us. Following this letter is the PIMCO Variable Insurance Trust Annual Report, which covers the 12-month reporting period ended December 31, 2020. 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, 2020

The global economy was severely impacted by the repercussions related to the COVID-19 pandemic. Looking back, U.S. annualized gross domestic product ("GDP") was -5.0% during the first quarter of 2020. The economy then significantly weakened due to COVID-19, as annualized GDP growth in the second quarter was -31.4%. This represented the steepest quarterly decline on record. With the economy reopening, third-quarter GDP growth was 33.4%, the largest quarterly increase on record. The Commerce Department's initial estimate for fourth-quarter annualized GDP growth — released after the reporting period ended — was 4.0%.

The Federal Reserve (the "Fed") took unprecedented actions to support the economy and keep markets functioning properly. In early March 2020, the Fed lowered the federal funds rate to a range between 1.00% and 1.25%. Later in the month, the Fed lowered the rate to a range between 0.00% and 0.25%. On March 23, the Fed announced that it would make unlimited purchases of Treasury and mortgage securities and, for the first time, it would purchase corporate bonds on the open market. In August 2020, Fed Chair Jerome Powell said that the central bank had changed how it viewed the trade-off between lower unemployment and higher inflation. Per Powell's statement, the Fed's new approach to setting U.S. monetary policy will entail letting inflation run higher, which could mean interest rates remain low for an extended period. Meanwhile, in March 2020, the U.S. government passed a total of roughly $2.8 trillion in fiscal stimulus measures to aid the economy. A subsequent $900 billion stimulus package was finalized in December 2020.

Economies outside the U.S. were significantly impacted by the pandemic too. In its October 2020 World Economic Outlook Update, the International Monetary Fund ("IMF") stated that it expects 2020 GDP in the eurozone, U.K. and Japan will be -8.3%, -9.8% and -5.3%, respectively. For comparison purposes, the GDP of these economies expanded 1.3%, 1.5% and 0.7%, respectively, in 2019.

Against this backdrop, central banks and governments around the world took a number of aggressive actions. Looking back, in March 2020, the European Central Bank (the "ECB") unveiled a new €750 billion bond-buying program, which was subsequently expanded by another €600 billion in June 2020. In July, the European Union agreed on a €1.8 trillion spending package to bolster its economy. In December 2020, the ECB expanded its monetary stimulus program by another €500 billion. The Bank of England reduced its key lending rate to 0.10% — a record low — in March, added £100 billion to its quantitative easing program in June, and increased its bond-buying program by £150 billion to £895 billion in November. Finally, toward the end of the year, the U.K. and the European Union agreed to a long-awaited Brexit deal. Elsewhere, the Bank of Japan maintained its short-term interest rate at -0.10%, while increasing the target for its holdings of corporate bonds to ¥4.2 trillion from ¥3.2 trillion. In May 2020, the Japanese government doubled its stimulus measures with a ¥117 trillion package. Finally, in December 2020, the Bank of Japan announced a new ¥73.6 trillion stimulus package.

Both short- and long-term U.S. Treasury yields fell sharply during the reporting period. In our view, this was due to several factors, including sharply contracting global growth, the Fed's accommodative monetary policy, and periods of heightened investor risk aversion. The yield on the benchmark 10-year U.S. Treasury note was 0.93% at the end of the reporting period, versus 1.92% on December 31, 2019. The Bloomberg Barclays Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment grade countries, including both developed and emerging markets, returned 5.12%. Meanwhile, the Bloomberg Barclays Global Aggregate Credit Index (USD Hedged), a widely used index of global investment grade credit bonds, returned 7.78%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, also rallied. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned 5.68%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned 5.88%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned 2.69%.

Despite the headwinds from the pandemic, global equities generally produced strong results. All told, U.S. equities, as represented by the S&P 500 Index, returned 18.40%, partially fueled by a sharp rally in November and December 2020, because, in our view, investor sentiment improved after positive COVID-19 vaccine news. Global equities, as represented by the MSCI World Index, returned 15.90%, whereas emerging market equities, as measured by the MSCI Emerging Markets Index, returned 18.31%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 18.24%. However, European equities, as represented by the MSCI Europe Index (in EUR), returned -3.32%.

Commodity prices were volatile and produced mixed results. When the reporting period began, Brent crude oil was approximately $67 a barrel. Brent crude oil traded below $20 a barrel when the pandemic hit and ended the reporting period at roughly $52 a barrel. We believe that oil prices declined due to the demand destruction created by the pandemic. In contrast, copper and gold prices moved higher.

Finally, there were also periods of volatility in the foreign exchange markets, in our view due to fluctuating economic growth, trade conflicts and changing central bank monetary policies, along with the U.S. election and several geopolitical events. The U.S. dollar weakened against a number of other major currencies. For example, the U.S. dollar returned -8.94%, -3.12% and -5.19% 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.

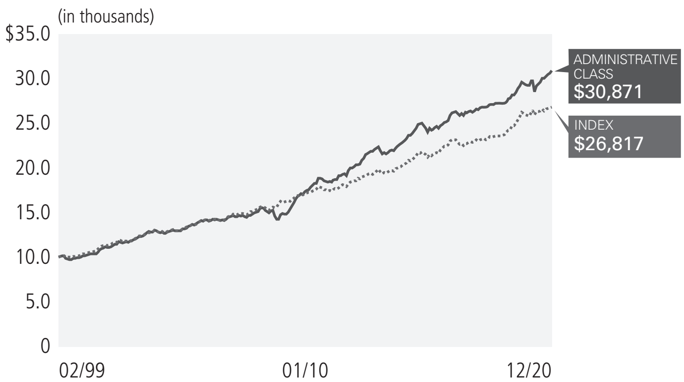
In October 2020, the SEC adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that recinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. 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 included the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The impact that these changes may have on the Portfolio is uncertain.

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, 2020



$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

Geographic Breakdown as of December 31, 2020†§

United States	44.2%
Japan	9.7%
United Kingdom	8.6%
China	8.2%
Spain	3.3%
Denmark	3.0%
Cayman Islands	2.6%
France	2.6%
Italy	2.4%
Short-Term Instruments‡	1.7%
Germany	1.5%
South Korea	1.3%
Australia	1.1%
Qatar	1.1%
Switzerland	1.1%
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.

Average Annual Total Return for the period ended December 31, 2020

		1 Year	5 Years	10 Years	Inception≈
	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Institutional Class	5.72%	4.92%	5.44%	5.66%
—	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Administrative Class	5.56%	4.77%	5.28%	5.28%
	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Advisor Class	5.45%	4.66%	—	4.60%
·····	Bloomberg Barclays Global Aggregate ex-USD (USD Hedged) Index±	3.94%	4.40%	4.35%	4.62%♦

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 Barclays Global Aggregate ex-USD (USD Hedged) Index provides a broad-based measure of the global investmentgrade 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 0.86% for Institutional Class shares, 1.01% for Administrative Class shares, and 1.11% 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 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:

» Overweight exposure to duration in the U.S. contributed to relative performance, as yields decreased.

» Positioning within Agency mortgage-backed securities, particularly a preference for lower coupons, contributed to relative performance, as these securities outperformed similar duration U.S. Treasuries.

» Overweight exposure to financials within corporate credit contributed to relative performance, as spreads tightened, particularly from Q2 to Q4.

» Modest exposure to a basket of high-carry emerging market currencies such as the Brazilian real and Russian ruble during Q1 detracted from relative performance, as these currencies depreciated relative to the U.S. dollar.

» Underweight to duration in the U.K. detracted from relative performance, as yields decreased.

» Positions in non-financial high yield credit detracted from relative performance, as spreads widened, particularly in Q1.

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, 2020 to December 31, 2020 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 (07/01/20)	Ending Account Value (12/31/20)	Expenses Paid During Period*	Beginning Account Value (07/01/20)	Ending Account Value (12/31/20)	Expenses Paid During Period*	Net Annualized Expense Ratio**
Institutional Class	$ 1,000.00	$ 1,043.30	$ 4.02	$ 1,000.00	$ 1,021.61	$ 3.98	0.77%
Administrative Class	1,000.00	1,042.60	4.80	1,000.00	1,020.85	4.75	0.92
Advisor Class	1,000.00	1,042.00	5.32	1,000.00	1,020.34	5.26	1.02

* 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 187/366 (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[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							
12/31/2020	$ 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)
12/31/2016	10.54	0.16	0.54	0.70	(0.18)	(0.04)	(0.22)
Administrative Class							
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)
12/31/2016	10.54	0.14	0.54	0.68	(0.16)	(0.04)	(0.20)
Advisor Class							
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)
12/31/2016	10.54	0.13	0.54	0.67	(0.15)	(0.04)	(0.19)

^ 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.

			Ratios/Supplemental Data					
			Ratios to Average Net Assets					
Net Asset Value End of Year[(a)]	Total Return[(a)]	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
$ 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
11.02	6.63	5,045	0.78	0.78	0.75	0.75	1.46	330
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
11.02	6.48	64,537	0.93	0.93	0.90	0.90	1.31	330
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
11.02	6.37	341,567	1.03	1.03	1.00	1.00	1.21	330

(Amounts in thousands[†], except per share amounts)

Assets:	
Investments, at value	
Investments in securities*	$ 925,285
Investments in Affiliates	9,029
Financial Derivative Instruments	
Exchange-traded or centrally cleared	361
Over the counter	2,668
Cash	1
Deposits with counterparty	8,353
Foreign currency, at value	3,825
Receivable for investments sold	17,426
Receivable for TBA investments sold	403,774
Receivable for Portfolio shares sold	694
Interest and/or dividends receivable	4,603
Dividends receivable from Affiliates	1
Other assets	2
Total Assets	1,376,022
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for reverse repurchase agreements	$ 39,982
Payable for sale-buyback transactions	1,171
Payable for short sales	70,914
Financial Derivative Instruments	
Exchange-traded or centrally cleared	490
Over the counter	7,108
Payable for investments purchased	19,107
Payable for investments in Affiliates purchased	1
Payable for TBA investments purchased	583,445
Deposits from counterparty	1,671
Payable for Portfolio shares redeemed	255
Accrued investment advisory fees	149
Accrued supervisory and administrative fees	297
Accrued distribution fees	112
Accrued servicing fees	11
Other liabilities	6
Total Liabilities	724,719
Net Assets	$ 651,303
Net Assets Consist of:	
Paid in capital	$ 626,944
Distributable earnings (accumulated loss)	24,359
Net Assets	$ 651,303
Net Assets:	
Institutional Class	$ 84,623
Administrative Class	78,210
Advisor Class	488,470
Shares Issued and Outstanding:	
Institutional Class	7,530
Administrative Class	6,960
Advisor Class	43,468
Net Asset Value Per Share Outstanding[(a)]:	
Institutional Class	$ 11.24
Administrative Class	11.24
Advisor Class	11.24
Cost of investments in securities	$ 876,853
Cost of investments in Affiliates	$ 9,025
Cost of foreign currency held	$ 4,005
Proceeds received on short sales	$ 70,672
Cost or premiums of financial derivative instruments, net	$ 920
* Includes repurchase agreements of:	$ 3,015

[†] 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, 2020
(Amounts in thousands†)

Investment Income:	
Interest, net of foreign taxes*	$ 13,536
Dividends	13
Dividends from Investments in Affiliates	188
Total Income	13,737
Expenses:	
Investment advisory fees	1,444
Supervisory and administrative fees	2,888
Servicing fees - Administrative Class	113
Distribution and/or servicing fees - Advisor Class	1,180
Trustee fees	15
Interest expense	228
Miscellaneous expense	2
Total Expenses	5,870
Waiver and/or Reimbursement by PIMCO	(0)
Net Expenses	5,870
Net Investment Income (Loss)	7,867
Net Realized Gain (Loss):	
Investments in securities	10,274
Investments in Affiliates	(456)
Exchange-traded or centrally cleared financial derivative instruments	(1,487)
Over the counter financial derivative instruments	(17,981)
Short sales	(987)
Foreign currency	1,514
Net Realized Gain (Loss)	(9,123)
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	31,124
Investments in Affiliates	71
Exchange-traded or centrally cleared financial derivative instruments	3,019
Over the counter financial derivative instruments	(2,571)
Short sales	24
Foreign currency assets and liabilities	(627)
Net Change in Unrealized Appreciation (Depreciation)	31,040
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 29,784
* Foreign tax withholdings	$ 44

† 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, 2020	Year Ended December 31, 2019
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 7,867	$ 9,697
Net realized gain (loss)	(9,123)	11,428
Net change in unrealized appreciation (depreciation)	31,040	15,591
Net Increase (Decrease) in Net Assets Resulting from Operations	29,784	36,716
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(1,179)	(216)
Administrative Class	(4,421)	(2,042)
Advisor Class	(26,678)	(10,887)
Total Distributions[(a)]	(32,278)	(13,145)
Portfolio Share Transactions:		
Net increase (decrease) resulting from Portfolio share transactions*	87,764	11,458
Total Increase (Decrease) in Net Assets	85,270	35,029
Net Assets:		
Beginning of year	566,033	531,004
End of year	$ 651,303	$ 566,033

[†] 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 142.1%		
ARGENTINA 0.0%		
CORPORATE BONDS & NOTES 0.0%		
YPF S.A.		
38.259% (BADLARPP + 6.000%) due 03/04/2021 ~	ARS 3,810	$ 26
SOVEREIGN ISSUES 0.0%		
Argentina Government International Bond		
0.125% due 07/09/2030 þ	$ 230	94
1.000% due 07/09/2029	5	2
36.174% (BADLARPP + 2.000%) due 04/03/2022 ~	ARS 8,070	54
Autonomous City of Buenos Aires Argentina		
37.981% (BADLARPP + 5.000%) due 01/23/2022 ~	70	1
		151
Total Argentina (Cost $627)		**177**
AUSTRALIA 1.6%		
ASSET-BACKED SECURITIES 0.0%		
Driver Australia Trust		
1.735% due 07/21/2026	AUD 221	170
CORPORATE BONDS & NOTES 0.1%		
Sydney Airport Finance Co. Pty. Ltd.		
3.900% due 03/22/2023	$ 300	319
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.2%		
Pepper Residential Securities Trust		
1.084% due 03/12/2061 •	618	617
RESIMAC Bastille Trust		
1.083% due 09/05/2057 •	757	757
		1,374
SOVEREIGN ISSUES 1.3%		
Australia Government International Bond		
1.750% due 06/21/2051	AUD 1,800	1,321
3.000% due 03/21/2047	3,000	2,850
New South Wales Treasury Corp.		
2.000% due 03/20/2031	1,100	908
Northern Territory Treasury Corp.		
2.000% due 04/21/2031	800	645
Queensland Treasury Corp.		
1.750% due 08/21/2031	1,300	1,050
South Australia Government Financing Authority		
1.750% due 05/24/2032	800	637
Treasury Corp. of Victoria		
4.250% due 12/20/2032	1,200	1,208
		8,619
Total Australia (Cost $9,576)		**10,482**
BRAZIL 0.3%		
CORPORATE BONDS & NOTES 0.3%		
Petrobras Global Finance BV		
5.093% due 01/15/2030	$ 1,878	2,101
Total Brazil (Cost $1,948)		**2,101**
CANADA 1.2%		
CORPORATE BONDS & NOTES 0.3%		
Air Canada Pass-Through Trust		
3.300% due 07/15/2031	$ 90	88
Fairfax Financial Holdings Ltd.		
2.750% due 03/29/2028	EUR 500	681
HSBC Bank Canada		
3.300% due 11/28/2021	$ 1,200	$ 1,232
		2,001
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.2%		
Real Estate Asset Liquidity Trust		
2.381% due 02/12/2055 ~	CAD 483	387
2.867% due 02/12/2055 ~	1,000	807
3.072% due 08/12/2053	440	356
		1,550
SOVEREIGN ISSUES 0.7%		
Canada Government Real Return Bond		
1.500% due 12/01/2044 (f)	476	538
Province of Ontario		
2.600% due 06/02/2027	3,500	3,036
6.200% due 06/02/2031	100	115
Province of Quebec		
3.000% due 09/01/2023	1,100	924
		4,613
Total Canada (Cost $7,469)		**8,164**
CAYMAN ISLANDS 3.7%		
ASSET-BACKED SECURITIES 2.5%		
Anchorage Capital CLO Ltd.		
1.601% due 10/20/2031 •	$ 1,500	1,500
Cent CLO Ltd.		
1.307% due 10/15/2026 •	1,298	1,297
Dryden Senior Loan Fund		
1.137% due 10/15/2027 •	1,010	1,007
Evans Grove CLO Ltd.		
1.144% due 05/28/2028 •	254	253
GoldentTree Loan Management U.S. CLO Ltd.		
1.558% due 01/20/2033 •	1,400	1,401
Gulf Stream Meridian Ltd.		
1.609% due 10/15/2029 •	1,500	1,502
Jamestown CLO Ltd.		
1.577% due 04/15/2033 •	1,300	1,299
LCM LP		
1.258% due 10/20/2027 •	1,400	1,400
Marathon CLO Ltd.		
1.083% due 11/21/2027 •	966	959
Mountain View CLO Ltd.		
1.037% due 10/15/2026 •	98	98
1.320% due 10/16/2029 •	1,500	1,492
Symphony CLO Ltd.		
1.179% due 07/14/2026 •	1,035	1,034
THL Credit Wind River CLO Ltd.		
1.117% due 01/15/2026 •	96	96
Tralee CLO Ltd.		
1.328% due 10/20/2028 •	1,300	1,300
Venture CLO Ltd.		
1.117% due 04/15/2027 •	277	275
WhiteHorse Ltd.		
1.148% due 04/17/2027 •	92	92
Zais CLO Ltd.		
1.387% due 04/15/2028 •	1,139	1,135
		16,140
CORPORATE BONDS & NOTES 1.2%		
CIFI Holdings Group Co. Ltd.		
7.625% due 02/28/2023	300	314
Country Garden Holdings Co. Ltd.		
7.125% due 04/25/2022	200	208
KSA Sukuk Ltd.		
2.894% due 04/20/2022	500	516
QNB Finance Ltd.		
1.214% (US0003M + 1.000%) due 05/02/2022 ~	$ 1,000	$ 1,004
1.574% (US0003M + 1.350%) due 05/31/2021 ~	4,500	4,515
Sands China Ltd.		
4.600% due 08/08/2023	300	319
5.125% due 08/08/2025	200	225
5.400% due 08/08/2028	500	587
Sunac China Holdings Ltd.		
7.875% due 02/15/2022	200	205
Tencent Holdings Ltd.		
3.595% due 01/19/2028	200	221
		8,114
Total Cayman Islands (Cost $24,090)		**24,254**
CHINA 11.8%		
SOVEREIGN ISSUES 11.8%		
China Development Bank		
2.890% due 06/22/2025	CNY 28,600	4,317
3.050% due 08/25/2026	28,000	4,211
3.180% due 04/05/2026	20,800	3,165
3.390% due 07/10/2027	14,000	2,139
3.430% due 01/14/2027	13,400	2,051
3.450% due 09/20/2029	4,100	619
3.480% due 01/08/2029	4,900	743
3.500% due 08/13/2026	28,700	4,415
3.650% due 05/21/2029	4,900	751
3.680% due 02/26/2026	85,400	13,301
3.740% due 09/10/2025	10,200	1,593
3.800% due 01/25/2036	5,000	761
4.040% due 04/10/2027	38,200	6,031
4.040% due 07/06/2028	17,300	2,734
4.150% due 10/26/2025	2,600	413
4.240% due 08/24/2027	67,700	10,830
4.880% due 02/09/2028	31,400	5,234
China Government Bond		
2.700% due 11/03/2026	12,900	1,939
2.740% due 08/04/2026	43,800	6,609
2.850% due 01/28/2026	6,800	1,035
2.850% due 06/04/2027	7,100	1,066
2.950% due 06/16/2023	2,200	337
3.220% due 12/06/2025	2,200	341
3.290% due 10/18/2023	6,500	1,007
3.820% due 11/02/2027	8,000	1,283
Total China (Cost $72,440)		**76,925**
DENMARK 4.3%		
CORPORATE BONDS & NOTES 4.3%		
Jyske Realkredit A/S		
1.000% due 10/01/2050	DKK 42,803	7,121
Nordea Kredit Realkreditaktieselskab		
1.000% due 10/01/2050	46,998	7,819
1.500% due 10/01/2050	5,025	848
Nykredit Realkredit A/S		
0.006% due 10/01/2022 •	EUR 1,400	1,724
1.000% due 10/01/2050	DKK 42,503	7,050
1.500% due 10/01/2050	19,738	3,330
Total Denmark (Cost $24,879)		**27,892**
FRANCE 3.7%		
CORPORATE BONDS & NOTES 0.7%		
BNP Paribas S.A.		
1.904% due 09/30/2028 •	$ 2,000	2,045
Societe Generale S.A.		
1.488% due 12/14/2026 •	2,400	2,422
		4,467

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SOVEREIGN ISSUES 3.0%			
France Government International Bond			
0.750% due 05/25/2052 (k)	EUR	2,550	$ 3,474
1.500% due 05/25/2050 (k)		800	1,303
2.000% due 05/25/2048 (k)		7,400	13,184
3.250% due 05/25/2045 (k)		800	1,690
			19,651
Total France (Cost $17,941)			**24,118**
GERMANY 2.2%			
CORPORATE BONDS & NOTES 2.2%			
Deutsche Bank AG			
1.031% (US0003M + 0.815%) due 01/22/2021 ~	$	1,300	1,300
1.750% due 01/17/2028	EUR	700	902
2.222% due 09/18/2024 •	$	1,500	1,544
2.625% due 02/12/2026	EUR	1,500	2,012
3.150% due 01/22/2021	$	500	501
3.961% due 11/26/2025 •		1,400	1,531
4.250% due 10/14/2021		1,800	1,846
IHO Verwaltungs GmbH (3.875% Cash or 4.625% PIK)			
3.875% due 05/15/2027 (b)	EUR	200	254
IHO Verwaltungs GmbH (6.000% Cash or 6.750% PIK)			
6.000% due 05/15/2027 (b)	$	900	957
Volkswagen Bank GmbH			
1.250% due 08/01/2022	EUR	800	999
2.500% due 07/31/2026		700	956
Volkswagen Leasing GmbH			
0.250% due 02/16/2021		1,000	1,222
Total Germany (Cost $13,230)			**14,024**
INDIA 0.1%			
CORPORATE BONDS & NOTES 0.1%			
Shriram Transport Finance Co. Ltd.			
5.950% due 10/24/2022	$	500	511
State Bank of India			
4.000% due 01/24/2022		200	206
Total India (Cost $705)			**717**
IRELAND 1.0%			
ASSET-BACKED SECURITIES 1.0%			
Arbour CLO DAC			
0.870% due 01/15/2030 •	EUR	1,200	1,467
Aurium CLO DAC			
0.670% due 04/16/2030 •		500	609
Black Diamond CLO Designated Activity Co.			
0.650% due 10/03/2029 •		508	620
CVC Cordatus Loan Fund Ltd.			
0.970% due 04/22/2030 •		800	977
Hayfin Emerald CLO DAC			
1.450% due 02/15/2033 •		1,200	1,472
Toro European CLO DAC			
0.900% due 10/15/2030 •		1,300	1,588
			6,733
CORPORATE BONDS & NOTES 0.0%			
AIB Group PLC			
4.750% due 10/12/2023	$	200	220
Total Ireland (Cost $6,472)			**6,953**
ISRAEL 1.2%			
SOVEREIGN ISSUES 1.2%			
Israel Government International Bond			
1.000% due 04/30/2021	ILS	14,200	4,434
2.000% due 03/31/2027		4,400	1,504
3.250% due 01/17/2028	$	200	229
3.800% due 05/13/2060	$	1,300	$ 1,548
4.125% due 01/17/2048		300	387
Total Israel (Cost $7,442)			**8,102**
ITALY 3.4%			
CORPORATE BONDS & NOTES 1.6%			
Banca Carige SpA			
0.877% due 02/25/2021 •	EUR	500	611
0.977% (EUR003M + 1.500%) due 05/25/2022 ~		1,600	1,966
1.189% due 10/25/2021 •		1,600	1,966
Banca Monte dei Paschi di Siena SpA			
0.875% due 10/08/2027		1,000	1,290
2.625% due 04/28/2025		500	629
Intesa Sanpaolo SpA			
7.000% due 01/19/2021 •(g)(h)		1,500	1,840
UniCredit SpA			
2.200% due 07/22/2027 •		350	455
7.500% due 06/03/2026 •(g)(h)		200	284
7.830% due 12/04/2023	$	1,200	1,425
			10,466
SOVEREIGN ISSUES 1.8%			
Italy Buoni Poliennali Del Tesoro			
0.350% due 11/01/2021	EUR	2,600	3,201
1.700% due 09/01/2051		1,250	1,625
1.750% due 07/01/2024		3,000	3,919
1.800% due 03/01/2041		1,100	1,487
1.850% due 07/01/2025		800	1,063
Italy Government International Bond			
6.000% due 08/04/2028	GBP	400	720
			12,015
Total Italy (Cost $20,165)			**22,481**
JAPAN 13.9%			
CORPORATE BONDS & NOTES 1.3%			
Central Nippon Expressway Co. Ltd.			
2.091% due 09/14/2021	$	700	708
Meiji Yasuda Life Insurance Co.			
5.100% due 04/26/2048 •		200	243
Mitsubishi UFJ Financial Group, Inc.			
3.455% due 03/02/2023		600	640
Mizuho Financial Group, Inc.			
1.101% (US0003M + 0.880%) due 09/11/2022 ~		700	708
1.221% (US0003M + 1.000%) due 09/11/2024 ~		900	912
3.922% due 09/11/2024 •		500	544
Nissan Motor Co. Ltd.			
3.043% due 09/15/2023		200	209
3.522% due 09/17/2025		400	429
4.345% due 09/17/2027		400	442
4.810% due 09/17/2030		400	451
ORIX Corp.			
3.250% due 12/04/2024		200	219
Sumitomo Mitsui Financial Group, Inc.			
2.130% due 07/08/2030		1,200	1,260
Takeda Pharmaceutical Co. Ltd.			
1.125% due 11/21/2022	EUR	500	625
2.050% due 03/31/2030	$	400	410
3.175% due 07/09/2050		800	853
			8,653
SOVEREIGN ISSUES 12.6%			
Development Bank of Japan, Inc.			
1.750% due 08/28/2024		1,400	1,464
Japan Bank for International Cooperation			
1.750% due 10/17/2024		500	524
Japan Government International Bond			
0.100% due 03/10/2028 (f)	JPY	452,682	4,397
0.100% due 03/20/2029	JPY	2,400,000	$ 23,540
0.100% due 06/20/2029		610,000	5,980
0.100% due 03/20/2030		360,000	3,522
0.300% due 06/20/2046		620,000	5,676
0.500% due 09/20/2046		402,000	3,858
0.500% due 03/20/2049		358,000	3,371
0.700% due 12/20/2048		772,000	7,665
1.200% due 09/20/2035		1,340,000	14,811
1.300% due 06/20/2035		340,000	3,802
Tokyo Metropolitan Government			
0.750% due 07/16/2025	$	2,100	2,105
2.000% due 05/17/2021		700	704
2.500% due 06/08/2022		600	617
			82,036
Total Japan (Cost $86,881)			**90,689**
KUWAIT 0.5%			
SOVEREIGN ISSUES 0.5%			
Kuwait International Government Bond			
3.500% due 03/20/2027	$	2,800	3,189
Total Kuwait (Cost $2,782)			**3,189**
LITHUANIA 0.2%			
SOVEREIGN ISSUES 0.2%			
Lithuania Government International Bond			
1.100% due 04/26/2027	EUR	600	790
6.125% due 03/09/2021	$	200	203
Total Lithuania (Cost $906)			**993**
LUXEMBOURG 0.3%			
CORPORATE BONDS & NOTES 0.3%			
Aroundtown S.A.			
1.625% due 01/31/2028	EUR	700	917
5.375% due 03/21/2029	$	200	239
Blackstone Property Partners Europe Holdings SARL			
1.400% due 07/06/2022	EUR	400	496
Total Luxembourg (Cost $1,471)			**1,652**
MALAYSIA 0.6%			
CORPORATE BONDS & NOTES 0.1%			
Petronas Capital Ltd.			
3.500% due 04/21/2030	$	300	346
4.550% due 04/21/2050		200	268
4.800% due 04/21/2060		200	290
			904
SOVEREIGN ISSUES 0.5%			
Malaysia Government International Bond			
3.502% due 05/31/2027	MYR	1,700	451
3.906% due 07/15/2026		3,900	1,051
Malaysia Government Investment Issue			
3.655% due 10/15/2024		2,200	578
4.130% due 07/09/2029		2,200	605
4.369% due 10/31/2028		1,300	362
			3,047
Total Malaysia (Cost $3,465)			**3,951**
MEXICO 0.1%			
SOVEREIGN ISSUES 0.1%			
Mexico Government International Bond			
5.000% due 04/27/2051	$	300	375
Total Mexico (Cost $278)			**375**

MULTINATIONAL 0.1%

CORPORATE BONDS & NOTES 0.1%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Preferred Term Securities Ltd.			
0.629% (US0003M + 0.400%) due 06/23/2035 ~	$	787	$ 724
Total Multinational (Cost $605)			**724**

NETHERLANDS 1.0%

ASSET-BACKED SECURITIES 0.3%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Dryden Euro CLO BV			
0.880% due 01/15/2030 •	EUR	1,200	1,467
Penta CLO BV			
0.790% due 08/04/2028 •		393	480
			1,947

CORPORATE BONDS & NOTES 0.7%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Cooperatieve Rabobank UA			
3.125% due 04/26/2021	$	400	404
6.625% due 06/29/2021 •(g)(h)	EUR	400	503
Enel Finance International NV			
2.650% due 09/10/2024	$	1,300	1,386
2.875% due 05/25/2022		1,100	1,135
Mondelez International Holdings Netherlands BV			
2.000% due 10/28/2021		500	506
Stichting AK Rabobank Certificaten			
6.500% due 12/29/2049 (g)	EUR	158	256
Vonovia Finance BV			
5.000% due 10/02/2023	$	100	107
			4,297
Total Netherlands (Cost $5,874)			**6,244**

NEW ZEALAND 0.2%

SOVEREIGN ISSUES 0.2%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
New Zealand Government International Bond			
1.500% due 05/15/2031	NZD	1,000	756
1.750% due 05/15/2041		600	426
Total New Zealand (Cost $1,146)			**1,182**

NORWAY 0.1%

CORPORATE BONDS & NOTES 0.1%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
DNB Boligkreditt A/S			
3.250% due 06/28/2023	$	500	535
Total Norway (Cost $499)			**535**

PERU 1.4%

CORPORATE BONDS & NOTES 0.1%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Banco de Credito del Peru			
4.650% due 09/17/2024	PEN	1,900	566

SOVEREIGN ISSUES 1.3%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Peru Government International Bond			
2.780% due 12/01/2060	$	700	708
5.350% due 08/12/2040	PEN	1,100	316
5.940% due 02/12/2029		5,400	1,861
6.350% due 08/12/2028		15,200	5,338
			8,223
Total Peru (Cost $8,276)			**8,789**

QATAR 1.6%

SOVEREIGN ISSUES 1.6%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Qatar Government International Bond			
3.375% due 03/14/2024	$	400	434
3.750% due 04/16/2030		400	472
3.875% due 04/23/2023	$	3,800	$ 4,089
4.000% due 03/14/2029		2,200	2,612
4.400% due 04/16/2050		400	522
4.500% due 04/23/2028		1,800	2,184
Total Qatar (Cost $8,996)			**10,313**

ROMANIA 0.2%

SOVEREIGN ISSUES 0.2%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Romanian Government International Bond			
1.375% due 12/02/2029	EUR	600	747
2.625% due 12/02/2040		400	522
Total Romania (Cost $1,182)			**1,269**

SAUDI ARABIA 1.0%

CORPORATE BONDS & NOTES 0.1%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Saudi Arabian Oil Co.			
1.625% due 11/24/2025	$	500	513
2.750% due 04/16/2022		400	411
			924

SOVEREIGN ISSUES 0.9%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Saudi Government International Bond			
2.375% due 10/26/2021		2,400	2,438
2.900% due 10/22/2025		500	540
3.250% due 10/26/2026		400	444
4.000% due 04/17/2025		1,900	2,125
			5,547
Total Saudi Arabia (Cost $6,113)			**6,471**

SINGAPORE 0.4%

CORPORATE BONDS & NOTES 0.4%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
BOC Aviation Ltd.			
2.375% due 09/15/2021	$	1,000	1,006
3.500% due 09/18/2027		300	321
DBS Bank Ltd.			
3.300% due 11/27/2021		400	411
Oversea-Chinese Banking Corp. Ltd.			
0.672% (US0003M + 0.450%) due 05/17/2021 ~		700	701
PSA Treasury Pte. Ltd.			
2.500% due 04/12/2026		400	429
Total Singapore (Cost $2,773)			**2,868**

SLOVENIA 0.3%

SOVEREIGN ISSUES 0.3%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Slovenia Government International Bond			
5.250% due 02/18/2024	$	1,419	1,631
Total Slovenia (Cost $1,464)			**1,631**

SOUTH AFRICA 0.1%

SOVEREIGN ISSUES 0.1%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
South Africa Government International Bond			
4.850% due 09/30/2029	$	500	532
Total South Africa (Cost $500)			**532**

SOUTH KOREA 1.9%

SOVEREIGN ISSUES 1.9%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Korea Government International Bond			
2.125% due 06/10/2027	KRW	1,225,000	1,173
2.375% due 12/10/2027		1,350,000	1,313
2.375% due 12/10/2028		5,820,000	5,666
2.625% due 06/10/2028		2,450,000	2,425
5.500% due 03/10/2028		1,350,000	1,579
Korea Hydro & Nuclear Power Co. Ltd.			
3.750% due 07/25/2023	$	200	$ 216
Total South Korea (Cost $11,579)			**12,372**

SPAIN 4.8%

CORPORATE BONDS & NOTES 0.2%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Banco Bilbao Vizcaya Argentaria S.A.			
5.875% due 09/24/2023 •(g)(h)	EUR	200	256
Banco de Sabadell S.A.			
0.875% due 07/22/2025		100	125
1.125% due 03/11/2027 •		100	127
Banco Santander S.A.			
3.848% due 04/12/2023	$	200	215
Merlin Properties Socimi S.A.			
2.225% due 04/25/2023	EUR	200	255
			978

PREFERRED SECURITIES 0.4%

	SHARES	MARKET VALUE (000S)
Banco Bilbao Vizcaya Argentaria S.A.		
8.875% due 04/14/2021 •(g)(h)	1,000,000	1,250
Banco Santander S.A.		
5.250% due 09/29/2023 •(g)(h)	600,000	767
6.250% due 09/11/2021 •(g)(h)	400,000	502
		2,519

SOVEREIGN ISSUES 4.2%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Autonomous Community of Catalonia			
4.220% due 04/26/2035	$	200	331
4.900% due 09/15/2021		1,000	1,265
Spain Government International Bond			
0.250% due 07/30/2024		2,200	2,763
1.000% due 10/31/2050		2,200	2,785
1.250% due 10/31/2030		4,900	6,694
1.400% due 07/30/2028		5,200	7,120
1.450% due 04/30/2029		2,200	3,038
1.850% due 07/30/2035		2,100	3,109
			27,105
Total Spain (Cost $26,451)			**30,602**

SUPRANATIONAL 0.3%

CORPORATE BONDS & NOTES 0.3%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
European Investment Bank			
0.500% due 06/21/2023	AUD	500	387
0.500% due 08/10/2023		400	309
European Union			
0.000% due 07/04/2035 (d)	EUR	1,100	1,381
Total Supranational (Cost $2,032)			**2,077**

SWITZERLAND 1.6%

CORPORATE BONDS & NOTES 1.6%

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Credit Suisse AG			
0.750% due 09/17/2021	EUR	200	246
6.500% due 08/08/2023 (h)	$	200	226
Credit Suisse Group AG			
1.420% (US0003M + 1.200%) due 12/14/2023 ~		800	810
2.193% due 06/05/2026 •		1,200	1,255
3.800% due 06/09/2023		800	862
3.869% due 01/12/2029 •		800	907
4.282% due 01/09/2028		250	289
UBS AG			
5.125% due 05/15/2024 (h)		1,318	1,456
7.625% due 08/17/2022 (h)		1,600	1,771

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
UBS Group AG		
5.750% due 02/19/2022 •(g)(h)	EUR 1,100	$ 1,412
6.875% due 03/22/2021 •(g)(h)	$ 1,000	1,012
Total Switzerland (Cost $9,927)		**10,246**
UNITED ARAB EMIRATES 0.4%		
CORPORATE BONDS & NOTES 0.0%		
First Abu Dhabi Bank PJSC		
3.000% due 03/30/2022	$ 200	206
SOVEREIGN ISSUES 0.4%		
Emirate of Abu Dhabi Government International Bond		
2.500% due 10/11/2022	500	518
3.125% due 10/11/2027	900	1,011
3.125% due 04/16/2030	400	452
3.875% due 04/16/2050	300	367
		2,348
Total United Arab Emirates (Cost $2,281)		**2,554**
UNITED KINGDOM 12.3%		
CORPORATE BONDS & NOTES 6.2%		
Annington Funding PLC		
1.650% due 07/12/2024	EUR 800	1,027
Barclays Bank PLC		
7.625% due 11/21/2022 (h)	$ 3,300	3,672
Barclays PLC		
1.651% (US0003M + 1.430%) due 02/15/2023 ~	700	705
3.650% due 03/16/2025	600	662
4.375% due 01/12/2026	300	346
4.610% due 02/15/2023 •	600	626
4.836% due 05/09/2028	1,000	1,156
5.088% due 06/20/2030 •	1,000	1,200
7.125% due 06/15/2025 •(g)(h)	GBP 500	764
7.250% due 03/15/2023 •(g)(h)	700	1,018
8.000% due 06/15/2024 •(g)(h)	$ 400	446
FCE Bank PLC		
1.660% due 02/11/2021	EUR 200	245
Frontier Finance PLC		
8.000% due 03/23/2022	GBP 1,125	1,586
HSBC Holdings PLC		
1.220% (US0003M + 1.000%) due 05/18/2024 ~	$ 300	302
4.041% due 03/13/2028 •	400	457
4.583% due 06/19/2029 •	800	947
4.750% due 07/04/2029 •(g)(h)	EUR 200	273
5.875% due 09/28/2026 •(g)(h)	GBP 300	452
6.500% due 03/23/2028 •(g)(h)	$ 700	787
Lloyds Bank PLC		
4.875% due 03/30/2027	GBP 500	872
5.125% due 03/07/2025	700	1,150
Lloyds Banking Group PLC		
3.500% due 04/01/2026 •	EUR 300	417
4.582% due 12/10/2025	$ 500	573
4.650% due 03/24/2026	800	922
5.125% due 12/27/2024 •(g)(h)	GBP 500	717
7.625% due 06/27/2023 •(g)(h)	1,000	1,507
Nationwide Building Society		
3.766% due 03/08/2024 •	$ 1,200	1,278
4.302% due 03/08/2029 •	1,400	1,628
Natwest Group PLC		
1.801% (US0003M + 1.550%) due 06/25/2024 ~	800	815
3.875% due 09/12/2023	300	326
4.269% due 03/22/2025 •	1,300	1,439
4.445% due 05/08/2030 •	500	595
4.519% due 06/25/2024 •	1,200	1,311
6.000% due 12/29/2025 •(g)(h)	800	878
8.000% due 08/10/2025 •(g)(h)	500	584
8.625% due 08/15/2021 •(g)(h)	900	936

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
NatWest Markets PLC		
0.625% due 03/02/2022	EUR 300	$ 370
1.000% due 05/28/2024	800	1,011
Reckitt Benckiser Treasury Services PLC		
2.375% due 06/24/2022	$ 600	617
Santander UK Group Holdings PLC		
2.875% due 08/05/2021	400	406
4.796% due 11/15/2024 •	2,400	2,671
7.375% due 06/24/2022 •(g)(h)	GBP 200	287
Santander UK PLC		
0.600% (SONIO/N + 0.550%) due 02/12/2027 ~	500	691
Tesco PLC		
6.125% due 02/24/2022	50	73
Tesco Property Finance PLC		
5.411% due 07/13/2044	188	349
5.661% due 10/13/2041	98	185
Virgin Media Secured Finance PLC		
5.000% due 04/15/2027	500	718
Vodafone Group PLC		
1.220% (US0003M + 0.990%) due 01/16/2024 ~	$ 500	507
		40,504
NON-AGENCY MORTGAGE-BACKED SECURITIES 4.9%		
Avon Finance PLC		
0.954% due 09/20/2048 •	GBP 1,070	1,462
Business Mortgage Finance PLC		
2.048% due 02/15/2041 •	135	184
Durham Mortgages B PLC		
0.651% due 03/31/2054 •	837	1,143
Eurohome UK Mortgages PLC		
0.193% due 06/15/2044 •	300	399
Eurosail PLC		
0.198% due 06/10/2044 •	2	3
0.991% due 06/13/2045 •	409	556
Finsbury Square PLC		
0.854% due 03/16/2070 •	1,031	1,408
0.991% due 09/12/2068 •	602	824
Harben Finance PLC		
0.851% due 08/20/2056 •	913	1,248
Hawksmoor Mortgage Funding PLC		
1.104% due 05/25/2053 •	930	1,274
Hawksmoor Mortgages		
1.104% due 05/25/2053 •	1,691	2,316
Jupiter PLC		
0.000% due 06/01/2060 «•	2,300	3,118
Lanark Master Issuer PLC		
0.866% due 12/22/2069 •	633	869
Mansard Mortgages PLC		
0.693% due 12/15/2049 •	119	161
Newgate Funding PLC		
0.202% due 12/01/2050 •	253	327
1.043% due 12/15/2050 •	216	284
Paragon Mortgages PLC		
0.286% due 01/15/2039 •	645	866
Residential Mortgage Securities PLC		
0.984% due 12/20/2046 •	711	973
1.234% due 09/20/2065 •	748	1,025
1.304% due 06/20/2070 •	946	1,301
Ripon Mortgages PLC		
0.851% due 08/20/2056 •	2,995	4,094
RMAC PLC		
0.741% due 06/12/2046 •	2,094	2,848
RMAC Securities PLC		
0.191% due 06/12/2044 •	391	512
Towd Point Mortgage Funding		
0.956% due 07/20/2045 •	2,088	2,856
Towd Point Mortgage Funding PLC		
1.073% due 10/20/2051 •	1,236	1,697
		31,748

	SHARES	MARKET VALUE (000S)
PREFERRED SECURITIES 0.0%		
Nationwide Building Society		
10.250% ~	960	$ 233

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SOVEREIGN ISSUES 1.2%		
United Kingdom Gilt		
0.625% due 10/22/2050	$ 700	928
1.750% due 01/22/2049	1,300	2,237
3.250% due 01/22/2044 (k)	900	1,895
4.250% due 12/07/2040 (k)	1,200	2,750
		7,810
Total United Kingdom (Cost $74,272)		**80,295**
UNITED STATES 63.2%		
ASSET-BACKED SECURITIES 5.8%		
ACE Securities Corp. Home Equity Loan Trust		
0.288% due 07/25/2036 •	$ 1,241	1,021
Amortizing Residential Collateral Trust		
0.848% due 10/25/2031 •	1	1
AMRESCO Residential Securities Corp. Mortgage Loan Trust		
1.088% due 06/25/2029 •	1	1
Argent Mortgage Loan Trust		
0.628% due 05/25/2035 •	1,432	1,322
Argent Securities, Inc. Asset-Backed Pass-Through Certificates		
0.908% due 02/25/2036 •	514	470
Citigroup Mortgage Loan Trust		
0.308% due 12/25/2036 •	501	350
0.668% due 03/25/2036 •	514	492
Citigroup Mortgage Loan Trust, Inc.		
0.408% due 06/25/2037 •	2,700	2,618
1.138% due 07/25/2035 •	1,200	1,157
Countrywide Asset-Backed Certificates		
0.288% due 06/25/2035 •	326	303
0.288% due 06/25/2037 •	423	394
0.288% due 07/25/2037 •	305	279
0.288% due 06/25/2047 ^•	326	303
0.288% due 06/25/2047 •	1,046	962
0.298% due 04/25/2047 ^•	213	207
0.408% due 12/25/2036 ^•	351	332
0.428% due 03/25/2037 •	1,458	1,449
0.438% due 07/25/2036 •	169	169
4.667% due 08/25/2035 ^~	306	296
Countrywide Asset-Backed Certificates Trust		
1.498% due 04/25/2035 •	1,000	999
Credit Suisse First Boston Mortgage Securities Corp.		
0.768% due 01/25/2032 •	1	1
First Franklin Mortgage Loan Trust		
0.263% due 07/25/2036 •	1,002	942
GSAMP Trust		
0.793% due 11/25/2035 ^•	1,324	1,211
Home Equity Mortgage Loan Asset-Backed Trust		
0.388% due 04/25/2037 •	523	402
HSI Asset Securitization Corp. Trust		
0.408% due 04/25/2037 •	735	502
Long Beach Mortgage Loan Trust		
0.708% due 10/25/2034 •	12	12
Merrill Lynch Mortgage Investors Trust		
0.298% due 08/25/2037 •	1,265	822
Morgan Stanley ABS Capital, Inc. Trust		
0.278% due 10/25/2036 •	132	124
Morgan Stanley Home Equity Loan Trust		
0.248% due 12/25/2036 •	936	558
0.378% due 04/25/2037 •	779	528
Morgan Stanley Mortgage Loan Trust		
5.919% due 09/25/2046 ^þ	154	63

 See Accompanying Notes

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Nomura Home Equity Loan, Inc. Home Equity Loan Trust		
0.583% due 03/25/2036 •	$ 700	$ 685
NovaStar Mortgage Funding Trust		
0.278% due 03/25/2037 •	671	497
Option One Mortgage Loan Trust		
0.288% due 01/25/2037 •	396	296
Renaissance Home Equity Loan Trust		
2.698% due 12/25/2032 •	223	224
5.294% due 01/25/2037 þ	641	319
5.675% due 06/25/2037 ^þ	1,053	412
5.731% due 11/25/2036 þ	992	548
Residential Asset Mortgage Products Trust		
0.588% due 12/25/2035 •	306	281
0.608% due 12/25/2035 •	849	754
Residential Asset Securities Corp. Trust		
0.398% due 11/25/2036 ^•	2,008	1,864
Saxon Asset Securities Trust		
1.898% due 12/25/2037 •	349	332
SLM Student Loan Trust		
0.585% due 03/15/2038 •	GBP 502	654
Soundview Home Loan Trust		
0.298% due 06/25/2037 •	$ 77	62
0.648% due 11/25/2036 •	1,400	1,327
Structured Asset Investment Loan Trust		
0.278% due 07/25/2036 •	419	341
0.768% due 01/25/2036 •	1,063	975
Terwin Mortgage Trust		
1.088% due 11/25/2033 •	21	20
Towd Point Mortgage Trust		
1.148% due 05/25/2058 •	750	756
1.636% due 04/25/2060 ~	1,394	1,420
2.710% due 01/25/2060 ~	1,348	1,397
2.900% due 10/25/2059 ~	4,448	4,702
Toyota Auto Loan Extended Note Trust		
2.560% due 11/25/2031	1,400	1,497
		37,653

CORPORATE BONDS & NOTES 7.1%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
AbbVie, Inc.		
5.000% due 12/15/2021	600	619
American Airlines Pass-Through Trust		
3.000% due 04/15/2030	247	242
American Tower Corp.		
2.950% due 01/15/2025	800	867
AT&T, Inc.		
1.800% due 09/05/2026	EUR 1,000	1,332
3.100% due 02/01/2043	$ 300	304
3.300% due 02/01/2052	300	297
Bayer U.S. Finance LLC		
0.881% (US0003M + 0.630%) due 06/25/2021 ~	300	301
1.227% (US0003M + 1.010%) due 12/15/2023 ~	500	505
3.875% due 12/15/2023	300	327
4.250% due 12/15/2025	300	343
4.375% due 12/15/2028	700	824
Boeing Co.		
1.950% due 02/01/2024	100	103
2.750% due 02/01/2026	1,800	1,894
3.250% due 02/01/2028	400	429
Campbell Soup Co.		
3.300% due 03/15/2021	200	201
3.650% due 03/15/2023	229	245
CenterPoint Energy Resources Corp.		
3.550% due 04/01/2023	200	213
Charter Communications Operating LLC		
2.300% due 02/01/2032	700	701
3.750% due 02/15/2028	100	112
4.464% due 07/23/2022	1,300	1,371
Citibank N.A.		
2.844% due 05/20/2022 •	300	303
Comcast Corp.		
0.250% due 05/20/2027	EUR 500	621
CVS Health Corp.		
3.350% due 03/09/2021	$ 107	$ 108
3.700% due 03/09/2023	55	59
D.R. Horton, Inc.		
5.750% due 08/15/2023	1,300	1,460
Dell International LLC		
6.100% due 07/15/2027	1,100	1,368
Duke Energy Corp.		
0.871% (US0003M + 0.650%) due 03/11/2022 ~	1,300	1,307
Equitable Holdings, Inc.		
3.900% due 04/20/2023	100	108
4.350% due 04/20/2028	200	236
ERAC USA Finance LLC		
2.600% due 12/01/2021	1,200	1,221
Fidelity National Information Services, Inc.		
0.750% due 05/21/2023	EUR 300	374
1.700% due 06/30/2022	GBP 200	279
Ford Motor Credit Co. LLC		
0.000% due 12/07/2022 •	EUR 200	236
0.217% due 11/15/2023 •	100	117
1.048% (US0003M + 0.810%) due 04/05/2021 ~	$ 600	597
1.744% due 07/19/2024	EUR 100	122
2.748% due 06/14/2024	GBP 400	548
3.200% due 01/15/2021	$ 1,700	1,704
3.370% due 11/17/2023	600	613
3.375% due 11/13/2025	400	410
3.810% due 01/09/2024	200	205
4.000% due 11/13/2030	200	211
GATX Corp.		
0.945% (US0003M + 0.720%) due 11/05/2021 ~	1,200	1,203
General Mills, Inc.		
3.200% due 04/16/2021	100	101
General Motors Financial Co., Inc.		
3.550% due 07/08/2022	700	730
Georgia-Pacific LLC		
3.163% due 11/15/2021	400	408
Goldman Sachs Group, Inc.		
1.625% due 07/27/2026	EUR 800	1,058
4.223% due 05/01/2029 •	$ 100	119
Goodman U.S. Finance Three LLC		
3.700% due 03/15/2028	600	655
Harley-Davidson Financial Services, Inc.		
1.168% (US0003M + 0.940%) due 03/02/2021 ~	400	400
Jackson National Life Global Funding		
2.375% due 09/15/2022	1,400	1,448
Kilroy Realty LP		
3.450% due 12/15/2024	100	108
Kinder Morgan, Inc.		
5.000% due 02/15/2021	400	401
Mid-America Apartments LP		
4.200% due 06/15/2028	600	706
Morgan Stanley		
0.790% (CDOR03 + 0.300%) due 02/03/2023 ~(i)	CAD 3,300	2,597
NextEra Energy Capital Holdings, Inc.		
0.927% (US0003M + 0.720%) due 02/25/2022 ~	$ 800	806
Nissan Motor Acceptance Corp.		
0.941% due 09/28/2022 •	1,000	992
Northwell Healthcare, Inc.		
4.260% due 11/01/2047	400	481
Pacific Gas & Electric Co.		
2.100% due 08/01/2027	100	102
2.950% due 03/01/2026	100	106
3.450% due 07/01/2025	100	108
4.000% due 12/01/2046	100	104
4.550% due 07/01/2030	200	228
Penske Truck Leasing Co. LP		
3.950% due 03/10/2025	1,400	1,569
Public Service Co. of Oklahoma		
4.400% due 02/01/2021	$ 200	$ 201
Public Service Enterprise Group, Inc.		
2.000% due 11/15/2021	400	405
Sabine Pass Liquefaction LLC		
4.500% due 05/15/2030	600	712
Sempra Energy		
0.667% (US0003M + 0.450%) due 03/15/2021 ~	800	801
SL Green Operating Partnership LP		
3.250% due 10/15/2022	500	516
Spirit AeroSystems, Inc.		
3.950% due 06/15/2023	600	589
Sprint Spectrum Co. LLC		
3.360% due 03/20/2023	113	114
4.738% due 09/20/2029	300	326
Volkswagen Group of America Finance LLC		
1.154% (US0003M + 0.940%) due 11/12/2021 ~	300	302
3.750% due 05/13/2030	400	462
4.000% due 11/12/2021	300	309
Walt Disney Co.		
1.750% due 01/13/2026	300	315
2.650% due 01/13/2031	200	219
3.500% due 05/13/2040	100	118
3.600% due 01/13/2051	200	243
West Virginia United Health System Obligated Group		
3.129% due 06/01/2050	800	828
Zimmer Biomet Holdings, Inc.		
3.150% due 04/01/2022	2,100	2,160
		46,487

LOAN PARTICIPATIONS AND ASSIGNMENTS 0.3%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Avolon TLB Borrower (U.S.) LLC		
3.250% due 12/01/2027	1,200	1,203
CenturyLink, Inc.		
2.397% (LIBOR03M + 2.250%) due 03/15/2027 ~	382	378
Charter Communications Operating LLC		
1.900% (LIBOR03M + 1.750%) due 02/01/2027 ~	573	571
		2,152

NON-AGENCY MORTGAGE-BACKED SECURITIES 2.8%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
A10 Bridge Asset Financing LLC		
2.021% due 08/15/2040	1,397	1,398
American Home Mortgage Investment Trust		
1.757% due 09/25/2045 •	7	7
Banc of America Alternative Loan Trust		
6.500% due 04/25/2036 ^	356	368
Banc of America Mortgage Trust		
3.629% due 02/25/2036 ^~	36	34
Bear Stearns Adjustable Rate Mortgage Trust		
2.883% due 08/25/2033 ~	1	1
Bear Stearns ALT-A Trust		
0.468% due 02/25/2034 •	28	27
3.002% due 11/25/2035 ^~	18	16
3.152% due 09/25/2035 ^~	17	14
3.472% due 03/25/2036 ^~	88	76
3.478% due 08/25/2036 ^~	31	20
Bear Stearns Structured Products, Inc. Trust		
2.728% due 12/26/2046 ^~	19	17
Chase Mortgage Finance Trust		
3.276% due 07/25/2037 ~	38	35
Citigroup Mortgage Loan Trust, Inc.		
0.498% due 10/25/2035 •	1,447	938
2.220% due 09/25/2035 •	2	2
Citigroup Mortgage Loan Trust, Inc. Mortgage Pass-Through Certificates		
2.674% due 09/25/2035 ^~	151	141
Countrywide Alternative Loan Trust		
0.428% due 02/25/2037 •	35	32

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
0.572% due 03/20/2046 •	$ 46	$ 39
1.609% due 12/25/2035 •	36	34
2.109% due 11/25/2035 •	8	8
5.250% due 06/25/2035 ^	6	5
Countrywide Home Loan Mortgage Pass-Through Trust		
0.608% due 05/25/2035 •	18	16
0.788% due 03/25/2035 •	30	28
0.808% due 02/25/2035 •	4	4
2.749% due 11/25/2034 ~	4	4
3.090% due 08/25/2034 ^~	6	5
5.500% due 01/25/2035	286	294
Credit Suisse Mortgage Capital Mortgage-Backed Trust		
5.500% due 08/25/2036 ^	1,264	1,151
5.863% due 02/25/2037 ^~	170	68
DBUBS Mortgage-Backed Trust		
0.250% due 11/10/2046 ~(a)	400	0
0.563% due 11/10/2046 ~(a)	36	0
Deutsche ALT-A Securities, Inc. Mortgage Loan Trust		
0.898% due 10/25/2047 •	695	639
GSR Mortgage Loan Trust		
0.478% due 12/25/2034 •	27	25
3.050% due 01/25/2036 ^~	25	25
3.881% due 04/25/2035 ~	89	94
Homeward Opportunities Fund Trust		
1.657% due 05/25/2065 ~	1,155	1,170
IndyMac Mortgage Loan Trust		
0.568% due 05/25/2046 •	365	347
0.628% due 07/25/2035 •	14	13
JPMorgan Mortgage Trust		
2.982% due 02/25/2036 ^~	16	13
3.222% due 07/27/2037 ~	59	59
Manhattan West Mortgage Trust		
2.130% due 09/10/2039	1,400	1,476
Mellon Residential Funding Corp. Mortgage Pass-Through Trust		
0.599% due 12/15/2030 •	3	3
MFA Trust		
1.381% due 04/25/2065 ~	2,075	2,079
1.947% due 04/25/2065 ~	755	760
Morgan Stanley Bank of America Merrill Lynch Trust		
0.969% due 12/15/2048 ~(a)	888	13
Morgan Stanley Mortgage Loan Trust		
2.201% due 06/25/2036 ~	17	17
New Residential Mortgage Loan Trust		
2.750% due 07/25/2059 ~	1,450	1,526
2.750% due 11/25/2059 ~	1,238	1,303
One New York Plaza Trust		
1.109% due 01/15/2026 •	1,600	1,606
Residential Accredit Loans, Inc. Trust		
0.298% due 02/25/2047 •	26	14
0.508% due 06/25/2046 •	257	92
0.568% due 04/25/2046 •	422	177
1.641% due 10/25/2037 ~	237	222
6.000% due 06/25/2036	578	564
Structured Adjustable Rate Mortgage Loan Trust		
2.724% due 04/25/2034 ~	2	2
Structured Asset Mortgage Investments Trust		
0.368% due 09/25/2047 •	78	70
0.568% due 05/25/2036 •	8	7
0.588% due 05/25/2036 •	52	49
0.608% due 05/25/2045 •	13	12
0.732% due 07/19/2034 •	1	1
0.812% due 09/19/2032 •	1	1
0.852% due 03/19/2034 •	2	2
2.109% due 08/25/2047 ^•	27	26
Structured Asset Securities Corp.		
0.428% due 01/25/2036 •	213	192
Structured Asset Securities Corp. Mortgage Loan Trust		
0.438% due 10/25/2036 •	438	380
TBW Mortgage-Backed Trust		
6.470% due 09/25/2036 ^þ	189	9
Thornburg Mortgage Securities Trust		
1.589% due 06/25/2047 ^•	20	18
1.589% due 06/25/2047 •	2	2
Wachovia Mortgage Loan Trust LLC		
2.647% due 10/20/2035 ^~	40	37
WaMu Mortgage Pass-Through Certificates Trust		
0.768% due 01/25/2045 •	$ 57	$ 55
1.589% due 06/25/2046 •	27	26
1.609% due 02/25/2046 •	57	56
1.753% due 02/27/2034 •	3	3
2.490% due 12/25/2036 ^~	133	127
3.509% due 03/25/2033 ~	5	5
3.566% due 04/25/2035 ~	20	21
3.596% due 03/25/2035 ~	23	24
Washington Mutual Mortgage Pass-Through Certificates Trust		
1.549% due 07/25/2046 ^•	20	14
		18,158

	SHARES	MARKET VALUE (000S)
PREFERRED SECURITIES 0.3%		
AT&T, Inc.		
2.875% due 03/02/2025 •(g)	700,000	862
Bank of America Corp.		
5.875% due 03/15/2028 •(g)	700,000	793
Charles Schwab Corp.		
5.375% due 06/01/2025 •(g)	500,000	558
		2,213

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
U.S. GOVERNMENT AGENCIES 41.0%		
Fannie Mae		
0.268% due 03/25/2034 •	$ 2	2
0.298% due 08/25/2034 •	1	1
0.500% due 09/25/2042 •	10	10
0.548% due 06/25/2036 •	16	16
1.802% due 12/01/2034 •	2	2
1.944% due 10/01/2044 •	7	7
2.742% due 05/25/2035 ~	4	5
2.880% due 11/01/2034 •	13	13
3.000% due 03/01/2060	891	967
3.500% due 01/01/2059 (k)	1,715	1,897
6.000% due 07/25/2044	7	8
Freddie Mac		
0.499% due 01/15/2038 •	237	237
0.659% due 12/15/2032 •	3	3
0.759% due 12/15/2037 •	5	5
1.809% due 10/25/2044 •	25	26
2.663% due 01/15/2038 ~(a)	237	14
3.441% due 02/01/2029 •	1	1
3.535% due 04/01/2035 •	38	38
3.625% due 03/01/2035 •	4	4
Ginnie Mae		
0.940% due 05/20/2066 - 06/20/2066 •	3,395	3,443
0.990% due 11/20/2066 •	567	577
2.875% due 04/20/2028 - 06/20/2030 •	2	2
3.000% due 07/20/2046 - 05/20/2047	92	94
Ginnie Mae, TBA		
2.000% due 03/01/2051	10,800	11,257
Uniform Mortgage-Backed Security		
2.500% due 11/01/2050	797	847
3.000% due 10/01/2049	1,289	1,399
3.500% due 10/01/2034 - 07/01/2050	8,937	9,498
4.000% due 03/01/2049 - 06/01/2050 (k)	2,793	2,991
Uniform Mortgage-Backed Security, TBA		
2.000% due 01/01/2051 - 03/01/2051	76,400	79,089
2.500% due 02/01/2051 - 03/01/2051	28,000	29,423
3.500% due 01/01/2051 - 02/01/2051	30,500	32,283
4.000% due 01/01/2051 - 02/01/2051	87,233	93,169
		267,328
U.S. TREASURY OBLIGATIONS 5.9%		
U.S. Treasury Bonds		
1.375% due 11/15/2040 (o)	$ 2,000	$ 1,974
1.625% due 11/15/2050 (k)	900	895
U.S. Treasury Inflation Protected Securities (f)		
0.125% due 01/15/2022 (o)	115	117
0.125% due 04/15/2022 (k)(m)(o)	2,355	2,405
0.125% due 07/15/2030 (o)	203	228
0.250% due 02/15/2050 (m)	1,519	1,813
0.500% due 01/15/2028 (k)(o)	9,395	10,657
0.625% due 04/15/2023 (m)(o)	629	662
3.875% due 04/15/2029 (k)(o)	792	1,142
U.S. Treasury Notes		
0.625% due 05/15/2030 (k)	3,300	3,225
1.625% due 08/15/2029	3,300	3,529
2.250% due 11/15/2025 (o)	100	109
2.875% due 04/30/2025 (k)(o)	10,600	11,777
		38,533
Total United States (Cost $403,314)		**412,524**
SHORT-TERM INSTRUMENTS 1.1%		
REPURCHASE AGREEMENTS (j) 0.5%		
		3,015
ARGENTINA TREASURY BILLS 0.0%		
(3.480)% due 09/13/2021 (d)(e)	ARS 19,789	144
JAPAN TREASURY BILLS 0.3%		
(0.089)% due 03/15/2021 (d)(e)	JPY 170,000	1,647
U.S. TREASURY BILLS 0.2%		
0.073% due 02/11/2021 - 02/25/2021 (c)(d)(o)	$ 1,460	1,460
U.S. TREASURY CASH MANAGEMENT BILLS 0.1%		
0.075% due 03/16/2021 (c)(d)(o)	552	552
Total Short-Term Instruments (Cost $6,802)		**6,818**
Total Investments in Securities (Cost $876,853)		**925,285**

	SHARES	MARKET VALUE (000S)
INVESTMENTS IN AFFILIATES 1.4%		
SHORT-TERM INSTRUMENTS 1.4%		
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 1.4%		
PIMCO Short Asset Portfolio	29,934	300
PIMCO Short-Term Floating NAV Portfolio III	885,240	8,729
Total Short-Term Instruments (Cost $9,025)		**9,029**
Total Investments in Affiliates (Cost $9,025)		**9,029**
Total Investments 143.5% (Cost $885,878)		**$ 934,314**
Financial Derivative Instruments (l)(n) (0.7)% (Cost or Premiums, net $920)		**(4,569)**
Other Assets and Liabilities, net (42.8)%		**(278,442)**
Net Assets 100.0%		**$ 651,303**

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) Coupon represents a yield to maturity.
- (f) Principal amount of security is adjusted for inflation.
- (g) Perpetual maturity; date shown, if applicable, represents next contractual call date.
- (h) Contingent convertible security.

(i) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
Morgan Stanley	0.790%	02/03/2023	01/30/2020	$ 2,502	$ 2,597	0.40%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(j) 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%	12/31/2020	01/04/2021	$ 3,015	U.S. Treasury Bills 0.000% due 12/30/2021	$ (3,075)	$ 3,015	$ 3,015
Total Repurchase Agreements						**$ (3,075)**	**$ 3,015**	**$ 3,015**

REVERSE REPURCHASE AGREEMENTS:

Counterparty	Borrowing Rate[(1)]	Settlement Date	Maturity Date	Amount Borrowed[(1)]	Payable for Reverse Repurchase Agreements
BOS	0.060%	12/10/2020	01/15/2021	$ (888)	$ (888)
	0.160	12/10/2020	01/11/2021	(1,655)	(1,655)
	0.160	12/15/2020	01/15/2021	(1,185)	(1,185)
	0.170	11/19/2020	01/19/2021	(14,297)	(14,300)
	0.180	12/16/2020	01/14/2021	(4,677)	(4,677)
GRE	0.170	11/03/2020	02/03/2021	(4,010)	(4,011)
JML	(0.600)	12/14/2020	02/17/2021	EUR (1,413)	(1,725)
	(0.560)	12/02/2020	02/17/2021	(2,737)	(3,342)
	0.260	11/12/2020	02/11/2021	GBP (3,017)	(4,127)
RYL	(0.470)	11/19/2020	02/17/2021	EUR (2,261)	(2,761)
	(0.470)	12/02/2020	02/17/2021	(1,073)	(1,311)
Total Reverse Repurchase Agreements					**$ (39,982)**

SALE-BUYBACK TRANSACTIONS:

Counterparty	Borrowing Rate[(1)]	Borrowing Date	Maturity Date	Amount Borrowed[(1)]	Payable for Sale-Buyback Transactions
TDL	0.160%	12/04/2020	01/07/2021	$ (1,171)	$ (1,171)
Total Sale-Buyback Transactions					**$ (1,171)**

SHORT SALES:

Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales[2]
Canada (1.0)%					
Sovereign Issues (1.0)%					
Canada Government International Bond	2.750%	12/01/2048	CAD 6,100	$ (6,505)	$ (6,606)
United States (9.9)%					
U.S. Government Agencies (9.9)%					
Uniform Mortgage-Backed Security, TBA	2.500%	02/01/2051	$ 17,900	(18,775)	(18,835)
Uniform Mortgage-Backed Security, TBA	3.000	01/01/2051	43,000	(44,969)	(45,049)
Uniform Mortgage-Backed Security, TBA	3.500	01/01/2036	400	(423)	(424)
Total United States				(64,167)	(64,308)
Total Short Sales (10.9)%				**$ (70,672)**	**$ (70,914)**

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, 2020:

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Payable for Short Sales[2]	Total Borrowings and Other Financing Transactions	Collateral Pledged/(Received)	Net Exposure[3]
Global/Master Repurchase Agreement							
BOS	$ 0	$ (22,705)	$ 0	$ 0	$ (22,705)	$ 23,123	$ 418
FICC	3,015	0	0	0	3,015	(3,075)	(60)
GRE	0	(4,011)	0	0	(4,011)	4,000	(11)
JML	0	(9,194)	0	0	(9,194)	8,989	(205)
RYL	0	(4,072)	0	0	(4,072)	4,028	(44)
Master Securities Forward Transaction Agreement							
TDL	0	0	(1,171)	0	(1,171)	1,173	2
TDM	0	0	0	(6,606)	(6,606)	0	(6,606)
Total Borrowings and Other Financing Transactions	**$ 3,015**	**$ (39,982)**	**$ (1,171)**	**$ (6,606)**			

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	$ (13,266)	$ 0	$ (13,266)
U.S. Government Agencies	0	(3,312)	0	0	(3,312)
U.S. Treasury Obligations	0	(19,393)	(4,011)	0	(23,404)
Total	**$ 0**	**$ (22,705)**	**$ (17,277)**	**$ 0**	**$ (39,982)**
Sale-Buyback Transactions					
U.S. Treasury Obligations	0	(1,171)	0	0	(1,171)
Total	**$ 0**	**$ (1,171)**	**$ 0**	**$ 0**	**$ (1,171)**
Total Borrowings	**$ 0**	**$ (23,876)**	**$ (17,277)**	**$ 0**	**$ (41,153)**
Payable for reverse repurchase agreements and sale-buyback financing transactions					**$ (41,153)**

(k) Securities with an aggregate market value of $41,623 have been pledged as collateral under the terms of the above master agreements as of December 31, 2020.

(1) The average amount of borrowings outstanding during the period ended December 31, 2020 was $(54,595) at a weighted average interest rate of 0.076%. Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

(2) Payable for short sales includes $31 of accrued interest.

(3) 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.

(l) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

PURCHASED OPTIONS:

OPTIONS ON EXCHANGE-TRADED FUTURES CONTRACTS

Description	Strike Price	Expiration Date	# of Contracts	Notional Amount	Cost	Market Value
Call - CME 90-Day Eurodollar June 2022 Futures	$ 99.750	06/13/2022	38	$ 95	$ 9	$ 11
Call - CME 90-Day Eurodollar March 2022 Futures	99.750	03/14/2022	21	53	4	5
Total Purchased Options					**$ 13**	**$ 16**

FUTURES CONTRACTS:

LONG FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
Australia Government 3-Year Note March Futures	03/2021	242	$ 21,910	$ 16	$ 3	$ 0
Australia Government 10-Year Bond March Futures	03/2021	104	11,805	65	10	(14)
Call Options Strike @ EUR 114.400 on Euro-Schatz Bond March 2021 Futures(1)	02/2021	150	1	0	0	0
Euro-Bobl March Futures	03/2021	125	20,643	20	0	(3)
Euro-BTP Italy Government Bond March Futures	03/2021	252	46,797	183	18	0
Euro-Buxl 30-Year Bond March Futures	03/2021	18	4,953	14	0	(7)
Euro-OAT France Government 10-Year Bond March Futures	03/2021	10	2,051	0	0	0
Japan Government 10-Year Bond March Futures	03/2021	3	4,414	(3)	0	(1)
U.S. Treasury 5-Year Note March Futures	03/2021	129	16,275	32	6	0
United Kingdom Long Gilt March Futures	03/2021	27	5,004	56	11	0
				$ 383	$ 48	$ (25)

SHORT FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
Canada Government 10-Year Bond March Futures	03/2021	45	$ (5,271)	$ (11)	$ 0	$ (12)
Euro-Bund 10-Year Bond March Futures	03/2021	118	(25,608)	(9)	9	0
Euro-Schatz March Futures	03/2021	200	(27,432)	28	1	0
U.S. Treasury 10-Year Note March Futures	03/2021	160	(22,093)	(44)	0	(17)
U.S. Treasury 30-Year Bond March Futures	03/2021	23	(3,983)	33	0	(8)
U.S. Treasury Ultra Long-Term Bond March Futures	03/2021	4	(854)	12	0	(3)
				$ 9	$ 10	$ (40)
Total Futures Contracts				**$ 392**	**$ 58**	**$ (65)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION(2)

Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2020(4)	Notional Amount(5)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value(6)	Variation Margin Asset	Variation Margin Liability
Auchan Holding S.A.	1.000%	Quarterly	12/20/2027	1.337%	EUR 1,100	$ (65)	$ 35	$ (30)	$ 2	$ 0
Berkshire Hathaway, Inc.	1.000	Quarterly	12/20/2022	0.150	$ 700	14	(2)	12	0	0
Shell International Finance BV	1.000	Quarterly	12/20/2026	0.533	EUR 500	18	(1)	17	0	0
Tesco PLC	1.000	Quarterly	06/20/2022	0.238	800	0	11	11	0	(1)
Tesco PLC	1.000	Quarterly	06/20/2025	0.654	400	(13)	21	8	0	0
						$ (46)	$ 64	$ 18	$ 2	$ (1)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - BUY PROTECTION(3)

Index/Tranches	Fixed (Pay) Rate	Payment Frequency	Maturity Date	Notional Amount(5)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value(6)	Variation Margin Asset	Variation Margin Liability
CDX.HY-34 5-Year Index	(5.000)%	Quarterly	06/20/2025	$ 92	$ (4)	$ (5)	$ (9)	$ 0	$ 0
CDX.HY-35 5-Year Index	(5.000)	Quarterly	12/20/2025	8,600	(407)	(412)	(819)	0	(17)
CDX.IG-33 10-Year Index	(1.000)	Quarterly	12/20/2029	6,500	27	(39)	(12)	0	(8)
CDX.IG-34 10-Year Index	(1.000)	Quarterly	06/20/2030	8,900	21	(16)	5	0	(10)
CDX.IG-35 10-Year Index	(1.000)	Quarterly	12/20/2030	31,100	(178)	(98)	(276)	0	(39)
iTraxx Europe Main 31 10-Year Index	(1.000)	Quarterly	06/20/2029	EUR 10,900	(80)	(114)	(194)	0	0
					$ (621)	$ (684)	$ (1,305)	$ 0	$ (74)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION(2)

Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount(5)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value(6)	Variation Margin Asset	Variation Margin Liability
CDX.IG-35 5-Year Index	1.000%	Quarterly	12/20/2025	$ 400	$ 9	$ 1	$ 10	$ 0	$ 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(7)	01-Month USD-LIBOR + 0.091%	Quarterly	03/18/2022	$ 132,700	$ (1)	$ (56)	$ (57)	$ 0	$ (4)
3-Month USD-LIBOR(7)	01-Month USD-LIBOR + 0.084%	Quarterly	04/26/2022	30,400	0	(13)	(13)	0	(2)
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.084%	Quarterly	06/12/2022	5,100	0	(3)	(3)	0	0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.070%	Quarterly	06/12/2022	3,900	0	(1)	(1)	0	0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.085%	Quarterly	06/19/2022	19,800	(1)	(8)	(9)	0	(1)
3-Month USD-LIBOR(7)	01-Month USD-LIBOR + 0.073%	Quarterly	04/27/2023	17,000	0	(3)	(3)	2	0
3-Month USD-LIBOR(7)	01-Month USD-LIBOR + 0.070%	Quarterly	03/07/2024	4,300	0	0	0	1	0
3-Month USD-LIBOR(7)	01-Month USD-LIBOR + 0.088%	Quarterly	09/06/2024	12,700	1	(1)	0	2	0
3-Month USD-LIBOR(7)	01-Month USD-LIBOR + 0.105%	Quarterly	09/27/2024	12,700	0	(4)	(4)	2	0
3-Month USD-LIBOR(7)	01-Month USD-LIBOR + 0.102%	Quarterly	10/04/2024	10,100	0	(3)	(3)	1	0
					$ (1)	$ (92)	$ (93)	$ 8	$ (7)

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
Pay(7)	1-Day GBP-SONIO Compounded-OIS	0.000%	Annual	06/16/2023	GBP 13,100	$ 23	$ 4	$ 27	$ 11	$ 0
Pay(7)	1-Day GBP-SONIO Compounded-OIS	0.000	Annual	06/16/2026	5,900	1	(3)	(2)	9	0
Pay(7)	1-Day GBP-SONIO Compounded-OIS	0.250	Annual	03/17/2031	1,600	7	12	19	3	0
Pay(7)	1-Day GBP-SONIO Compounded-OIS	0.250	Annual	06/16/2031	5,500	4	53	57	17	0
Pay(7)	1-Day GBP-SONIO Compounded-OIS	0.250	Annual	03/17/2051	1,300	(41)	13	(28)	14	0
Pay(7)	1-Day GBP-SONIO Compounded-OIS	0.500	Annual	06/16/2051	900	72	(4)	68	10	0
Pay	1-Year BRL-CDI	8.880	Maturity	01/04/2021	BRL 800	1	14	15	0	0
Receive	1-Year BRL-CDI	2.850	Maturity	01/03/2022	18,500	0	(1)	(1)	0	0
Receive	1-Year BRL-CDI	2.859	Maturity	01/03/2022	44,800	0	(3)	(3)	0	0
Receive	1-Year BRL-CDI	2.870	Maturity	01/03/2022	13,000	0	(1)	(1)	0	0
Receive	1-Year BRL-CDI	2.871	Maturity	01/03/2022	18,700	0	(1)	(1)	0	0
Receive	1-Year BRL-CDI	2.883	Maturity	01/03/2022	15,200	0	(2)	(2)	0	0
Pay	1-Year BRL-CDI	3.300	Maturity	01/03/2022	258,900	(3)	320	317	0	0
Receive	1-Year BRL-CDI	3.360	Maturity	01/03/2022	15,300	(24)	0	(24)	0	0
Pay	3-Month CAD-Bank Bill	1.270	Semi-Annual	03/03/2022	CAD 3,800	0	36	36	0	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2022	1,300	6	10	16	0	0
Pay	3-Month CAD-Bank Bill	1.220	Semi-Annual	03/03/2025	6,000	0	108	108	3	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2025	3,200	(26)	110	84	2	0
Pay	3-Month CAD-Bank Bill	2.500	Semi-Annual	06/19/2029	11,900	309	781	1,090	28	0
Pay	3-Month CAD-Bank Bill	1.713	Semi-Annual	10/02/2029	3,100	1	130	131	7	0
Pay	3-Month CAD-Bank Bill	1.900	Semi-Annual	12/18/2029	8,200	109	327	436	20	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2030	11,700	(88)	374	286	31	0
Pay	3-Month CAD-Bank Bill	1.750	Semi-Annual	12/16/2046	600	(86)	95	9	4	0
Pay	3-Month CAD-Bank Bill	2.750	Semi-Annual	12/18/2048	7,100	89	1,359	1,448	55	0
Pay	3-Month CHF-LIBOR	0.500	Annual	09/16/2025	CHF 18,200	17	76	93	7	0
Pay	3-Month CHF-LIBOR	0.050	Annual	03/16/2026	1,400	(24)	79	55	1	0
Receive	3-Month NZD-BBR	0.500	Semi-Annual	12/16/2025	NZD 550	(2)	3	1	0	0
Pay	3-Month SEK-STIBOR	1.000	Annual	06/19/2029	SEK 13,200	51	50	101	0	(1)
Receive	3-Month USD-LIBOR	2.500	Semi-Annual	12/18/2021	$ 15,900	(221)	(151)	(372)	0	(3)
Receive(7)	3-Month USD-LIBOR	0.250	Semi-Annual	03/30/2023	16,400	4	(21)	(17)	0	(1)
Receive	3-Month USD-LIBOR	1.305	Semi-Annual	08/21/2023	6,950	0	(232)	(232)	0	(1)
Receive(7)	3-Month USD-LIBOR	1.298	Semi-Annual	08/25/2024	5,950	0	(175)	(175)	0	(1)
Receive(7)	3-Month USD-LIBOR	1.249	Semi-Annual	08/31/2024	7,050	0	(197)	(197)	0	(2)
Pay	3-Month USD-LIBOR	1.000	Semi-Annual	12/16/2025	8,000	222	9	231	5	0
Receive(7)	3-Month USD-LIBOR	0.400	Semi-Annual	03/30/2026	34,800	105	10	115	0	(20)
Pay(7)	3-Month USD-LIBOR	0.400	Semi-Annual	01/15/2028	6,800	(54)	(69)	(123)	7	0
Receive	3-Month USD-LIBOR	2.250	Semi-Annual	06/20/2028	25,100	1,360	(4,250)	(2,890)	0	(33)
Receive	3-Month USD-LIBOR	1.500	Semi-Annual	12/18/2029	5,000	96	(390)	(294)	0	(8)
Receive	3-Month USD-LIBOR	2.000	Semi-Annual	01/15/2030	9,400	(44)	(1,002)	(1,046)	0	(15)
Receive	3-Month USD-LIBOR	1.000	Semi-Annual	12/16/2030	26,300	(316)	108	(208)	0	(35)
Receive(7)	3-Month USD-LIBOR	0.750	Semi-Annual	03/30/2031	34,800	304	404	708	0	(46)
Receive(7)	3-Month USD-LIBOR	0.750	Semi-Annual	06/16/2031	2,300	56	(2)	54	0	(3)
Receive(7)	3-Month USD-LIBOR	1.250	Semi-Annual	06/09/2041	2,000	35	1	36	0	(7)

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	1.325%	Semi-Annual	12/02/2050	$ 1,100	$ (32)	$ 56	$ 24	$ 0	$ (4)
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	12/16/2050	2,000	10	68	78	0	(9)
Receive(7)	3-Month USD-LIBOR	1.150	Semi-Annual	03/30/2051	6,200	194	228	422	0	(28)
Pay	3-Month ZAR-JIBAR	7.250	Quarterly	06/20/2023	ZAR 7,600	4	40	44	1	0
Receive	6-Month AUD-BBR-BBSW	1.250	Semi-Annual	06/17/2030	AUD 5,000	(107)	(11)	(118)	1	0
Pay	6-Month CZK-PRIBOR	1.913	Annual	01/30/2029	CZK 13,900	0	46	46	0	(1)
Receive(7)	6-Month EUR-EURIBOR	0.500	Annual	06/16/2023	EUR 26,200	(29)	23	(6)	0	0
Pay(7)	6-Month EUR-EURIBOR	0.500	Annual	06/16/2026	47,400	(102)	(97)	(199)	0	(5)
Pay(7)	6-Month EUR-EURIBOR	1.310	Annual	06/19/2029	3,600	119	227	346	0	(1)
Pay(7)	6-Month EUR-EURIBOR	0.250	Annual	03/17/2031	5,300	(9)	4	(5)	1	(2)
Pay(7)	6-Month EUR-EURIBOR	0.250	Annual	06/16/2031	42,900	(93)	(41)	(134)	13	0
Pay(7)	6-Month EUR-EURIBOR	0.060	Annual	11/17/2032	1,800	0	13	13	0	0
Receive	6-Month EUR-EURIBOR	0.450	Annual	12/15/2035	1,000	(89)	(10)	(99)	0	0
Pay	6-Month EUR-EURIBOR	0.550	Annual	12/15/2040	100	12	2	14	0	0
Receive(7)	6-Month EUR-EURIBOR	0.054	Annual	05/27/2050	300	0	1	1	0	0
Receive(7)	6-Month EUR-EURIBOR	0.000	Annual	03/17/2051	4,700	96	(132)	(36)	0	(2)
Receive(7)	6-Month EUR-EURIBOR	0.000	Annual	06/16/2051	1,900	(13)	0	(13)	0	(1)
Receive(7)	6-Month EUR-EURIBOR	0.064	Annual	11/17/2052	600	0	(15)	(15)	0	0
Pay	6-Month GBP-LIBOR	0.000	Semi-Annual	12/16/2025	GBP 8,800	(29)	29	0	7	(7)
Pay	6-Month JPY-LIBOR	0.200	Semi-Annual	06/19/2029	JPY 1,250,000	198	(1)	197	0	(1)
Pay	6-Month JPY-LIBOR	0.400	Semi-Annual	06/19/2039	130,881	(2)	39	37	0	(2)
Pay	6-Month JPY-LIBOR	0.500	Semi-Annual	06/19/2049	90,000	29	0	29	0	(3)
Pay	6-Month PLN-WIBOR	2.405	Annual	01/30/2029	PLN 1,700	0	62	62	5	0
Pay	28-Day MXN-TIIE	4.870	Lunar	07/07/2025	MXN 29,200	5	9	14	1	0
Receive	UKRPI	3.257	Maturity	02/15/2025	GBP 3,900	0	(101)	(101)	0	0
Receive	UKRPI	3.258	Maturity	02/15/2025	4,600	0	(119)	(119)	0	0
Receive	UKRPI	3.262	Maturity	02/15/2025	3,500	0	(92)	(92)	0	0
Receive	UKRPI	3.334	Maturity	08/15/2025	2,000	(3)	(13)	(16)	2	0
Receive	UKRPI	3.355	Maturity	11/15/2025	1,100	(1)	(5)	(6)	1	0
Pay	UKRPI	3.386	Maturity	01/15/2030	800	0	23	23	0	(4)
Pay	UKRPI	3.436	Maturity	02/15/2030	500	0	17	17	0	(3)
Pay	UKRPI	3.450	Maturity	02/15/2030	3,000	2	105	107	0	(15)
Pay	UKRPI	3.453	Maturity	02/15/2030	6,000	0	218	218	0	(31)
Pay	UKRPI	3.475	Maturity	08/15/2030	2,000	0	31	31	0	(12)
Receive	UKRPI	3.397	Maturity	11/15/2030	850	6	(4)	2	5	0
Receive	UKRPI	3.445	Maturity	11/15/2030	710	0	(4)	(4)	4	0
Pay	UKRPI	3.473	Maturity	11/15/2030	1,100	0	12	12	0	(6)
Receive	UKRPI	3.510	Maturity	11/15/2030	430	0	(8)	(8)	2	0
Pay	UKRPI	3.217	Maturity	11/15/2040	1,450	(24)	(40)	(64)	0	(9)
Pay	UKRPI	3.272	Maturity	11/15/2040	500	0	(9)	(9)	0	(3)
Pay	UKRPI	3.273	Maturity	11/15/2040	710	0	(13)	(13)	0	(4)
Pay	UKRPI	3.340	Maturity	11/15/2040	730	0	11	11	0	(4)
Receive	UKRPI	3.000	Maturity	11/15/2050	600	21	38	59	0	(3)
Receive	UKRPI	3.051	Maturity	11/15/2050	500	0	26	26	0	(3)
Receive	UKRPI	3.143	Maturity	11/15/2050	300	0	(9)	(9)	0	(2)
						$ 2,106	$ (1,414)	$ 692	$ 277	$ (341)
Total Swap Agreements						**$ 1,447**	**$ (2,125)**	**$ (678)**	**$ 287**	**$ (423)**

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, 2020:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset			Market Value	Variation Margin Liability(8)		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	**$ 16**	**$ 58**	**$ 287**	**$ 361**	**$ 0**	**$ (67)**	**$ (423)**	**$ (490)**

(m) Securities with an aggregate market value of $3,877 and cash of $8,353 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of December 31, 2020. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(1) Future styled option.

(2) 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.

(3) 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.

(4) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate or 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) 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.

(8) Unsettled variation margin Liability of $(2) for closed future agreements is outstanding at period end.

(n) 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	01/2021	JPY	3,531,117	$	33,951	$ 0	$ (249)
	01/2021	$	2,065	NOK	18,253	64	0
	01/2021		7	PLN	25	0	0
	03/2021	HKD	3,683	$	475	0	0
	03/2021	JPY	170,000		1,640	0	(8)
BPS	01/2021	AUD	3,322		2,444	0	(118)
	01/2021	EUR	3,025		3,675	0	(21)
	01/2021	PEN	462		128	0	0
	01/2021	TWD	30,782		1,098	1	0
	01/2021	$	2,353	CHF	2,090	8	0
	01/2021		2,988	GBP	2,216	42	0
	01/2021		3,242	JPY	335,800	10	0
	01/2021		2	PLN	9	0	0
	01/2021		791	SEK	6,680	21	0
	02/2021	DKK	38,442	$	6,135	0	(179)
	02/2021	$	951	ILS	3,214	50	0
	03/2021	TWD	46,361	$	1,665	0	(5)
	03/2021	$	1,237	CNH	8,261	27	0
	03/2021		315	KRW	342,146	0	(1)
BRC	01/2021	BRL	3,429	$	651	0	(9)
	01/2021	$	660	BRL	3,429	0	0
	01/2021		1,186	RUB	91,471	49	0
	02/2021		651	BRL	3,429	9	0
	03/2021		1,263	KRW	1,395,312	19	0
CBK	01/2021	EUR	1,378	$	1,654	0	(30)
	01/2021	GBP	420		561	0	(13)
	01/2021	JPY	368,576		3,539	0	(31)
	01/2021	PEN	2,463		683	3	0
	01/2021	$	2,367	CHF	2,095	0	0
	01/2021		1,104	CLP	824,294	56	0
	01/2021		370	EUR	305	3	0
	01/2021		583	NOK	5,145	17	0
	01/2021		2,583	NZD	3,671	59	0
	01/2021		3	PLN	12	0	0
	01/2021		195	RUB	14,990	8	0
	01/2021		785	SEK	6,695	29	0
	01/2021		770	ZAR	12,043	48	0
	01/2021	ZAR	49	$	3	0	0
	02/2021	DKK	40,335		6,463	0	(162)
	02/2021	ILS	8,120		2,496	0	(32)
	02/2021	PEN	16,628		4,588	9	(16)
	02/2021	$	236	RUB	17,414	0	(2)
	03/2021	TWD	38,092	$	1,368	2	(6)
	03/2021	$	827	CNH	5,488	13	0
	03/2021		201	MXN	4,532	25	0
	04/2021	ILS	6,100	$	1,800	0	(102)

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation)	
						Asset	Liability
DUB	01/2021	$	3,294	EUR	2,730	$ 41	$ 0
	03/2021	PEN	5,537	$	1,544	14	0
GLM	01/2021	MXN	30,677		1,503	0	(36)
	01/2021	PEN	1,020		283	1	0
	01/2021	$	70,189	JPY	7,264,572	170	0
	01/2021		244	RUB	18,661	8	0
	02/2021	DKK	31,174	$	5,001	0	(120)
	02/2021	JPY	7,264,572		70,208	0	(172)
	02/2021	$	662	DKK	4,010	0	(4)
	03/2021	CNH	395,027	$	59,830	0	(630)
	03/2021	PEN	601		166	0	0
	03/2021	$	381	CNH	2,507	3	0
HUS	01/2021	BRL	2,991	$	576	0	0
	01/2021	EUR	1,981		2,374	0	(47)
	01/2021	GBP	31,911		42,679	0	(961)
	01/2021	JPY	680,907		6,534	0	(61)
	01/2021	PEN	2,978		838	16	0
	01/2021	$	576	BRL	2,992	0	0
	01/2021		1,834	CAD	2,349	11	0
	01/2021		468	CLP	349,506	24	0
	01/2021		1,582	EUR	1,302	8	0
	01/2021		2,849	GBP	2,131	65	0
	01/2021		3	PLN	11	0	0
	01/2021		1,536	SEK	13,064	52	0
	01/2021		759	ZAR	11,737	38	0
	02/2021		508	RUB	37,774	2	(2)
	03/2021	CNH	31,225	$	4,733	0	(46)
	03/2021	CNY	70,158		10,578	0	(140)
	03/2021	TWD	26,823		966	0	0
	03/2021	$	436	CNH	2,889	6	0
	03/2021		1,681	KRW	1,837,270	8	(1)
	04/2021	ILS	2,919	$	849	0	(62)
JPM	01/2021	AUD	1,941		1,428	0	(68)
	01/2021	BRL	437		84	0	0
	01/2021	$	84	BRL	437	0	0
	01/2021		232	CAD	300	4	0
	01/2021		1,388	EUR	1,137	1	0
	01/2021		58	RUB	4,438	2	0
	02/2021		248	ILS	854	18	0
	03/2021	CNH	14,143	$	2,163	0	(2)
	03/2021	TWD	22,460		804	0	(5)
	03/2021	$	3,336	CNH	22,107	48	0
	03/2021		277	KRW	305,455	4	0
MYI	01/2021	CAD	862	$	673	0	(4)
	01/2021	CHF	4,354		4,831	0	(87)
	01/2021	NZD	3,162		2,220	0	(55)
	01/2021	$	485	NOK	4,295	16	0
	06/2021		38	EUR	30	0	(1)
SCX	01/2021	AUD	1,133	$	835	0	(39)
	01/2021	EUR	73,293		87,775	0	(1,763)
	01/2021	$	735	EUR	605	5	(1)
	02/2021	EUR	73,293	$	89,738	139	0
	02/2021	ILS	957		279	0	(19)
	03/2021	MYR	12,225		3,003	0	(50)
	03/2021	TWD	45,222		1,625	0	(4)
SOG	02/2021	$	60	CZK	1,300	1	0
SSB	01/2021	TWD	54,212	$	1,932	1	0
	01/2021	$	847	EUR	700	9	0
	03/2021	KRW	10,048,549	$	9,028	0	(207)
TOR	01/2021	CAD	12,051		9,302	0	(165)
	01/2021	JPY	3,019,771		28,944	0	(303)
	01/2021	$	9,459	CAD	12,051	8	0
	01/2021		1	CLP	747	0	0
	01/2021		134	GBP	100	3	0
	02/2021	CAD	12,051	$	9,460	0	(8)
	03/2021	$	1,282	MXN	26,289	27	0
UAG	01/2021	AUD	2,287	$	1,680	0	(83)
	01/2021	$	38	RUB	2,928	1	0

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
	02/2021	DKK	48,091	$	7,700	$ 0	$ (199)
	02/2021	$	665	RUB	49,381	2	(2)
	04/2021	ILS	5,262	$	1,532	0	(109)
Total Forward Foreign Currency Contracts						**$ 1,328**	**$ (6,440)**

PURCHASED OPTIONS:

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Cost	Market Value
BOA	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.175%	09/15/2021	1,900	$ 78	$ 20
BPS	Call - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.306	10/29/2021	200	15	9
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.306	10/29/2021	200	15	17
CBK	Call - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.370	10/25/2021	400	29	21
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.370	10/25/2021	400	29	30
DUB	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.300	12/21/2021	800	32	9
FBF	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.733	08/26/2021	2,000	148	56
GLM	Put - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.300	10/13/2021	3,600	38	43
	Call - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.365	10/22/2021	500	35	26
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.365	10/22/2021	500	35	37
MYC	Put - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.100	01/29/2021	5,500	42	12
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.752	08/23/2021	1,700	126	44
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.300	12/21/2021	1,300	51	15
							$ 673	$ 339

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Cost	Market Value
BPS	Put - OTC Fannie Mae 1.500% due 05/01/2052	EUR 97.000	05/23/2025	1,100	$ 83	$ 80
Total Purchased Options					**$ 756**	**$ 419**

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.IG-35 5-Year Index	Sell	0.900%	01/20/2021	1,600	$ (3)	$ 0
	Put - OTC CDX.IG-35 5-Year Index	Sell	1.000	01/20/2021	800	(1)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	1.100	01/20/2021	200	0	0
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.450	01/20/2021	3,400	(3)	(2)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.850	01/20/2021	5,500	(9)	(1)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.700	03/17/2021	800	(1)	(1)
BPS	Put - OTC CDX.HY-35 5-Year Index	Sell	98.250	01/20/2021	200	(1)	0
	Put - OTC CDX.IG-34 5-Year Index	Sell	1.000	01/20/2021	1,700	(5)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	1.000	01/20/2021	700	(1)	0
	Call - OTC CDX.IG-35 5-Year Index	Buy	0.425	03/17/2021	1,000	(1)	(1)
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.775	03/17/2021	300	0	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.800	03/17/2021	1,000	(1)	(1)
	Put - OTC CDX.IG-35 5-Year Index	Sell	1.000	04/21/2021	300	0	0
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.475	01/20/2021	1,100	(1)	(2)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.800	01/20/2021	1,100	(2)	0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.825	01/20/2021	1,100	(2)	0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	1.050	01/20/2021	700	(1)	0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.700	02/17/2021	1,300	(2)	(1)
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.400	03/17/2021	3,700	(3)	(2)
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.425	03/17/2021	1,900	(2)	(2)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.700	03/17/2021	1,900	(3)	(3)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.750	03/17/2021	3,700	(4)	(4)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.800	03/17/2021	1,900	(2)	(2)
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.375	04/21/2021	1,300	(1)	(1)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.750	04/21/2021	1,300	(2)	(2)

Counterparty	Description	Buy/Sell Protection	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
BRC	Put - OTC CDX.IG-35 5-Year Index	Sell	1.100%	01/20/2021	2,900	$ (6)	$ 0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.700	02/17/2021	1,400	(2)	(1)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.700	03/17/2021	1,200	(2)	(2)
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.375	04/21/2021	2,400	(1)	(1)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.750	04/21/2021	2,400	(4)	(4)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.800	04/21/2021	2,000	(3)	(3)
DUB	Put - OTC CDX.IG-35 5-Year Index	Sell	0.950	01/20/2021	800	(1)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.900	02/17/2021	700	(1)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	1.000	04/21/2021	300	0	0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.900	01/20/2021	1,600	(3)	0
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.425	02/17/2021	1,700	(1)	(1)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.800	02/17/2021	1,700	(2)	(1)
FBF	Put - OTC CDX.IG-35 5-Year Index	Sell	0.900	02/17/2021	900	(1)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	1.100	02/17/2021	500	(1)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.800	03/17/2021	1,300	(2)	(1)
GST	Put - OTC CDX.IG-35 5-Year Index	Sell	0.800	01/20/2021	700	(1)	0
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.800	03/17/2021	200	0	0
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.425	02/17/2021	1,500	(1)	(1)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.800	02/17/2021	1,500	(2)	(1)
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.400	03/17/2021	2,600	(2)	(2)
	Call - OTC iTraxx Europe 34 5-Year Index	Buy	0.425	03/17/2021	1,500	(1)	(2)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.750	03/17/2021	2,600	(3)	(3)
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.850	03/17/2021	1,500	(2)	(1)
JLN	Put - OTC iTraxx Europe 34 5-Year Index	Sell	0.900	01/20/2021	1,400	(3)	0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	1.000	01/20/2021	1,500	(3)	0
	Put - OTC iTraxx Europe 34 5-Year Index	Sell	1.050	01/20/2021	1,500	(3)	0
MYC	Call - OTC CDX.IG-35 5-Year Index	Buy	0.450	02/17/2021	1,300	(1)	(1)
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.750	02/17/2021	1,300	(1)	(1)
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.800	03/17/2021	1,000	(1)	(1)
	Put - OTC CDX.IG-35 5-Year Index	Sell	0.850	03/17/2021	1,100	(1)	(1)
						$ (106)	$ (53)

FOREIGN CURRENCY OPTIONS

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
HUS	Put - OTC EUR versus CNH	CNH 7.750	02/04/2021	2,602	$ (14)	$ (3)
	Call - OTC EUR versus CNH	8.050	02/04/2021	2,602	(14)	(14)
	Put - OTC USD versus CNH	6.550	01/07/2021	3,274	(16)	(26)
	Call - OTC USD versus CNH	6.750	01/07/2021	3,274	(16)	0
					$ (60)	$ (43)

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
BOA	Put - OTC 3-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.880%	09/15/2021	15,800	$ (78)	$ 0
	Call - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.100	01/29/2021	2,000	(23)	(4)
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.460	01/29/2021	2,000	(23)	(32)
BPS	Put - OTC 25-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.451	05/23/2025	1,100	(83)	(85)
DUB	Put - OTC 3-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.020	12/21/2021	6,900	(32)	0
FAR	Call - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.223	01/15/2021	1,200	(13)	(2)
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.523	01/15/2021	1,200	(13)	(6)
FBF	Put - OTC 3-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.399	08/26/2021	16,600	(147)	(1)
GLM	Call - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.150	02/22/2021	800	(36)	(7)
JPM	Call - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.150	02/22/2021	500	(22)	(4)
MYC	Put - OTC 3-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.448	08/23/2021	14,100	(126)	0
	Put - OTC 3-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.020	12/21/2021	11,000	(51)	0
	Call - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.150	02/17/2021	900	(30)	(7)
							$ (677)	$ (148)

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(2)	0.000%	1-Month USD-LIBOR	10/07/2022	9,500	$ (10)	$ (4)
	Call - OTC 1-Year Interest Rate Floor(2)	0.000	1-Month USD-LIBOR	10/08/2022	5,250	(5)	(2)
						$ (15)	$ (6)

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount(1)	Premiums (Received)	Market Value
FAR	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 01/01/2051	$ 101.563	01/07/2021	300	$ (1)	$ 0
	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 01/01/2051	101.672	01/07/2021	500	(2)	0
	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 03/01/2051	102.141	03/04/2021	900	(3)	(1)
JPM	Put - OTC Ginnie Mae, TBA 2.000% due 03/01/2051	102.906	03/11/2021	500	(2)	(3)
	Put - OTC Ginnie Mae, TBA 2.500% due 01/01/2051	103.367	01/14/2021	800	(3)	0
	Put - OTC Ginnie Mae, TBA 2.500% due 01/01/2051	103.594	01/14/2021	700	(3)	0
	Put - OTC Ginnie Mae, TBA 2.500% due 02/01/2051	103.773	02/11/2021	1,200	(2)	(1)
	Put - OTC Ginnie Mae, TBA 2.500% due 03/01/2051	103.578	03/11/2021	700	(2)	(3)
	Put - OTC Ginnie Mae, TBA 2.500% due 03/01/2051	104.000	03/11/2021	400	(1)	(2)
	Put - OTC Ginnie Mae, TBA 2.500% due 04/01/2051 «	104.125	04/14/2021	600	(1)	(2)
	Put - OTC Uniform Mortgage-Backed Security, TBA 1.500% due 02/01/2051	99.688	02/04/2021	900	(5)	(5)
	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 02/01/2051	102.188	02/04/2021	1,000	(2)	(2)
	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 02/01/2051	102.266	02/04/2021	900	(2)	(2)
	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 03/01/2051	102.125	03/04/2021	400	(1)	0
	Put - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 03/01/2051	102.141	03/04/2021	600	(2)	(1)
	Call - OTC Uniform Mortgage-Backed Security, TBA 2.000% due 03/01/2051	104.141	03/04/2021	600	(1)	(1)
					$ (33)	$ (23)
Total Written Options					**$ (891)**	**$ (273)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - BUY PROTECTION(3)

Counterparty	Reference Entity	Fixed (Pay) Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2020(5)	Notional Amount(6)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value(7) Asset	Liability
BOA	Japan Government International Bond	(1.000)%	Quarterly	06/20/2022	0.038%	$ 200	$ (7)	$ 4	$ 0	$ (3)
BPS	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.038	1,700	(61)	36	0	(25)
	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.127	3,000	(73)	7	0	(66)
BRC	China Government International Bond	(1.000)	Quarterly	06/20/2023	0.106	800	(15)	(3)	0	(18)
	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.038	1,200	(41)	23	0	(18)
	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.127	2,000	(51)	7	0	(44)
CBK	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.038	1,000	(35)	20	0	(15)
GST	China Government International Bond	(1.000)	Quarterly	06/20/2023	0.106	1,600	(31)	(5)	0	(36)
	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.038	1,700	(59)	34	0	(25)
HUS	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.127	800	(20)	2	0	(18)
JPM	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.127	200	(5)	1	0	(4)
							$ (398)	$ 126	$ 0	$ (272)

CREDIT DEFAULT SWAPS ON CORPORATE AND SOVEREIGN ISSUES - SELL PROTECTION(4)

Counterparty	Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2020(5)	Notional Amount(6)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value(7) Asset	Liability
BRC	Italy Government International Bond	1.000%	Quarterly	06/20/2025	0.903%	$ 900	$ (22)	$ 26	$ 4	$ 0
CBK	Italy Government International Bond	1.000	Quarterly	06/20/2025	0.903	600	(15)	18	3	0
MYC	Barclays Bank PLC	1.000	Quarterly	12/20/2021	0.229	EUR 200	2	0	2	0
							$ (35)	$ 44	$ 9	$ 0

CROSS-CURRENCY SWAPS

Counterparty	Receive	Pay	Payment Frequency	Maturity Date[8]	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	$ 65	$ 90	$ 0
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	1	367	368	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	(15)	374	359	0
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	86	95	0
							$ 20	$ 892	$ 912	$ 0

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
BOA	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.239% (3-Month USD-LIBOR plus a specified spread)	Maturity	03/22/2021	$ 4,800	$ 2	$ (42)	$ 0	$ (40)
BPS	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.239% (3-Month USD-LIBOR plus a specified spread)	Maturity	03/22/2021	1,500	1	(14)	0	(13)
GST	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.239% (3-Month USD-LIBOR plus a specified spread)	Maturity	03/22/2021	5,500	3	(42)	0	(39)
JPM	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.239% (3-Month USD-LIBOR plus a specified spread)	Maturity	03/22/2021	3,700	2	(33)	0	(31)
								$ 8	$ (131)	$ 0	$ (123)
Total Swap Agreements								**$ (405)**	**$ 931**	**$ 921**	**$ (395)**

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, 2020:

	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	$ 90	$ 90	$ 0	$ 0	$ 0	$ 0	$ 90	$ 0	$ 90
BOA	64	20	0	84	(257)	(40)	(43)	(340)	(256)	178	(78)
BPS	159	106	0	265	(324)	(106)	(104)	(534)	(269)	421	152
BRC	77	0	4	81	(9)	(11)	(80)	(100)	(19)	54	35
CBK	272	51	371	694	(394)	0	(15)	(409)	285	0	285
DUB	55	9	0	64	0	(2)	0	(2)	62	(40)	22
FAR	0	0	0	0	0	(9)	0	(9)	(9)	0	(9)
FBF	0	56	0	56	0	(2)	0	(2)	54	0	54
GLM	182	106	359	647	(962)	(7)	0	(969)	(322)	504	182
GST	0	0	0	0	0	(10)	(100)	(110)	(110)	0	(110)
HUS	230	0	0	230	(1,320)	(43)	(18)	(1,381)	(1,151)	979	(172)
JPM	77	0	0	77	(75)	(26)	(35)	(136)	(59)	99	40
MYC	0	71	97	168	0	(17)	0	(17)	151	(445)	(294)

	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]
MYI	$ 16	$ 0	$ 0	$ 16	$ (147)	$ 0	$ 0	$ (147)	$ (131)	$ 0	$ (131)
SCX	144	0	0	144	(1,876)	0	0	(1,876)	(1,732)	2,441	709
SOG	1	0	0	1	0	0	0	0	1	0	1
SSB	10	0	0	10	(207)	0	0	(207)	(197)	0	(197)
TOR	38	0	0	38	(476)	0	0	(476)	(438)	332	(106)
UAG	3	0	0	3	(393)	0	0	(393)	(390)	205	(185)
Total Over the Counter	**$ 1,328**	**$ 419**	**$ 921**	**$ 2,668**	**$ (6,440)**	**$ (273)**	**$ (395)**	**$ (7,108)**			

(o) Securities with an aggregate market value of $5,214 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of December 31, 2020.

(1) Notional Amount represents the number of contracts.

(2) The underlying instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(3) 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.

(4) 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.

(5) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate or 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.

(6) 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.

(7) 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.

(8) At the maturity date, the notional amount of the currency received will be exchanged back for the notional amount of the currency delivered.

(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, 2020:

	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						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ 16	$ 16
Futures	0	0	0	0	58	58
Swap Agreements	0	2	0	0	285	287
	$ 0	$ 2	$ 0	$ 0	$ 359	$ 361
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 1,328	$ 0	$ 1,328
Purchased Options	0	0	0	0	419	419
Swap Agreements	0	9	0	912	0	921
	$ 0	$ 9	$ 0	$ 2,240	$ 419	$ 2,668
	$ 0	$ 11	$ 0	$ 2,240	$ 778	$ 3,029

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 67	$ 67
Swap Agreements	0	75	0	0	348	423
	$ 0	$ 75	$ 0	$ 0	$ 415	$ 490
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 6,440	$ 0	$ 6,440
Written Options	0	53	0	43	177	273
Swap Agreements	0	272	0	0	123	395
	$ 0	$ 325	$ 0	$ 6,483	$ 300	$ 7,108
	$ 0	$ 400	$ 0	$ 6,483	$ 715	$ 7,598

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended December 31, 2020:

	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	$ 64	$ 64
Written Options	0	0	0	0	15	15
Futures	0	0	0	0	2,586	2,586
Swap Agreements	0	(2,204)	0	0	(1,948)	(4,152)
	$ 0	$ (2,204)	$ 0	$ 0	$ 717	$ (1,487)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ (19,498)	$ 0	$ (19,498)
Purchased Options	0	0	0	120	(91)	29
Written Options	0	206	0	191	785	1,182
Swap Agreements	0	(143)	0	(111)	560	306
	$ 0	$ 63	$ 0	$ (19,298)	$ 1,254	$ (17,981)
	$ 0	$ (2,141)	$ 0	$ (19,298)	$ 1,971	$ (19,468)
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ 11	$ 11
Written Options	0	0	0	0	(20)	(20)
Futures	0	0	0	0	496	496
Swap Agreements	0	189	0	0	2,343	2,532
	$ 0	$ 189	$ 0	$ 0	$ 2,830	$ 3,019
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ (3,420)	$ 0	$ (3,420)
Purchased Options	0	0	0	(23)	(664)	(687)
Written Options	0	42	0	(54)	784	772
Swap Agreements	0	109	0	700	(45)	764
	$ 0	$ 151	$ 0	$ (2,797)	$ 75	$ (2,571)
	$ 0	$ 340	$ 0	$ (2,797)	$ 2,905	$ 448

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of December 31, 2020 in valuing the Portfolio's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2020
Investments in Securities, at Value				
Argentina				
Corporate Bonds & Notes	$ 0	$ 26	$ 0	$ 26
Sovereign Issues	0	151	0	151
Australia				
Asset-Backed Securities	0	170	0	170
Corporate Bonds & Notes	0	319	0	319
Non-Agency Mortgage-Backed Securities	0	1,374	0	1,374
Sovereign Issues	0	8,619	0	8,619
Brazil				
Corporate Bonds & Notes	$ 0	$ 2,101	$ 0	$ 2,101
Canada				
Corporate Bonds & Notes	0	2,001	0	2,001
Non-Agency Mortgage-Backed Securities	0	1,550	0	1,550
Sovereign Issues	0	4,613	0	4,613
Cayman Islands				
Asset-Backed Securities	0	16,140	0	16,140
Corporate Bonds & Notes	0	8,114	0	8,114

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2020
China				
Sovereign Issues	$ 0	$ 76,925	$ 0	$ 76,925
Denmark				
Corporate Bonds & Notes	0	27,892	0	27,892
France				
Corporate Bonds & Notes	0	4,467	0	4,467
Sovereign Issues	0	19,651	0	19,651
Germany				
Corporate Bonds & Notes	0	14,024	0	14,024
India				
Corporate Bonds & Notes	0	717	0	717
Ireland				
Asset-Backed Securities	0	6,733	0	6,733
Corporate Bonds & Notes	0	220	0	220
Israel				
Sovereign Issues	0	8,102	0	8,102
Italy				
Corporate Bonds & Notes	0	10,466	0	10,466
Sovereign Issues	0	12,015	0	12,015
Japan				
Corporate Bonds & Notes	0	8,653	0	8,653
Sovereign Issues	0	82,036	0	82,036
Kuwait				
Sovereign Issues	0	3,189	0	3,189
Lithuania				
Sovereign Issues	0	993	0	993
Luxembourg				
Corporate Bonds & Notes	0	1,652	0	1,652
Malaysia				
Corporate Bonds & Notes	0	904	0	904
Sovereign Issues	0	3,047	0	3,047
Mexico				
Sovereign Issues	0	375	0	375
Multinational				
Corporate Bonds & Notes	0	724	0	724
Netherlands				
Asset-Backed Securities	0	1,947	0	1,947
Corporate Bonds & Notes	0	4,297	0	4,297
New Zealand				
Sovereign Issues	0	1,182	0	1,182
Norway				
Corporate Bonds & Notes	0	535	0	535
Peru				
Corporate Bonds & Notes	0	566	0	566
Sovereign Issues	0	8,223	0	8,223
Qatar				
Sovereign Issues	0	10,313	0	10,313
Romania				
Sovereign Issues	0	1,269	0	1,269
Saudi Arabia				
Corporate Bonds & Notes	0	924	0	924
Sovereign Issues	0	5,547	0	5,547
Singapore				
Corporate Bonds & Notes	0	2,868	0	2,868
Slovenia				
Sovereign Issues	0	1,631	0	1,631
South Africa				
Sovereign Issues	0	532	0	532
South Korea				
Sovereign Issues	0	12,372	0	12,372
Spain				
Corporate Bonds & Notes	0	978	0	978
Preferred Securities	0	2,519	0	2,519
Sovereign Issues	0	27,105	0	27,105
Supranational				
Corporate Bonds & Notes	$ 0	$ 2,077	$ 0	$ 2,077
Switzerland				
Corporate Bonds & Notes	0	10,246	0	10,246
United Arab Emirates				
Corporate Bonds & Notes	0	206	0	206
Sovereign Issues	0	2,348	0	2,348
United Kingdom				
Corporate Bonds & Notes	0	40,504	0	40,504
Non-Agency Mortgage-Backed Securities	0	28,630	3,118	31,748
Preferred Securities	0	233	0	233
Sovereign Issues	0	7,810	0	7,810
United States				
Asset-Backed Securities	0	37,653	0	37,653
Corporate Bonds & Notes	0	46,487	0	46,487
Loan Participations and Assignments	0	2,152	0	2,152
Non-Agency Mortgage-Backed Securities	0	18,158	0	18,158
Preferred Securities	0	2,213	0	2,213
U.S. Government Agencies	0	267,328	0	267,328
U.S. Treasury Obligations	0	38,533	0	38,533
Short-Term Instruments				
Repurchase Agreements	0	3,015	0	3,015
Argentina Treasury Bills	0	144	0	144
Japan Treasury Bills	0	1,647	0	1,647
U.S. Treasury Bills	0	1,460	0	1,460
U.S. Treasury Cash Management Bills	0	552	0	552
	$ 0	$ 922,167	$ 3,118	$ 925,285
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 9,029	$ 0	$ 0	$ 9,029
Total Investments	$ 9,029	$ 922,167	$ 3,118	$ 934,314
Short Sales, at Value - Liabilities				
Canada				
Sovereign Issues	0	(6,606)	0	(6,606)
United States				
U.S. Government Agencies	0	(64,308)	0	(64,308)
	$ 0	$ (70,914)	$ 0	$ (70,914)
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	74	287	0	361
Over the counter	0	2,668	0	2,668
	$ 74	$ 2,955	$ 0	$ 3,029
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(65)	(423)	0	(488)
Over the counter	0	(7,106)	(2)	(7,108)
	$ (65)	$ (7,529)	$ (2)	$ (7,596)
Total Financial Derivative Instruments	$ 9	$ (4,574)	$ (2)	$ (4,567)
Totals	$ 9,038	$ 846,679	$ 3,116	$ 858,833

There were no significant transfers into or out of Level 3 during the period ended December 31, 2020.

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 that a portion of a distribution may be comprised of amounts from capital gains, paid in capital, or other capital sources in accordance with its policies, accounting records, 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 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 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, among others, 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 included 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. At this time, management is evaluating the implications of these changes on the 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 is 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 the Adviser 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 data reflecting the earlier closing of 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. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by Pricing Services. 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 and Level 2 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 and Level 2 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.

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.

Level 3 trading assets and trading liabilities, at fair value 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, 2020 (amounts in thousands†):

Investment in PIMCO Short Asset Portfolio

Market Value 12/31/2019	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2020	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 28,888	$ 179	$ (28,380)	$ (458)	$ 71	$ 300	$ 177	$ 0

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 12/31/2019	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2020	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 5,797	$ 86,411	$ (83,481)	$ 2	$ 0	$ 8,729	$ 11	$ 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 at December 31, 2020, 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.

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 Portfolios' Board of Trustees 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 determined in June 2020 that the Temporary Order would not be extended after its expiration on June 30, 2020.

During the period ended December 31, 2020, 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. The Portfolio 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 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 mutual 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, mispricing or 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. For derivatives traded on an exchange or through a central counterparty, credit risk resides with the Portfolio's clearing broker, or the clearinghouse itself, rather than with a counterparty in an OTC derivative transaction. 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 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. 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.

(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 (such as the anticipated discontinuation of the London Interbank Offered Rate) 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, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to the Portfolio's investments or the Investment Manager's operations 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, or changes in market value, are 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) taxes and governmental fees; (ii) brokerage fees and commissions and other portfolio transaction expenses; (iii) the costs of borrowing money, including interest expenses; (iv) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit, except for PIMCO All Asset Portfolio; (v) extraordinary expense, including costs of litigation and indemnification expenses; (vi) organizational expenses; and (vii) 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 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, 2020, 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, 2020, were as follows (amounts in thousands†):

Purchases	Sales
$ 16,638	$ 4,837

† 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, 2020, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 4,256,500	$ 4,147,947	$ 214,988	$ 154,970

† 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 12/31/2020		Year Ended 12/31/2019	
	Shares	Amount	Shares	Amount
Receipts for shares sold				
Institutional Class	6,857	$ 75,955	136	$ 1,528
Administrative Class	2,710	30,232	2,408	26,931
Advisor Class	3,520	39,044	2,150	24,104
Issued as reinvestment of distributions				
Institutional Class	108	1,179	20	216
Administrative Class	407	4,421	182	2,042
Advisor Class	2,458	26,678	969	10,887
Cost of shares redeemed				
Institutional Class	(240)	(2,639)	(41)	(464)
Administrative Class	(3,185)	(35,302)	(2,817)	(31,592)
Advisor Class	(4,692)	(51,804)	(1,983)	(22,194)
Net increase (decrease) resulting from Portfolio share transactions	7,943	$ 87,764	1,024	$ 11,458

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2020, one shareholder owned 10% or more of the Portfolio's total outstanding shares comprising 76% 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, 2020, 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, 2020, 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)
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 0	$ 12,253	$ 0	$ 12,106	$ 0	$ 0	$ 0	$ 0

† 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, treasury inflation-protected securities (TIPS), sale/buyback transactions, hyper inflationary mark to market loss deferrals, straddle loss deferrals, and Lehman 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, 2020 through December 31, 2020 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, 2020 through December 31, 2020 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, 2020, 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, 2020, 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)	$ 845,309	$ 30,814	$ (17,432)	$ 13,382

† 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, treasury inflation protected securities (TIPS), sale/buyback transactions, realized and unrealized gain (loss) swap contracts, hyper inflationary mark to market, straddle loss deferrals, and Lehman securities.

For the fiscal year ended December 31, 2020 and December 31, 2019, respectively, the Portfolio made the following tax basis distributions (amounts in thousands†):

	December 31, 2020				December 31, 2019			
	Tax-Exempt Income Distributions	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)	Tax-Exempt Income Distributions	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 0	$ 32,278	$ 0	$ 0	$ 0	$ 13,145	$ 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, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (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, 2020, 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, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 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, 2020 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 18, 2021

We have served as the auditor of one or more investment companies in PIMCO Variable Insurance Trust since 1998.

Counterparty Abbreviations:

AZD	Australia and New Zealand Banking Group	**FICC**	Fixed Income Clearing Corporation	**MYI**	Morgan Stanley & Co. International PLC
BOA	Bank of America N.A.	**GLM**	Goldman Sachs Bank USA	**RYL**	NatWest Markets Plc
BOS	BofA Securities, Inc.	**GRE**	NatWest Markets Securities Inc.	**SCX**	Standard Chartered Bank, London
BPS	BNP Paribas S.A.	**GST**	Goldman Sachs International	**SOG**	Societe Generale Paris
BRC	Barclays Bank PLC	**HUS**	HSBC Bank USA N.A.	**SSB**	State Street Bank and Trust Co.
CBK	Citibank N.A.	**JLN**	JP Morgan Chase Bank N.A. London	**TDL**	Toronto Dominion Bank London
DUB	Deutsche Bank AG	**JML**	JP Morgan Securities Plc	**TDM**	TD Securities (USA) LLC
FAR	Wells Fargo Bank National Association	**JPM**	JP Morgan Chase Bank N.A.	**TOR**	The Toronto-Dominion Bank
FBF	Credit Suisse International	**MYC**	Morgan Stanley Capital Services LLC	**UAG**	UBS AG Stamford

Currency Abbreviations:

ARS	Argentine Peso	**DKK**	Danish Krone	**NOK**	Norwegian Krone
AUD	Australian Dollar	**EUR**	Euro	**NZD**	New Zealand Dollar
BRL	Brazilian Real	**GBP**	British Pound	**PEN**	Peruvian New Sol
CAD	Canadian Dollar	**HKD**	Hong Kong Dollar	**PLN**	Polish Zloty
CHF	Swiss Franc	**ILS**	Israeli Shekel	**RUB**	Russian Ruble
CLP	Chilean Peso	**JPY**	Japanese Yen	**SEK**	Swedish Krona
CNH	Chinese Renminbi (Offshore)	**KRW**	South Korean Won	**TWD**	Taiwanese Dollar
CNY	Chinese Renminbi (Mainland)	**MXN**	Mexican Peso	**USD (or $)**	United States Dollar
CZK	Czech Koruna	**MYR**	Malaysian Ringgit	**ZAR**	South African Rand

Exchange Abbreviations:

CME	Chicago Mercantile Exchange	**OTC**	Over the Counter

Index/Spread Abbreviations:

BADLARPP	Argentina Badlar Floating Rate Notes	**CDX.IG**	Credit Derivatives Index - Investment Grade	**SONIO**	Sterling Overnight Interbank Average Rate
CDOR03	3 month CDN Swap Rate	**EUR003M**	3 Month EUR Swap Rate	**UKRPI**	United Kingdom Retail Prices Index
CDX.HY	Credit Derivatives Index - High Yield	**LIBOR03M**	3 Month USD-LIBOR	**US0003M**	ICE 3-Month USD LIBOR

Other Abbreviations:

ABS	Asset-Backed Security	**DAC**	Designated Activity Company	**PIK**	Payment-in-Kind
ALT	Alternate Loan Trust	**EURIBOR**	Euro Interbank Offered Rate	**PRIBOR**	Prague Interbank Offered Rate
BBR	Bank Bill Rate	**JIBAR**	Johannesburg Interbank Agreed Rate	**STIBOR**	Stockholm Interbank Offered Rate
BBSW	Bank Bill Swap Reference Rate	**LIBOR**	London Interbank Offered Rate	**TBA**	To-Be-Announced
BTP	Buoni del Tesoro Poliennali "Long-term Treasury Bond"	**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"
CDI	Brazil Interbank Deposit Rate	**OAT**	Obligations Assimilables du Trésor	**WIBOR**	Warsaw Interbank Offered Rate
CLO	Collateralized Loan Obligation	**OIS**	Overnight Index Swap		

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 2020 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 percentage of ordinary dividends paid during the calendar year designated as "qualified dividend income", as defined in the Jobs and Growth Tax Relief Reconciliation Act of 2003, subject to reduced tax rates in 2020 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, 2020 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, 2020 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.

	Dividend Received Deduction %	Qualified Dividend Income %	Qualified Interest Income (000s†)	Qualified Short-Term Capital Gain (000s†)
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	0.00%	0.00%	$ 26,633	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

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 Section 1.163(j)-1(b).

The 163(j) percentage of ordinary income distributions are as follows:

	163(j) Interest Dividends %
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	29.85%

Shareholders are advised to consult their own tax advisor with respect to the tax consequences of their investment in the Trust. In January 2021, 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 2020.

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.
Brent R. Harris (1959) *Trustee*	08/1997 to present	Formerly, Senior Vice President of the Trust, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Managing Director, PIMCO, and member of Executive Committee, PIMCO.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT. Formerly, Director, StocksPLUS® Management, Inc; member of Board of Governors, Investment Company Institute; and Chairman, 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 February 3, 2021.

[1] Mr. Harris and Mr. Strelow are "interested persons" of the Trust (as that term is defined in the 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.
David C. Flattum (1964) *Chief Legal Officer*	05/2019 to present	Managing Director and General Counsel, PIMCO. Chief Legal Officer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Formerly, Managing Director, Chief Operating Officer and General Counsel, Allianz Asset Management of America L.P.
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.
Ryan G. Leshaw (1980) *Vice President, Senior Counsel and Secretary*	11/2018 to present	Executive Vice President and Senior Counsel, PIMCO. Vice President, Senior Counsel 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.
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.
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	Senior 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.
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	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.
Jason J. Nagler (1982)*** *Assistant Treasurer*	05/2015 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.
H. Jessica Zhang (1973)** *Assistant Treasurer*	01/2020 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.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2021.

† 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 Corporate & Income Opportunity Fund, PIMCO Corporate & Income Strategy Fund, PIMCO Dynamic Credit and Mortgage Income Fund, PIMCO Dynamic Income Fund, PIMCO Dynamic Income Opportunity 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 and PIMCO Flexible Municipal 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]

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 Renewal of the Amended and Restated Investment Advisory Contract, Supervision and Administration Agreement, Amended and Restated Asset Allocation Sub-Advisory Agreement and Investment Management Agreements

At a meeting held on August 18-19, 2020, 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, 2021.[1] The Board also considered and unanimously approved the renewal of the 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, 2021. In addition, the Board considered and unanimously approved the renewal of the Amended and Restated Asset Allocation Sub-Advisory Agreement (the "Asset Allocation Agreement") 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, 2021.

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" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements"), each for the same additional one-year period.

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 Asset Allocation Agreement, 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, which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and the Asset Allocation Agreement.

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 Investment Advisory Contract and Supervision and Administration Agreement.

(b) Review Process: In connection with considering the renewal of the Agreements and the Asset Allocation Agreement, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from counsel to the Trust and the Independent Trustees encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other

[1] The Board, including a majority of the Independent Trustees, determined to rely on the relief granted by a temporary exemptive order issued by the U.S. Securities and Exchange Commission (the "SEC") under the Investment Company Act of 1940 that permits fund boards of trustees to approve advisory contracts at a meeting held by remote communications that allows participating trustees to hear one another simultaneously, rather than in-person, in light of the impact of the novel coronavirus ("COVID-19") pandemic and restrictions on travel and in-person gatherings. The Board determined that reliance on the exemptive order was necessary and appropriate due to circumstances related to current or potential effects of the COVID-19 pandemic and government-mandated restrictions, and prior to commencing the approval meeting, the Board confirmed that all Board members could hear each other simultaneously during the meeting. The Board noted that it would ratify any actions taken at this meeting pursuant to the SEC relief at its next in-person meeting.

things, applicable legal standards from counsel to the Trust and the Independent Trustees, 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 from PIMCO and, where applicable, Research Affiliates, on matters related to the Agreements and the Asset Allocation Agreement and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 18-19, 2020 meeting. The Independent Trustees also met telephonically with counsel to the Trust and the Independent Trustees, including telephonic meetings on July 10, 2020 and July 30, 2020, and conducted a telephonic meeting on July 31, 2020 with management and counsel to the Trust and the Independent Trustees to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements and the Asset Allocation Agreement. In connection with its review of the Agreements and the Asset Allocation Agreement, 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 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 and the Asset Allocation Agreement, 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 and the Asset Allocation Agreement, 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 continuous 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 wholly-owned 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 the build-out of a new data center; funding projects and initiatives in support of the Portfolios; improving PIMCO governance and oversight of key fund administration processes; expanding and engaging a technology consultant to improve certain performance reconciliation processes; enhancing PIMCO's oversight over certain of the Portfolios' service providers; continuing to develop initiatives related to pricing, including, among other items, development of pricing tools and capabilities and continued extensive due diligence regarding pricing vendors; forming a new internal group responsible for the operational aspects of the Liquidity Risk Management Programs; developing compliance and operations processes in connection with regulatory developments; continuing to invest in PIMCO's technology infrastructure; continuing 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; enhancing a proprietary application to support new trading strategies and increase data precision and administration control; developing a global tax management application that will enable investment professionals to access foreign market and security tax information on a real-time basis; utilizing a service provider's proprietary software and managed service model to timely meet N-PORT and N-CEN regulatory requirements; upgrading a proprietary application to allow shareholder subscription and redemption data to pass to portfolio managers more quickly and efficiently; implementing a contingent NAV process; continuing to advocate in the public policy arena; developing a proprietary tool to monitor and facilitate potential interfund lending; utilizing a third-party software technology to allow portfolio management teams to run pre-trade calculations regarding new exchange-traded and cleared derivatives; 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 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 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, 2020 and other performance data, as available, over short- and long-term periods ended June 30, 2020 (the "PIMCO Report") and from Broadridge concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2020 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term investment performance of each Portfolio relative to its peer group 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, which were provided in advance of the August 18-19, 2020 meeting. 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 underperformed their respective benchmark indexes over the one-, three- and five-year periods ended March 31, 2020, but that a majority of the Portfolios have outperformed their benchmarks since inception for the period ended March 31, 2020. The Board noted that, as of March 31, 2020, 0%, 5% and 26% of the Trust's assets (based on Administrative Class performance) outperformed their respective benchmarks on a net-of-fees basis over the three-, five- and ten-year periods, respectively, but that 82% of the Trust's assets (based on Administrative Class performance) outperformed their benchmarks since inception for the period ended March 31, 2020. The Board also discussed actions that have been taken by PIMCO to attempt to improve performance and took note of PIMCO's plans to monitor performance going forward.

The Board ultimately concluded, within the context of all of its considerations in connection with the 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.

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.

In addition, PIMCO reported to the Board that it periodically reviews the fees charged to the Portfolios and that PIMCO may propose advisory fee or supervisory and administrative fee changes where (i) a Portfolio's long-term performance warrants additional consideration; (ii) there is a notable aid to market position; (iii) a Portfolio's fee does not reflect the current level of supervision or administrative fees provided to the Portfolio; or (iv) PIMCO would like to change a Portfolio's overall strategic positioning.

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, as well as the universe of other similar funds. The Board reviewed materials 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 wholly-owned 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 charges to separate accounts, private funds, collective investment trusts and sub-advised clients 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.

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 that the Portfolios' unified fee structure meant that fees were not impacted by recent outflows in certain Portfolios, unlike funds without a unified fee structure, which may see increased expense ratios when fixed costs, such as service provider costs, are passed through to a smaller asset base. 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 those 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, 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, that the fees charged by to PIMCO 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-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 Asset Allocation Agreement. The Independent Trustees and the Board as a whole concluded that the Agreements and the Asset Allocation Agreement 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 Agreements and the fees paid to Research Affiliates by PIMCO under the Asset Allocation Agreement, and that the renewal of the Agreements and the Asset Allocation Agreement was in the best interests of the Portfolios and their shareholders.

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General Information

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Newport Beach, CA 92660

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PIMCO Investments LLC
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801 Pennsylvania Avenue
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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 PIMCO Variable Insurance Trust.

pimco.com/pvit

PIMCO

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PIMCO

PIMCO VARIABLE INSURANCE TRUST

Annual Report

December 31, 2020

PIMCO Low Duration Portfolio

As permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Portfolio's annual and semi-annual shareholder reports will no longer be sent by mail from the insurance company that offers your contract unless you specifically request paper copies of the reports 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 should contact the insurance company if you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all portfolio companies available under your contract at the insurance company.

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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 with us. Following this letter is the PIMCO Variable Insurance Trust Annual Report, which covers the 12-month reporting period ended December 31, 2020. 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, 2020

The global economy was severely impacted by the repercussions related to the COVID-19 pandemic. Looking back, U.S. annualized gross domestic product ("GDP") was -5.0% during the first quarter of 2020. The economy then significantly weakened due to COVID-19, as annualized GDP growth in the second quarter was -31.4%. This represented the steepest quarterly decline on record. With the economy reopening, third-quarter GDP growth was 33.4%, the largest quarterly increase on record. The Commerce Department's initial estimate for fourth-quarter annualized GDP growth — released after the reporting period ended — was 4.0%.

The Federal Reserve (the "Fed") took unprecedented actions to support the economy and keep markets functioning properly. In early March 2020, the Fed lowered the federal funds rate to a range between 1.00% and 1.25%. Later in the month, the Fed lowered the rate to a range between 0.00% and 0.25%. On March 23, the Fed announced that it would make unlimited purchases of Treasury and mortgage securities and, for the first time, it would purchase corporate bonds on the open market. In August 2020, Fed Chair Jerome Powell said that the central bank had changed how it viewed the trade-off between lower unemployment and higher inflation. Per Powell's statement, the Fed's new approach to setting U.S. monetary policy will entail letting inflation run higher, which could mean interest rates remain low for an extended period. Meanwhile, in March 2020, the U.S. government passed a total of roughly $2.8 trillion in fiscal stimulus measures to aid the economy. A subsequent $900 billion stimulus package was finalized in December 2020.

Economies outside the U.S. were significantly impacted by the pandemic too. In its October 2020 World Economic Outlook Update, the International Monetary Fund ("IMF") stated that it expects 2020 GDP in the eurozone, U.K. and Japan will be -8.3%, -9.8% and -5.3%, respectively. For comparison purposes, the GDP of these economies expanded 1.3%, 1.5% and 0.7%, respectively, in 2019.

Against this backdrop, central banks and governments around the world took a number of aggressive actions. Looking back, in March 2020, the European Central Bank (the "ECB") unveiled a new €750 billion bond-buying program, which was subsequently expanded by another €600 billion in June 2020. In July, the European Union agreed on a €1.8 trillion spending package to bolster its economy. In December 2020, the ECB expanded its monetary stimulus program by another €500 billion. The Bank of England reduced its key lending rate to 0.10% — a record low — in March, added £100 billion to its quantitative easing program in June, and increased its bond-buying program by £150 billion to £895 billion in November. Finally, toward the end of the year, the U.K. and the European Union agreed to a long-awaited Brexit deal. Elsewhere, the Bank of Japan maintained its short-term interest rate at -0.10%, while increasing the target for its holdings of corporate bonds to ¥4.2 trillion from ¥3.2 trillion. In May 2020, the Japanese government doubled its stimulus measures with a ¥117 trillion package. Finally, in December 2020, the Bank of Japan announced a new ¥73.6 trillion stimulus package.

Both short- and long-term U.S. Treasury yields fell sharply during the reporting period. In our view, this was due to several factors, including sharply contracting global growth, the Fed's accommodative monetary policy, and periods of heightened investor risk aversion. The yield on the benchmark 10-year U.S. Treasury note was 0.93% at the end of the reporting period, versus 1.92% on December 31, 2019. The Bloomberg Barclays Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment grade countries, including both developed and emerging markets, returned 5.12%. Meanwhile, the Bloomberg Barclays Global Aggregate Credit Index (USD Hedged), a widely used index of global investment grade credit bonds, returned 7.78%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, also rallied. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned 5.68%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned 5.88%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned 2.69%.

Despite the headwinds from the pandemic, global equities generally produced strong results. All told, U.S. equities, as represented by the S&P 500 Index, returned 18.40%, partially fueled by a sharp rally in November and December 2020, because, in our view, investor sentiment improved after positive COVID-19 vaccine news. Global equities, as represented by the MSCI World Index, returned 15.90%, whereas emerging market equities, as measured by the MSCI Emerging Markets Index, returned 18.31%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 18.24%. However, European equities, as represented by the MSCI Europe Index (in EUR), returned -3.32%.

Commodity prices were volatile and produced mixed results. When the reporting period began, Brent crude oil was approximately $67 a barrel. Brent crude oil traded below $20 a barrel when the pandemic hit and ended the reporting period at roughly $52 a barrel. We believe that oil prices declined due to the demand destruction created by the pandemic. In contrast, copper and gold prices moved higher.

Finally, there were also periods of volatility in the foreign exchange markets, in our view due to fluctuating economic growth, trade conflicts and changing central bank monetary policies, along with the U.S. election and several geopolitical events. The U.S. dollar weakened against a number of other major currencies. For example, the U.S. dollar returned -8.94%, -3.12% and -5.19% 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.

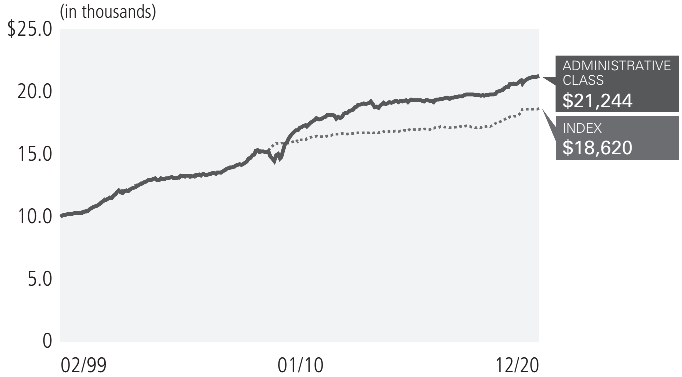
In August 2020, the SEC proposed changes to the mutual fund and ETF shareholder report and registration statement disclosure requirements and the registered fund advertising rules, which, if adopted, will change the disclosures provided to shareholders.

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 included the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The impact that these changes may have on the Portfolio is uncertain.

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.

Cumulative Returns Through December 31, 2020



$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

Allocation Breakdown as of December 31, 2020†§

Short-Term Instruments‡	43.5%
Corporate Bonds & Notes	21.0%
U.S. Government Agencies	19.9%
Asset-Backed Securities	5.8%
Non-Agency Mortgage-Backed Securities	5.4%
Sovereign Issues	4.3%
Other	0.1%

† % 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, 2020

		1 Year	5 Years	10 Years	Inception≈
	PIMCO Low Duration Portfolio Institutional Class	3.15%	2.17%	1.95%	3.65%
—	PIMCO Low Duration Portfolio Administrative Class	2.99%	2.01%	1.79%	3.49%
	PIMCO Low Duration Portfolio Advisor Class	2.89%	1.91%	1.69%	3.06%
·····	ICE BofAML 1-3 Year U.S. Treasury Index±	3.10%	1.90%	1.30%	2.87%♦

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 0.89% for Institutional Class shares, 1.04% for Administrative Class shares, and 1.14% 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:

» Holdings of investment grade corporate credit contributed to relative performance, as the sector generated positive total carry and spreads tightened.

» Overweight exposure to Agency mortgage-backed securities contributed to relative performance, as total returns for these securities were positive.

» Overweight exposure to U.S. duration at the beginning of the reporting period contributed to relative performance, as rates decreased.

» Positions in US Treasury Inflation-Protected Securities detracted from relative performance, as breakeven inflation rates decreased.

» Overweight exposure to duration in Italy detracted from relative performance, as Italian rates increased.

» Underweight exposure to duration in the U.K. detracted from relative performance, as U.K. rates decreased.

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, 2020 to December 31, 2020 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 (07/01/20)	**Ending Account Value (12/31/20)**	**Expenses Paid During Period***	**Beginning Account Value (07/01/20)**	**Ending Account Value (12/31/20)**	**Expenses Paid During Period***	**Net Annualized Expense Ratio****
Institutional Class	$ 1,000.00	$ 1,009.40	$ 2.57	$ 1,000.00	$ 1,022.99	$ 2.58	0.50%
Administrative Class	1,000.00	1,008.60	3.34	1,000.00	1,022.23	3.36	0.65
Advisor Class	1,000.00	1,008.10	3.85	1,000.00	1,021.71	3.87	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 187/366 (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 Low Duration Portfolio

Selected Per Share Data for the Year Ended^:	Investment Operations				Less Distributions[c]			
	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	Tax Basis Return of Capital	Total
Institutional Class								
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)
12/31/2016	10.25	0.16	0.00	0.16	(0.09)	0.00	(0.08)	(0.17)
Administrative Class								
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)
12/31/2016	10.25	0.14	0.00	0.14	(0.07)	0.00	(0.08)	(0.15)
Advisor Class								
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)
12/31/2016	10.25	0.13	0.00	0.13	(0.06)	0.00	(0.08)	(0.14)

^ 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.

		Ratios/Supplemental Data							
			Ratios to Average Net Assets						
Net Asset Value End of Year[a]	Total Return[a]	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
$ 10.38	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	1.56	8,710	0.50	0.50	0.50	0.50	1.59	391
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	1.41	1,248,263	0.65	0.65	0.65	0.65	1.40	391
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
10.24	1.30	717,542	0.75	0.75	0.75	0.75	1.31	391

Statement of Assets and Liabilities PIMCO Low Duration Portfolio

(Amounts in thousands†, except per share amounts)

Assets:	
Investments, at value	
Investments in securities*	$ 1,637,480
Investments in Affiliates	479,356
Financial Derivative Instruments	
Exchange-traded or centrally cleared	310
Over the counter	811
Cash	1
Deposits with counterparty	7,158
Foreign currency, at value	1,455
Receivable for investments sold	664
Receivable for TBA investments sold	904,201
Receivable for Portfolio shares sold	1,027
Interest and/or dividends receivable	3,759
Dividends receivable from Affiliates	380
Total Assets	3,036,602
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for short sales	$ 135,905
Financial Derivative Instruments	
Exchange-traded or centrally cleared	244
Over the counter	10,240
Payable for investments purchased	15,796
Payable for investments in Affiliates purchased	380
Payable for TBA investments purchased	894,697
Deposits from counterparty	2,849
Payable for Portfolio shares redeemed	1,171
Accrued investment advisory fees	459
Accrued supervisory and administrative fees	459
Accrued distribution fees	193
Accrued servicing fees	157
Total Liabilities	1,062,550
Net Assets	$ 1,974,052
Net Assets Consist of:	
Paid in capital	$ 1,984,410
Distributable earnings (accumulated loss)	(10,358)
Net Assets	$ 1,974,052
Net Assets:	
Institutional Class	$ 11,436
Administrative Class	1,130,716
Advisor Class	831,900
Shares Issued and Outstanding:	
Institutional Class	1,102
Administrative Class	108,926
Advisor Class	80,142
Net Asset Value Per Share Outstanding[(a)]:	
Institutional Class	$ 10.38
Administrative Class	10.38
Advisor Class	10.38
Cost of investments in securities	$ 1,606,783
Cost of investments in Affiliates	$ 475,049
Cost of foreign currency held	$ 1,365
Proceeds received on short sales	$ 135,759
Cost or premiums of financial derivative instruments, net	$ 1,429
* Includes repurchase agreements of:	$ 198,408

† 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, 2020
(Amounts in thousands[†])

Investment Income:	
Interest	$ 27,300
Dividends from Investments in Affiliates	4,954
Total Income	32,254
Expenses:	
Investment advisory fees	4,631
Supervisory and administrative fees	4,631
Servicing fees - Administrative Class	1,583
Distribution and/or servicing fees - Advisor Class	1,965
Trustee fees	47
Interest expense	782
Miscellaneous expense	6
Total Expenses	13,645
Waiver and/or Reimbursement by PIMCO	(1)
Net Expenses	13,644
Net Investment Income (Loss)	18,610
Net Realized Gain (Loss):	
Investments in securities	10,425
Investments in Affiliates	(1,682)
Exchange-traded or centrally cleared financial derivative instruments	12,487
Over the counter financial derivative instruments	5,420
Foreign currency	(2,834)
Net Realized Gain (Loss)	23,816
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	2,462
Investments in Affiliates	5,331
Exchange-traded or centrally cleared financial derivative instruments	3,299
Over the counter financial derivative instruments	(2,151)
Foreign currency assets and liabilities	62
Net Change in Unrealized Appreciation (Depreciation)	9,003
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 51,429

[†] 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, 2020	Year Ended December 31, 2019
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 18,610	$ 49,230
Net realized gain (loss)	23,816	(964)
Net change in unrealized appreciation (depreciation)	9,003	23,488
Net Increase (Decrease) in Net Assets Resulting from Operations	51,429	71,754
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(147)	(235)
Administrative Class	(12,339)	(23,111)
Advisor Class	(8,527)	(15,834)
Tax basis return of capital		
Institutional Class	0	(58)
Administrative Class	0	(5,967)
Advisor Class	0	(4,291)
Total Distributions[(a)]	(21,013)	(49,496)
Portfolio Share Transactions:		
Net increase (decrease) resulting from Portfolio share transactions*	170,658	(212,688)
Total Increase (Decrease) in Net Assets	201,074	(190,430)
Net Assets:		
Beginning of year	1,772,978	1,963,408
End of year	$ 1,974,052	$ 1,772,978

† 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 82.9%		
CORPORATE BONDS & NOTES 22.5%		
BANKING & FINANCE 13.6%		
Allstate Corp.		
0.750% due 12/15/2025	$ 4,900	$ 4,928
Aviation Capital Group LLC		
0.884% (US0003M + 0.670%) due 07/30/2021 ~	3,100	3,071
1.175% (US0003M + 0.950%) due 06/01/2021 ~	4,900	4,870
Banco Bilbao Vizcaya Argentaria S.A.		
0.875% due 09/18/2023	4,700	4,736
Banco Santander S.A.		
1.344% (US0003M + 1.120%) due 04/12/2023 ~	2,400	2,425
Bank of America Corp.		
0.810% due 10/24/2024 •	6,900	6,967
1.169% (US0003M + 0.960%) due 07/23/2024 ~	1,200	1,216
1.378% (US0003M + 1.160%) due 01/20/2023 ~	200	202
1.486% due 05/19/2024 •	4,300	4,403
3.550% due 03/05/2024 •	4,100	4,382
Barclays Bank PLC		
10.179% due 06/12/2021	4,600	4,785
Barclays PLC		
1.651% (US0003M + 1.430%) due 02/15/2023 ~	3,800	3,828
2.852% due 05/07/2026 •	5,100	5,482
BBVA USA		
0.951% (US0003M + 0.730%) due 06/11/2021 ~	5,000	5,011
Brixmor Operating Partnership LP		
1.264% (US0003M + 1.050%) due 02/01/2022 ~	5,000	4,995
CC Holdings GS LLC		
3.849% due 04/15/2023	5,300	5,690
Citigroup, Inc.		
0.776% due 10/30/2024 •	2,000	2,014
0.907% (US0003M + 0.690%) due 10/27/2022 ~	5,000	5,038
Cooperatieve Rabobank UA		
1.004% due 09/24/2026 •	5,700	5,745
Credit Agricole S.A.		
1.907% due 06/16/2026 •	3,900	4,049
Credit Suisse Group AG		
3.800% due 06/09/2023	4,800	5,172
Danske Bank A/S		
5.000% due 01/12/2022	4,800	5,012
Deutsche Bank AG		
1.510% (US0003M + 1.290%) due 02/04/2021 ~	5,000	5,003
3.300% due 11/16/2022	5,100	5,322
4.250% due 10/14/2021	2,500	2,564
Federal Realty Investment Trust		
3.950% due 01/15/2024	4,200	4,570
Ford Credit Canada Co.		
3.530% (CDOR03 + 3.030%) due 01/10/2022 ~(g)	CAD 4,700	3,714
Ford Motor Credit Co. LLC		
1.048% (US0003M + 0.810%) due 04/05/2021 ~	$ 3,900	3,883
2.770% (US0003M + 2.550%) due 01/07/2021 ~	5,900	5,899
3.810% due 01/09/2024	600	616
5.085% due 01/07/2021	2,600	2,606
5.750% due 02/01/2021	600	603
5.875% due 08/02/2021	4,000	4,099
General Motors Financial Co., Inc.		
3.550% due 07/08/2022	4,800	5,008
4.250% due 05/15/2023	5,400	5,824
Goldman Sachs Group, Inc.		
0.963% (US0003M + 0.750%) due 02/23/2023 ~	2,400	2,423
0.994% (US0003M + 0.780%) due 10/31/2022 ~	$ 5,300	$ 5,322
Logicor Financing SARL		
1.500% due 11/14/2022	EUR 5,200	6,511
Metropolitan Life Global Funding		
0.950% due 07/02/2025	$ 5,300	5,373
Mitsubishi UFJ Financial Group, Inc.		
0.968% (US0003M + 0.740%) due 03/02/2023 ~	10,200	10,274
Mitsubishi UFJ Lease & Finance Co. Ltd.		
3.406% due 02/28/2022	500	514
Mizuho Financial Group, Inc.		
1.211% (US0003M + 0.990%) due 07/10/2024 ~	3,600	3,640
1.480% (BBSW3M + 1.400%) due 07/19/2023 ~	AUD 6,700	5,226
Morgan Stanley		
0.864% due 10/21/2025 •	$ 2,000	2,017
3.737% due 04/24/2024 •	900	969
Nationwide Building Society		
3.622% due 04/26/2023 •	1,600	1,662
Natwest Group PLC		
2.500% due 03/22/2023	EUR 3,900	5,034
Nissan Motor Acceptance Corp.		
0.874% (US0003M + 0.650%) due 07/13/2022 ~	$ 5,900	5,857
Oversea-Chinese Banking Corp. Ltd.		
0.672% (US0003M + 0.450%) due 05/17/2021 ~	3,300	3,303
Public Storage		
2.370% due 09/15/2022	5,100	5,274
SL Green Operating Partnership LP		
1.201% (US0003M + 0.980%) due 08/16/2021 ~	6,000	5,987
Standard Chartered PLC		
1.319% due 10/14/2023 •	4,800	4,854
2.744% due 09/10/2022 •	4,800	4,869
Sumitomo Mitsui Financial Group, Inc.		
1.474% due 07/08/2025	5,300	5,433
Sumitomo Mitsui Trust Bank Ltd.		
0.800% due 09/12/2023	4,800	4,846
Synchrony Bank		
3.650% due 05/24/2021	5,200	5,252
UniCredit SpA		
4.129% (US0003M + 3.900%) due 01/14/2022 ~	5,100	5,245
7.830% due 12/04/2023	10,700	12,704
Volkswagen Bank GmbH		
0.000% due 06/15/2021 •	EUR 1,400	1,712
Wells Fargo & Co.		
1.654% due 06/02/2024 •	$ 5,200	5,343
2.509% due 10/27/2023 (g)	CAD 6,200	5,092
		268,468
INDUSTRIALS 7.5%		
AbbVie, Inc.		
2.150% due 11/19/2021	$ 5,800	5,894
2.300% due 11/21/2022	5,200	5,393
Bayer U.S. Finance LLC		
0.881% (US0003M + 0.630%) due 06/25/2021 ~	6,100	6,113
BMW Finance NV		
2.250% due 08/12/2022	9,200	9,493
Boeing Co.		
1.950% due 02/01/2024	5,000	5,151
Broadcom Corp.		
2.650% due 01/15/2023	4,600	4,787
Broadcom, Inc.		
2.250% due 11/15/2023	5,200	5,434
Caesars Resort Collection LLC		
5.250% due 10/15/2025	750	759
Campbell Soup Co.		
0.847% (US0003M + 0.630%) due 03/15/2021 ~	4,100	4,104
CenterPoint Energy Resources Corp.		
3.550% due 04/01/2023	$ 1,500	$ 1,601
Charter Communications Operating LLC		
4.464% due 07/23/2022	2,100	2,214
CommonSpirit Health		
1.547% due 10/01/2025	4,900	5,038
Daimler Finance North America LLC		
0.770% (US0003M + 0.550%) due 05/04/2021 ~	5,000	5,007
0.895% (US0003M + 0.670%) due 11/05/2021 ~	900	904
1.121% (US0003M + 0.900%) due 02/15/2022 ~	5,400	5,441
3.400% due 02/22/2022	4,800	4,959
Danone S.A.		
2.947% due 11/02/2026	4,000	4,399
Enbridge, Inc.		
0.720% (US0003M + 0.500%) due 02/18/2022 ~	4,400	4,403
Expedia Group, Inc.		
3.600% due 12/15/2023	3,600	3,839
General Mills, Inc.		
6.410% due 10/15/2022	4,900	5,407
Hasbro, Inc.		
2.600% due 11/19/2022	2,000	2,078
Heathrow Funding Ltd.		
4.875% due 07/15/2023	2,000	2,042
Hewlett Packard Enterprise Co.		
0.958% (US0003M + 0.720%) due 10/05/2021 ~	3,900	3,900
Hyatt Hotels Corp.		
3.225% (US0003M + 3.000%) due 09/01/2022 ~	1,500	1,517
Hyundai Capital America		
1.150% due 11/10/2022	6,000	6,007
Kinder Morgan Energy Partners LP		
4.150% due 03/01/2022	500	521
Kinder Morgan, Inc.		
5.000% due 02/15/2021	300	301
Leidos, Inc.		
2.950% due 05/15/2023	1,900	2,004
Local Initiatives Support Corp.		
3.005% due 03/01/2022	1,300	1,332
Nissan Motor Co. Ltd.		
3.043% due 09/15/2023	4,800	5,022
Phillips 66		
0.900% due 02/15/2024	4,900	4,916
Reckitt Benckiser Treasury Services PLC		
0.798% (US0003M + 0.560%) due 06/24/2022 ~	400	402
Royalty Pharma PLC		
0.750% due 09/02/2023	2,000	2,011
Seven & i Holdings Co. Ltd.		
3.350% due 09/17/2021	5,100	5,201
Sprint Spectrum Co. LLC		
3.360% due 03/20/2023	388	392
Sutter Health		
1.321% due 08/15/2025	4,900	4,985
Sysco Corp.		
5.650% due 04/01/2025	4,500	5,355
Toyota Industries Corp.		
3.110% due 03/12/2022	4,800	4,941
Volkswagen Group of America Finance LLC		
1.098% (US0003M + 0.860%) due 09/24/2021 ~	1,600	1,608
2.700% due 09/26/2022	500	519
Volkswagen International Finance NV		
1.037% (EUR003M + 1.550%) due 11/16/2024 ~	EUR 700	887
Zimmer Biomet Holdings, Inc.		
0.989% (US0003M + 0.750%) due 03/19/2021 ~	$ 1,022	1,022
		147,303

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
UTILITIES 1.4%		
AES Corp.		
1.375% due 01/15/2026	$ 5,100	$ 5,149
Midwest Connector Capital Co. LLC		
3.625% due 04/01/2022	2,700	2,748
Pacific Gas & Electric Co.		
1.699% (US0003M + 1.480%) due 06/16/2022 ~	3,500	3,502
3.400% due 08/15/2024	900	959
3.850% due 11/15/2023	400	425
4.250% due 08/01/2023	4,800	5,157
Sempra Energy		
0.667% (US0003M + 0.450%) due 03/15/2021 ~	5,000	5,003
SSE PLC		
1.250% due 04/16/2025	EUR 3,800	4,893
		27,836
Total Corporate Bonds & Notes (Cost $432,779)		**443,607**
MUNICIPAL BONDS & NOTES 0.1%		
WEST VIRGINIA 0.1%		
Tobacco Settlement Finance Authority, West Virginia Revenue Notes, Series 2020		
0.947% due 06/01/2022	$ 1,500	1,502
Total Municipal Bonds & Notes (Cost $1,500)		**1,502**
U.S. GOVERNMENT AGENCIES 21.3%		
Fannie Mae		
0.191% due 07/25/2037 •	100	99
0.210% due 12/25/2036 •	27	27
0.498% due 03/25/2044 •	26	26
0.500% due 09/25/2042 •	304	306
0.948% due 04/25/2023 •	7	7
1.000% due 01/25/2043	80	78
1.053% due 06/17/2027 •	11	12
1.944% due 07/01/2042 - 06/01/2043 •	116	117
1.994% due 09/01/2041 •	86	87
2.189% due 09/01/2035 •	55	57
2.504% due 11/01/2035 •	17	18
2.817% due 07/01/2035 •	3	3
2.840% due 05/01/2038 •	1,291	1,360
4.079% due 12/01/2036 •	3	3
5.000% due 04/25/2033	5	6
5.024% due 09/01/2034 •	1	1
5.180% due 12/25/2042 ~	4	5
Freddie Mac		
0.278% due 08/25/2031 •	62	59
0.650% due 10/22/2025 - 10/27/2025	48,700	48,720
0.680% due 08/06/2025	18,800	18,844
0.690% due 08/05/2025	30,100	30,114
0.700% due 08/18/2025	18,700	18,712
0.800% due 10/28/2026	11,800	11,806
1.944% due 02/25/2045 •	111	112
2.365% due 09/01/2035 •	80	85
2.960% due 07/01/2035 •	18	18
4.000% due 12/01/2047 - 08/01/2048	6,550	7,031
6.500% due 07/25/2043	33	41
9.426% due 08/15/2044 •	2,049	2,639
Ginnie Mae		
0.600% due 06/20/2065 •	2,553	2,557
0.660% due 10/20/2065 •	7,361	7,397
0.680% due 07/20/2063 •	2,251	2,257
0.940% due 05/20/2066 •	891	904
0.990% due 04/20/2066 •	6,032	6,128
1.402% due 08/20/2070 •	5,719	6,049
1.438% due 07/20/2067 •	6,716	6,867
4.500% due 06/20/2048 - 02/20/2049	5,401	5,846
5.000% due 02/20/2041 (a)	2	0
5.000% due 04/20/2049 - 08/20/2049	35,078	38,403

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Ginnie Mae, TBA		
4.500% due 01/01/2051	$ 36,100	$ 38,659
Uniform Mortgage-Backed Security		
3.500% due 07/01/2047 - 12/01/2047	55,493	60,831
4.000% due 08/01/2044 - 08/01/2048	8,487	9,167
4.500% due 03/01/2023 - 08/01/2046	3,901	4,285
5.000% due 05/01/2027 - 06/01/2028	73	80
5.500% due 12/01/2028 - 02/01/2049	276	309
6.000% due 02/01/2033 - 01/01/2039	909	1,090
6.500% due 04/01/2036	66	75
Uniform Mortgage-Backed Security, TBA		
2.000% due 01/01/2051 - 03/01/2051	35,000	36,232
2.500% due 01/01/2051 - 03/01/2051	41,600	43,709
4.500% due 01/01/2036 - 01/01/2051	8,500	9,206
Total U.S. Government Agencies (Cost $411,082)		**420,444**
NON-AGENCY MORTGAGE-BACKED SECURITIES 5.8%		
A10 Bridge Asset Financing LLC		
2.021% due 08/15/2040	4,004	4,009
Adjustable Rate Mortgage Trust		
3.311% due 09/25/2035 ^~	249	236
American Home Mortgage Investment Trust		
2.257% due 02/25/2045 •	26	26
Banc of America Funding Trust		
3.500% due 01/20/2047 ^~	151	144
Banc of America Mortgage Trust		
2.884% due 07/25/2034 ~	180	179
3.076% due 08/25/2034 ~	418	427
4.339% due 05/25/2033 ~	61	62
6.500% due 10/25/2031	3	3
Bear Stearns Adjustable Rate Mortgage Trust		
1.424% due 01/25/2034 ~	8	8
2.621% due 01/25/2035 ~	1,240	1,236
3.457% due 07/25/2034 ~	83	79
3.637% due 04/25/2033 ~	1	1
3.944% due 01/25/2035 ~	52	52
Bear Stearns ALT-A Trust		
0.468% due 02/25/2034 •	179	170
Bear Stearns Structured Products, Inc. Trust		
2.728% due 12/26/2046 ^~	244	218
2.984% due 01/26/2036 ^~	355	291
Chevy Chase Funding LLC Mortgage-Backed Certificates		
0.428% due 01/25/2035 •	17	17
Citigroup Mortgage Loan Trust		
2.570% due 05/25/2035 •	23	23
3.125% due 08/25/2035 ^~	118	105
Countrywide Alternative Loan Trust		
6.000% due 10/25/2033	7	7
Countrywide Home Loan Mortgage Pass-Through Trust		
2.109% due 02/20/2036 ^•	237	233
2.743% due 11/20/2034 ~	371	373
2.749% due 11/25/2034 ~	178	177
2.806% due 02/20/2035 ~	94	95
Credit Suisse First Boston Mortgage Securities Corp.		
0.798% due 03/25/2032 ~	1	1
Eurosail PLC		
0.000% due 12/10/2044 •	EUR 37	46
0.991% (BP0003M + 0.950%) due 06/13/2045 ~	GBP 6,479	8,787
First Horizon Alternative Mortgage Securities Trust		
2.445% due 09/25/2034 ~	$ 201	198
First Horizon Mortgage Pass-Through Trust		
3.197% due 08/25/2035 ~	82	70

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
FirstMac Mortgage Funding Trust		
1.070% due 03/08/2049 •	AUD 1,655	$ 1,273
1.320% due 03/08/2049 •	6,100	4,723
GMAC Mortgage Corp. Loan Trust		
3.626% due 11/19/2035 ~	$ 39	37
Great Hall Mortgages PLC		
0.366% due 06/18/2039 •	966	941
GS Mortgage Securities Trust		
1.932% due 11/10/2045 ~(a)	2,040	55
GSR Mortgage Loan Trust		
3.201% due 09/25/2035 ~	136	140
3.402% due 09/25/2034 ~	44	45
HarborView Mortgage Loan Trust		
0.592% due 05/19/2035 •	47	45
3.444% due 07/19/2035 ^~	224	189
Hawksmoor Mortgages		
1.104% due 05/25/2053 •	GBP 14,544	19,920
Impac CMB Trust		
1.148% due 07/25/2033 •	$ 49	47
JPMorgan Chase Commercial Mortgage Securities Trust		
1.745% due 10/15/2045 ~(a)	11,962	285
JPMorgan Mortgage Trust		
5.750% due 01/25/2036 ^	13	9
Jupiter PLC		
0.000% due 06/01/2060 «•	GBP 7,300	9,896
Merrill Lynch Mortgage Investors Trust		
0.648% due 11/25/2035 •	$ 58	56
0.808% due 09/25/2029 •	344	341
Opteum Mortgage Acceptance Corp. Asset-Backed Pass-Through Certificates		
0.708% due 12/25/2035 •	269	264
PHHMC Trust		
5.317% due 07/18/2035 ~	104	106
Prime Mortgage Trust		
0.548% due 02/25/2034 •	3	3
Residential Funding Mortgage Securities, Inc. Trust		
3.338% due 09/25/2035 ^~	450	342
Residential Mortgage Securities PLC		
1.304% due 06/20/2070 •	GBP 6,051	8,326
Ripon Mortgages PLC		
0.851% due 08/20/2056 •	5,079	6,943
RMAC PLC		
0.741% due 06/12/2046 •	4,115	5,598
Silverstone Master Issuer PLC		
0.779% due 01/21/2070 •	$ 2,592	2,596
Structured Adjustable Rate Mortgage Loan Trust		
2.009% due 01/25/2035 ^•	121	113
3.080% due 02/25/2034 ~	91	90
3.195% due 08/25/2035 ~	106	101
Structured Asset Mortgage Investments Trust		
0.708% due 02/25/2036 ^•	86	81
0.812% due 09/19/2032 •	1	1
Towd Point Mortgage Funding		
0.956% due 07/20/2045 •	GBP 4,176	5,712
Towd Point Mortgage Funding PLC		
0.955% due 05/20/2045 •	10,419	14,243
1.073% due 10/20/2051 •	8,360	11,478
Tower Bridge Funding PLC		
1.234% due 12/20/2061 •	2,680	3,674
WaMu Mortgage Pass-Through Certificates Trust		
0.688% due 12/25/2045 •	$ 51	51
0.828% due 01/25/2045 •	326	324
2.009% due 06/25/2042 •	9	9
Wells Fargo Commercial Mortgage Trust		
1.740% due 10/15/2045 ~(a)	3,170	76
Total Non-Agency Mortgage-Backed Securities (Cost $111,141)		**115,406**
ASSET-BACKED SECURITIES 6.3%		
ACE Securities Corp. Home Equity Loan Trust		
0.208% due 10/25/2036 •	56	31
1.048% due 12/25/2034 •	1,084	1,053

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates			
0.898% due 09/25/2035 •		$ 3,427	$ 3,428
Asset-Backed Funding Certificates Trust			
0.823% due 06/25/2035 •		333	338
Asset-Backed Securities Corp. Home Equity Loan Trust			
1.809% due 03/15/2032 •		56	56
Atlas Senior Loan Fund Ltd.			
1.530% due 01/16/2030 •		5,000	4,994
Bear Stearns Asset-Backed Securities Trust			
1.148% due 10/25/2037 •		525	525
Carrington Mortgage Loan Trust			
1.458% due 10/17/2029 •		4,800	4,798
Chesapeake Funding LLC			
0.529% due 08/15/2030 •		3,444	3,444
3.230% due 08/15/2030		2,583	2,641
Countrywide Asset-Backed Certificates			
0.848% due 12/25/2033 •		767	755
Credit Suisse First Boston Mortgage Securities Corp.			
0.768% due 01/25/2032 •		4	4
Crown Point CLO Ltd.			
1.158% due 07/17/2028 •		2,669	2,665
Dryden 36 Senior Loan Fund			
1.174% due 04/15/2029 •		5,900	5,893
Edsouth Indenture LLC			
1.298% due 09/25/2040 •		403	404
Enterprise Fleet Financing LLC			
3.380% due 05/20/2024		1,980	2,006
Evans Grove CLO Ltd.			
1.144% due 05/28/2028 •		4,227	4,209
Figueroa CLO Ltd.			
1.137% due 01/15/2027 •		981	983
Ford Credit Floorplan Master Owner Trust			
0.439% due 05/15/2023 •		5,100	5,104
2.840% due 03/15/2024		4,700	4,845
Gallatin CLO Ltd.			
1.259% due 01/21/2028 •		4,733	4,714
GE-WMC Mortgage Securities Trust			
0.188% due 08/25/2036 •		8	5
GMF Floorplan Owner Revolving Trust			
0.539% due 03/15/2023 •		3,900	3,902
GSAMP Trust			
0.733% due 01/25/2036 •		743	742
Hertz Fleet Lease Funding LP			
3.230% due 05/10/2032		1,912	1,924
Loomis Sayles CLO Ltd.			
1.137% due 04/15/2028 •		1,514	1,509
Massachusetts Educational Financing Authority			
1.165% due 04/25/2038 •		173	174
MidOcean Credit CLO			
1.468% due 01/20/2029 •		3,800	3,798
NovaStar Mortgage Funding Trust			
0.468% due 05/25/2036 •		2,819	2,779
OCP CLO Ltd.			
1.068% due 04/17/2027 •		348	348
Palmer Square CLO Ltd.			
1.071% due 08/15/2026 •		1,986	1,983
Palmer Square European Loan Funding DAC			
0.870% due 02/15/2030 •	EUR	5,000	$ 6,105
Palmer Square Loan Funding Ltd.			
0.887% due 07/15/2026 •		$ 1,820	1,816
RAAC Trust			
0.628% due 03/25/2037 •		34	34
Residential Asset Securities Corp. Trust			
1.033% due 01/25/2034 •		1,663	1,658
Santander Drive Auto Receivables Trust			
0.509% due 05/15/2023 •		2,685	2,688
SLC Student Loan Trust			
0.317% due 09/15/2026 •		262	262
0.327% due 03/15/2027 •		1,966	1,955
SLM Student Loan Trust			
0.365% due 10/25/2029 •		2,729	2,706
Sound Point CLO Ltd.			
1.108% due 01/20/2028 •		1,946	1,945
SP-Static CLO Ltd.			
1.616% due 07/22/2028 •		5,020	5,022
Structured Asset Investment Loan Trust			
0.853% due 03/25/2034 •		341	334
1.123% due 10/25/2033 •		116	116
Symphony CLO Ltd.			
1.117% due 04/15/2028 •		1,708	1,702
TCW CLO Ltd.			
1.267% due 10/20/2031 •		5,900	5,905
TICP CLO Ltd.			
1.058% due 04/20/2028 •		5,526	5,496
TPG Real Estate Finance Ltd.			
1.303% due 10/15/2034 •		3,600	3,598
Venture CLO Ltd.			
1.057% due 04/15/2027 •		815	813
1.256% due 04/20/2029 •(b)		5,900	5,900
WhiteHorse Ltd.			
1.148% due 04/17/2027 •		1,536	1,536
Zais CLO Ltd.			
1.387% due 04/15/2028 •		4,067	4,054
Total Asset-Backed Securities (Cost $122,350)			**123,699**
SOVEREIGN ISSUES 4.6%			
Brazil Letras do Tesouro Nacional			
0.000% due 04/01/2021 (e)	BRL	303,500	58,150
0.000% due 10/01/2021 (e)		125,000	23,617
Peru Government International Bond			
8.200% due 08/12/2026	PEN	26,000	9,756
Provincia de Buenos Aires			
36.050% due 04/12/2025	ARS	3,463	17
Total Sovereign Issues (Cost $88,251)			**91,540**

		SHARES	MARKET VALUE (000S)
CONVERTIBLE PREFERRED SECURITIES 0.0%			
INDUSTRIALS 0.0%			
Motors Liquidation Co. «(c)		4,000	0
Total Convertible Preferred Securities (Cost $0)			**0**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SHORT-TERM INSTRUMENTS 22.3%			
REPURCHASE AGREEMENTS (h) 10.1%			
			$ 198,408
SHORT-TERM NOTES 0.2%			
Pacific Gas & Electric Co.			
1.600% (US0003M + 1.375%) due 11/15/2021 ~		$ 5,000	5,003
ARGENTINA TREASURY BILLS 0.0%			
(3.480)% due 09/13/2021 (e)(f)	ARS	4,559	33
JAPAN TREASURY BILLS 5.9%			
(0.085)% due 02/08/2021 (e)(f)	JPY	11,950,000	115,745
U.S. TREASURY BILLS 6.0%			
0.090% due 01/19/2021 - 04/01/2021 (d)(e)(j)(l)		$ 118,900	118,894
U.S. TREASURY CASH MANAGEMENT BILLS 0.1%			
0.091% due 05/25/2021 (e)(f)(l)		3,200	3,199
Total Short-Term Instruments (Cost $439,680)			**441,282**
Total Investments in Securities (Cost $1,606,783)			**1,637,480**

		SHARES	MARKET VALUE (000S)
INVESTMENTS IN AFFILIATES 24.3%			
SHORT-TERM INSTRUMENTS 24.3%			
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 24.3%			
PIMCO Short Asset Portfolio		37,932,938	380,278
PIMCO Short-Term Floating NAV Portfolio III		10,047,534	99,078
Total Short-Term Instruments (Cost $475,049)			**479,356**
Total Investments in Affiliates (Cost $475,049)			**479,356**
Total Investments 107.2% (Cost $2,081,832)			**$ 2,116,836**
Financial Derivative Instruments (i)(k) (0.5)% (Cost or Premiums, net $1,429)			**(9,363)**
Other Assets and Liabilities, net (6.7)%			**(133,421)**
Net Assets 100.0%			**$ 1,974,052**

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.

(a) Security is an Interest Only ("IO") or IO Strip.

(b) When-issued security.

(c) Security did not produce income within the last twelve months.

(d) Coupon represents a weighted average yield to maturity.

(e) Zero coupon security.

(f) Coupon represents a yield to maturity.

(g) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
Ford Credit Canada Co.	3.530%	01/10/2022	10/20/2020 - 10/29/2020	$ 3,545	$ 3,714	0.19%
Wells Fargo & Co.	2.509	10/27/2023	10/20/2020	4,901	5,092	0.26
				$ 8,446	$ 8,806	0.45%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(h) 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[(1)]
BCY	0.080%	12/31/2020	01/04/2021	$ 50,000	U.S. Treasury Bonds 3.000% due 02/15/2047	$ (51,068)	$ 50,000	$ 50,000
FICC	0.000	12/31/2020	01/04/2021	8,208	U.S. Treasury Bills 0.000% due 12/30/2021	(8,372)	8,208	8,208
JPS	0.100	12/08/2020	01/06/2021	50,000	U.S. Treasury Notes 0.125% due 04/30/2022	(52,112)	50,000	50,004
	0.110	12/31/2020	01/04/2021	90,200	U.S. Treasury Bonds 3.375% due 11/15/2048	(92,271)	90,200	90,201
Total Repurchase Agreements						**$ (203,823)**	**$ 198,408**	**$ 198,413**

SHORT SALES:

Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales
U.S. Government Agencies (6.9)%					
Ginnie Mae, TBA	4.000%	01/01/2051	$ 200	$ (213)	$ (213)
Ginnie Mae, TBA	5.000	01/01/2051	8,900	(9,723)	(9,717)
Uniform Mortgage-Backed Security, TBA	2.500	02/01/2051	22,100	(23,181)	(23,254)
Uniform Mortgage-Backed Security, TBA	3.500	02/01/2051	5,100	(5,393)	(5,398)
Uniform Mortgage-Backed Security, TBA	4.000	01/01/2051	53,500	(57,091)	(57,136)
Uniform Mortgage-Backed Security, TBA	4.000	02/01/2051	36,000	(38,464)	(38,501)
Uniform Mortgage-Backed Security, TBA	6.000	01/01/2051	1,500	(1,694)	(1,686)
Total Short Sales (6.9)%				**$ (135,759)**	**$ (135,905)**

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, 2020:

Counterparty	Repurchase Agreement Proceeds to be Received[(1)]	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						
BCY	$ 50,000	$ 0	$ 0	$ 50,000	$ (51,068)	$ (1,068)
FICC	8,208	0	0	8,208	(8,372)	(164)
JPS	140,205	0	0	140,205	(143,335)	(3,130)
Total Borrowings and Other Financing Transactions	**$ 198,413**	**$ 0**	**$ 0**			

Cash of $1,048 has been pledged as collateral under the terms of the above master agreements as of December 31, 2020.

(1) Includes accrued interest.

(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.

The average amount of borrowings outstanding during the period ended December 31, 2020 was $(42,004) at a weighted average interest rate of 1.749%. Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

(i) 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
Euro-Bund 10-Year Bond March Futures	03/2021	50	$ 10,851	$ (2)	$ 0	$ (4)
U.S. Treasury 2-Year Note March Futures	03/2021	4,894	1,081,459	1,026	115	0
U.S. Treasury 5-Year Note March Futures	03/2021	1,998	252,076	481	93	0
				$ 1,505	$ 208	$ (4)

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	03/2021	878	$ (121,233)	$ (111)	$ 0	$ (96)
U.S. Treasury 30-Year Bond March Futures	03/2021	139	(24,073)	308	0	(48)
United Kingdom Long Gilt March Futures	03/2021	185	(34,290)	(349)	0	(73)
				$ (152)	$ 0	$ (217)
Total Futures Contracts				**$ 1,353**	**$ 208**	**$ (221)**

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	$ 29,700	$ 622	$ 117	$ 739	$ 20	$ 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	1-Year BRL-CDI	2.850%	Maturity	01/03/2022	BRL	59,100	$ 0	$ (2)	$ (2)	$ 0	$ 0
Receive	1-Year BRL-CDI	2.859	Maturity	01/03/2022		47,000	0	(3)	(3)	0	0
Receive	1-Year BRL-CDI	2.870	Maturity	01/03/2022		14,300	0	(1)	(1)	0	0
Receive	1-Year BRL-CDI	2.871	Maturity	01/03/2022		21,000	0	(2)	(2)	0	0
Receive	1-Year BRL-CDI	2.883	Maturity	01/03/2022		35,000	0	(4)	(4)	0	0
Pay	1-Year BRL-CDI	3.360	Maturity	01/03/2022		988,400	286	1,255	1,541	0	(1)
Pay	6-Month JPY-LIBOR	0.100	Semi-Annual	03/20/2024	JPY	10,270,000	321	202	523	0	(9)
Receive	6-Month JPY-LIBOR	0.300	Semi-Annual	03/18/2026		7,240,000	(87)	(1,219)	(1,306)	6	0
Pay	6-Month JPY-LIBOR	0.380	Semi-Annual	06/18/2028		1,640,000	201	264	465	0	(1)
Pay	6-Month JPY-LIBOR	0.036	Semi-Annual	03/10/2038		390,000	0	(117)	(117)	0	(6)
Pay	6-Month JPY-LIBOR	0.040	Semi-Annual	03/10/2038		390,000	0	(114)	(114)	0	(6)
Receive	6-Month JPY-LIBOR	0.750	Semi-Annual	03/20/2038		3,120,000	69	(2,886)	(2,817)	50	0
Receive	6-Month JPY-LIBOR	1.000	Semi-Annual	03/21/2048		340,000	(11)	(551)	(562)	11	0
							$ 779	$ (3,178)	$ (2,399)	$ 67	$ (23)
Total Swap Agreements							**$ 1,401**	**$ (3,061)**	**$ (1,660)**	**$ 87**	**$ (23)**

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, 2020:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset(4)			Market Value	Variation Margin Liability		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	**$ 0**	**$ 223**	**$ 87**	**$ 310**	**$ 0**	**$ (221)**	**$ (23)**	**$ (244)**

(j) Securities with an aggregate market value of $6,523 and cash of $6,110 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of December 31, 2020. 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) Unsettled variation margin asset of $15 for closed future agreement is outstanding at period end.

(k) 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	Liability
BOA	02/2021	EUR	1,919	$	2,289	$ 0	$ (58)
	02/2021	GBP	78,635		103,716	0	(3,850)
	02/2021	$	6,096	EUR	5,000	18	0
BPS	01/2021	AUD	4,731	$	3,480	0	(168)
	04/2021	BRL	27,800		5,048	0	(292)
BSH	04/2021		237,700		44,909	0	(751)
	10/2021		125,000		21,952	0	(1,805)
CBK	02/2021	EUR	4,995		6,032	0	(76)
	02/2021	$	1,126	EUR	945	30	0
	03/2021		99	MXN	2,230	12	0
DUB	03/2021	PEN	34,363	$	9,590	96	0
GLM	03/2021	$	127	MYR	520	2	0
HUS	01/2021		1,973	AUD	2,670	85	0
	02/2021	JPY	83,095	$	792	0	(14)
	02/2021	$	1,380	GBP	1,034	35	0
JPM	01/2021	AUD	3,576	$	2,631	0	(126)
	01/2021	$	1,923	CAD	2,459	9	0
	04/2021	BRL	38,000	$	6,784	0	(515)
MYI	02/2021	JPY	11,950,000		114,553	0	(1,227)
RBC	02/2021	$	1,070	GBP	786	6	0
SCX	01/2021	AUD	2,088	$	1,538	0	(72)
	02/2021	$	19,409	GBP	14,531	469	0
TOR	01/2021	CAD	13,933	$	10,755	0	(191)
	01/2021	$	10,936	CAD	13,933	10	0
	02/2021	CAD	13,933	$	10,938	0	(10)
UAG	01/2021	AUD	7,027		5,167	0	(251)
	01/2021	MXN	3,858		190	0	(3)
	02/2021	EUR	21,458		25,411	0	(831)
Total Forward Foreign Currency Contracts						**$ 772**	**$ (10,240)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION(1)

Counterparty	Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2020(2)	Notional Amount(3)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value(4) Asset	Liability
MYC	Barclays Bank PLC	1.000%	Quarterly	12/20/2021	0.229%	EUR 4,000	$ 28	$ 11	$ 39	$ 0
Total Swap Agreements							**$ 28**	**$ 11**	**$ 39**	**$ 0**

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, 2020:

	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[5]
BOA	$ 18	$ 0	$ 0	$ 18	$ (3,908)	$ 0	$ 0	$ (3,908)	$ (3,890)	$ 3,342	$ (548)
BPS	0	0	0	0	(460)	0	0	(460)	(460)	312	(148)
BSH	0	0	0	0	(2,556)	0	0	(2,556)	(2,556)	2,659	103
CBK	42	0	0	42	(76)	0	0	(76)	(34)	0	(34)
DUB	96	0	0	96	0	0	0	0	96	(170)	(74)
GLM	2	0	0	2	0	0	0	0	2	0	2
HUS	120	0	0	120	(14)	0	0	(14)	106	0	106
JPM	9	0	0	9	(641)	0	0	(641)	(632)	632	(0)
MYC	0	0	39	39	0	0	0	0	39	0	39
MYI	0	0	0	0	(1,227)	0	0	(1,227)	(1,227)	1,061	(166)
RBC	6	0	0	6	0	0	0	0	6	0	6
SCX	469	0	0	469	(72)	0	0	(72)	397	(300)	97
TOR	10	0	0	10	(201)	0	0	(201)	(191)	0	(191)
UAG	0	0	0	0	(1,085)	0	0	(1,085)	(1,085)	1,244	159
Total Over the Counter	**$ 772**	**$ 0**	**$ 39**	**$ 811**	**$ (10,240)**	**$ 0**	**$ 0**	**$ (10,240)**			

(l) Securities with an aggregate market value of $9,250 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of December 31, 2020.

(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) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate 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.

(3) 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.

(4) 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.

(5) 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, 2020:

	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	$ 223	$ 223
Swap Agreements	0	20	0	0	67	87
	$ 0	$ 20	$ 0	$ 0	$ 290	$ 310
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 772	$ 0	$ 772
Swap Agreements	0	39	0	0	0	39
	$ 0	$ 39	$ 0	$ 772	$ 0	$ 811
	$ 0	$ 59	$ 0	$ 772	$ 290	$ 1,121

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 221	$ 221
Swap Agreements	0	0	0	0	23	23
	$ 0	$ 0	$ 0	$ 0	$ 244	$ 244
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 10,240	$ 0	$ 10,240
	$ 0	$ 0	$ 0	$ 10,240	$ 244	$ 10,484

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended December 31, 2020:

	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	$ 206	$ 206
Futures	0	0	0	0	13,348	13,348
Swap Agreements	0	188	0	0	(1,255)	(1,067)
	$ 0	$ 188	$ 0	$ 0	$ 12,299	$ 12,487
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 5,290	$ 0	$ 5,290
Written Options	0	0	0	0	128	128
Swap Agreements	0	2	0	0	0	2
	$ 0	$ 2	$ 0	$ 5,290	$ 128	$ 5,420
	$ 0	$ 190	$ 0	$ 5,290	$ 12,427	$ 17,907
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ 34	$ 34
Futures	0	0	0	0	3,125	3,125
Swap Agreements	0	45	0	0	95	140
	$ 0	$ 45	$ 0	$ 0	$ 3,254	$ 3,299
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ (2,162)	$ 0	$ (2,162)
Swap Agreements	0	11	0	0	0	11
	$ 0	$ 11	$ 0	$ (2,162)	$ 0	$ (2,151)
	$ 0	$ 56	$ 0	$ (2,162)	$ 3,254	$ 1,148

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of December 31, 2020 in valuing the Portfolio's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2020
Investments in Securities, at Value				
Corporate Bonds & Notes				
Banking & Finance	$ 0	$ 268,468	$ 0	$ 268,468
Industrials	0	147,303	0	147,303
Utilities	0	27,836	0	27,836
Municipal Bonds & Notes				
West Virginia	0	1,502	0	1,502
U.S. Government Agencies	0	420,444	0	420,444
Non-Agency Mortgage-Backed Securities	0	105,510	9,896	115,406
Asset-Backed Securities	0	123,699	0	123,699
Sovereign Issues	0	91,540	0	91,540
Short-Term Instruments				
Repurchase Agreements	0	198,408	0	198,408
Short-Term Notes	0	5,003	0	5,003
Argentina Treasury Bills	0	33	0	33
Japan Treasury Bills	0	115,745	0	115,745
U.S. Treasury Bills	0	118,894	0	118,894
U.S. Treasury Cash Management Bills	$ 0	$ 3,199	$ 0	$ 3,199
	$ 0	$ 1,627,584	$ 9,896	$ 1,637,480
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 479,356	$ 0	$ 0	$ 479,356
Total Investments	$ 479,356	$ 1,627,584	$ 9,896	$ 2,116,836
Short Sales, at Value - Liabilities				
U.S. Government Agencies	$ 0	$ (135,905)	$ 0	$ (135,905)

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2020
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	$ 208	$ 87	$ 0	$ 295
Over the counter	0	811	0	811
	$ 208	$ 898	$ 0	$ 1,106
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(221)	(23)	0	(244)
Over the counter	0	(10,240)	0	(10,240)
	$ (221)	$ (10,263)	$ 0	$ (10,484)
Total Financial Derivative Instruments	$ (13)	$ (9,365)	$ 0	$ (9,378)
Totals	$ 479,343	$ 1,482,314	$ 9,896	$ 1,971,553

There were no significant transfers into or out of Level 3 during the period ended December 31, 2020.

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 that a portion of a distribution may be comprised of amounts from capital gains, paid in capital, or other capital sources in accordance with its policies, accounting records, 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 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 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, among others, 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 included 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. At this time, management is evaluating the implications of these changes on the 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 is 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 the Adviser 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 data reflecting the earlier closing of 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. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by Pricing Services. 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 and Level 2 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 and Level 2 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.

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.

Level 3 trading assets and trading liabilities, at fair value 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, 2020 (amounts in thousands†):

Investment in PIMCO Short Asset Portfolio

Market Value 12/31/2019	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2020	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 212,514	$ 249,272	$ (86,400)	$ (381)	$ 5,273	$ 380,278	$ 4,171	$ 0

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 12/31/2019	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2020	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 22,939	$ 674,282	$ (596,900)	$ (1,301)	$ 58	$ 99,078	$ 783	$ 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.

Bank Obligations in which the Portfolio may invest include certificates of deposit, bankers' acceptances, and fixed time deposits. Certificates of deposit are negotiable certificates issued against Portfolio deposited in a commercial bank for a definite period of time and earning a specified return. Bankers' acceptances are negotiable drafts or bills of exchange, normally drawn by an importer or exporter to pay for specific merchandise, which are "accepted" by a bank, meaning, in effect, that the bank unconditionally agrees to pay the face value of the instrument on maturity. Fixed time deposits are bank obligations payable at a stated maturity date and bearing interest at a fixed rate. Fixed time deposits may be withdrawn on demand by the investor, but may be subject to early withdrawal penalties which vary depending upon market conditions and the remaining maturity of the obligation.

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.

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 at December 31, 2020, 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.

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 Portfolios' Board of Trustees 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 determined in June 2020 that the Temporary Order would not be extended after its expiration on June 30, 2020.

During the period ended December 31, 2020, 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.

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. The Portfolio 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 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 mutual 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, mispricing or 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. For derivatives traded on an exchange or through a central counterparty, credit risk resides with the Portfolio's clearing broker, or the clearinghouse itself, rather than with a counterparty in an OTC derivative transaction. 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 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. 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.

(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 (such as the anticipated discontinuation of the London Interbank Offered Rate) 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, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to the Portfolio's investments or the Investment Manager's operations 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, or changes in market value, are 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) taxes and governmental fees; (ii) brokerage fees and commissions and other portfolio transaction expenses; (iii) the costs of borrowing money, including interest expenses; (iv) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit, except for PIMCO All Asset Portfolio; (v) extraordinary expense, including costs of litigation and indemnification expenses; (vi) organizational expenses; and (vii) 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 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, 2020, 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, 2020, were as follows (amounts in thousands†):

Purchases	Sales
$ 138,139	$ 156,727

† 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, 2020, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 5,434,523	$ 5,838,989	$ 487,010	$ 638,821

† 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 12/31/2020		Year Ended 12/31/2019	
	Shares	Amount	Shares	Amount
Receipts for shares sold				
Institutional Class	1,833	$ 18,831	968	$ 9,836
Administrative Class	37,432	385,687	17,957	182,695
Advisor Class	22,353	230,395	9,893	100,593
Issued as reinvestment of distributions				
Institutional Class	14	147	29	293
Administrative Class	1,199	12,339	2,856	29,078
Advisor Class	829	8,527	1,976	20,125
Cost of shares redeemed				
Institutional Class	(1,870)	(19,176)	(724)	(7,349)
Administrative Class	(28,429)	(291,981)	(40,939)	(415,268)
Advisor Class	(16,985)	(174,111)	(13,061)	(132,691)
Net increase (decrease) resulting from Portfolio share transactions	16,376	$ 170,658	(21,045)	$ (212,688)

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2020, three shareholders each owned 10% or more of the Portfolio's total outstanding shares comprising 52% of the Portfolio. The shareholders are related parties of the Portfolio. Related parties may include, but are not limited to, the investment adviser and its affiliates, affiliated broker dealers, fund of funds and directors or employees of the Trust or Adviser.

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, 2020, 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, 2020, 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)
PIMCO Low Duration Portfolio	$ 0	$ 0	$ 0	$ 17,250	$ 0	$ (21,704)	$ 0	$ (5,904)

† 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, Lehman securities, and hyper inflationary mark to market.
(3) Represents differences in income tax regulations and financial accounting principles generally accepted in the United States of America, mainly for distributions payable at fiscal year-end and organizational costs.
(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, 2020 through December 31, 2020 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, 2020 through December 31, 2020 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, 2020, the Portfolio had the following post-effective capital losses with no expiration (amounts in thousands†):

	Short-Term	Long-Term
PIMCO Low Duration Portfolio	$ 14,956	$ 6,748

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2020, 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	$ 1,954,004	$ 34,885	$ (17,692)	$ 17,193

† 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, realized and unrealized gain (loss) swap contracts, straddle loss deferrals, Lehman securities, and hyper inflationary mark to market.

For the fiscal year ended December 31, 2020 and December 31, 2019, respectively, the Portfolio made the following tax basis distributions (amounts in thousands†):

	December 31, 2020				December 31, 2019			
	Tax-Exempt Income Distributions	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)	Tax-Exempt Income Distributions	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)
PIMCO Low Duration Portfolio	$ 0	$ 21,013	$ 0	$ 0	$ 0	$ 39,180	$ 0	$ 10,316

† 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, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (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, 2020, 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, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 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, 2020 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 18, 2021

We have served as the auditor of one or more investment companies in PIMCO Variable Insurance Trust since 1998.

Counterparty Abbreviations:

BCY	Barclays Capital, Inc.	**FICC**	Fixed Income Clearing Corporation	**MYI**	Morgan Stanley & Co. International PLC
BOA	Bank of America N.A.	**GLM**	Goldman Sachs Bank USA	**RBC**	Royal Bank of Canada
BPS	BNP Paribas S.A.	**HUS**	HSBC Bank USA N.A.	**SCX**	Standard Chartered Bank, London
BSH	Banco Santander S.A. - New York Branch	**JPM**	JP Morgan Chase Bank N.A.	**TOR**	The Toronto-Dominion Bank
CBK	Citibank N.A.	**JPS**	J.P. Morgan Securities LLC	**UAG**	UBS AG Stamford
DUB	Deutsche Bank AG	**MYC**	Morgan Stanley Capital Services LLC		

Currency Abbreviations:

ARS	Argentine Peso	**EUR**	Euro	**MYR**	Malaysian Ringgit
AUD	Australian Dollar	**GBP**	British Pound	**PEN**	Peruvian New Sol
BRL	Brazilian Real	**JPY**	Japanese Yen	**USD (or $)**	United States Dollar
CAD	Canadian Dollar	**MXN**	Mexican Peso		

Exchange Abbreviations:

OTC	Over the Counter

Index/Spread Abbreviations:

BBSW3M	3 Month Bank Bill Swap Rate	**CDOR03**	3 month CDN Swap Rate	**EUR003M**	3 Month EUR Swap Rate
BP0003M	3 Month GBP-LIBOR	**CDX.IG**	Credit Derivatives Index - Investment Grade	**US0003M**	ICE 3-Month USD LIBOR

Other Abbreviations:

ALT	Alternate Loan Trust	**CLO**	Collateralized Loan Obligation	**LIBOR**	London Interbank Offered Rate
CDI	Brazil Interbank Deposit Rate	**DAC**	Designated Activity Company	**TBA**	To-Be-Announced

Federal Income Tax Information

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 2020 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 percentage of ordinary dividends paid during the calendar year designated as "qualified dividend income", as defined in the Jobs and Growth Tax Relief Reconciliation Act of 2003, subject to reduced tax rates in 2020 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, 2020 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, 2020 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.

	Dividend Received Deduction %	Qualified Dividend Income %	Qualified Interest Income (000s†)	Qualified Short-Term Capital Gain (000s†)
PIMCO Low Duration Portfolio	0.00%	0.00%	$ 21,013	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

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 Section 1.163(j)-1(b).

The 163(j) percentage of ordinary income distributions are as follows:

	163(j) Interest Dividends %
PIMCO Low Duration Portfolio	87.456%

Shareholders are advised to consult their own tax advisor with respect to the tax consequences of their investment in the Trust. In January 2021, 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 2020.

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.
Brent R. Harris (1959) *Trustee*	08/1997 to present	Formerly, Senior Vice President of the Trust, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Managing Director, PIMCO, and member of Executive Committee, PIMCO.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT. Formerly, Director, StocksPLUS® Management, Inc; member of Board of Governors, Investment Company Institute; and Chairman, 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 February 3, 2021.

[1] Mr. Harris and Mr. Strelow are "interested persons" of the Trust (as that term is defined in the 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.
David C. Flattum (1964) *Chief Legal Officer*	05/2019 to present	Managing Director and General Counsel, PIMCO. Chief Legal Officer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Formerly, Managing Director, Chief Operating Officer and General Counsel, Allianz Asset Management of America L.P.
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.
Ryan G. Leshaw (1980) *Vice President, Senior Counsel and Secretary*	11/2018 to present	Executive Vice President and Senior Counsel, PIMCO. Vice President, Senior Counsel 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.
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.
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	Senior 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.
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	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.
Jason J. Nagler (1982)*** *Assistant Treasurer*	05/2015 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.
H. Jessica Zhang (1973)** *Assistant Treasurer*	01/2020 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.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2021.

† 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 Corporate & Income Opportunity Fund, PIMCO Corporate & Income Strategy Fund, PIMCO Dynamic Credit and Mortgage Income Fund, PIMCO Dynamic Income Fund, PIMCO Dynamic Income Opportunity 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 and PIMCO Flexible Municipal 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]

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 Renewal of the Amended and Restated Investment Advisory Contract, Supervision and Administration Agreement, Amended and Restated Asset Allocation Sub-Advisory Agreement and Investment Management Agreements

At a meeting held on August 18-19, 2020, 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, 2021.[1] The Board also considered and unanimously approved the renewal of the 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, 2021. In addition, the Board considered and unanimously approved the renewal of the Amended and Restated Asset Allocation Sub-Advisory Agreement (the "Asset Allocation Agreement") 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, 2021.

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" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements"), each for the same additional one-year period.

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 Asset Allocation Agreement, 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, which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and the Asset Allocation Agreement.

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 Investment Advisory Contract and Supervision and Administration Agreement.

(b) Review Process: In connection with considering the renewal of the Agreements and the Asset Allocation Agreement, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from counsel to the Trust and the Independent Trustees encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other

[1] The Board, including a majority of the Independent Trustees, determined to rely on the relief granted by a temporary exemptive order issued by the U.S. Securities and Exchange Commission (the "SEC") under the Investment Company Act of 1940 that permits fund boards of trustees to approve advisory contracts at a meeting held by remote communications that allows participating trustees to hear one another simultaneously, rather than in-person, in light of the impact of the novel coronavirus ("COVID-19") pandemic and restrictions on travel and in-person gatherings. The Board determined that reliance on the exemptive order was necessary and appropriate due to circumstances related to current or potential effects of the COVID-19 pandemic and government-mandated restrictions, and prior to commencing the approval meeting, the Board confirmed that all Board members could hear each other simultaneously during the meeting. The Board noted that it would ratify any actions taken at this meeting pursuant to the SEC relief at its next in-person meeting.

things, applicable legal standards from counsel to the Trust and the Independent Trustees, 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 from PIMCO and, where applicable, Research Affiliates, on matters related to the Agreements and the Asset Allocation Agreement and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 18-19, 2020 meeting. The Independent Trustees also met telephonically with counsel to the Trust and the Independent Trustees, including telephonic meetings on July 10, 2020 and July 30, 2020, and conducted a telephonic meeting on July 31, 2020 with management and counsel to the Trust and the Independent Trustees to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements and the Asset Allocation Agreement. In connection with its review of the Agreements and the Asset Allocation Agreement, 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 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 and the Asset Allocation Agreement, 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 and the Asset Allocation Agreement, 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 continuous 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 wholly-owned 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 the build-out of a new data center; funding projects and initiatives in support of the Portfolios; improving PIMCO governance and oversight of key fund administration processes; expanding and engaging a technology consultant to improve certain performance reconciliation processes; enhancing PIMCO's oversight over certain of the Portfolios' service providers; continuing to develop initiatives related to pricing, including, among other items, development of pricing tools and capabilities and continued extensive due diligence regarding pricing vendors; forming a new internal group responsible for the operational aspects of the Liquidity Risk Management Programs; developing compliance and operations processes in connection with regulatory developments; continuing to invest in PIMCO's technology infrastructure; continuing 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; enhancing a proprietary application to support new trading strategies and increase data precision and administration control; developing a global tax management application that will enable investment professionals to access foreign market and security tax information on a real-time basis; utilizing a service provider's proprietary software and managed service model to timely meet N-PORT and N-CEN regulatory requirements; upgrading a proprietary application to allow shareholder subscription and redemption data to pass to portfolio managers more quickly and efficiently; implementing a contingent NAV process; continuing to advocate in the public policy arena; developing a proprietary tool to monitor and facilitate potential interfund lending; utilizing a third-party software technology to allow portfolio management teams to run pre-trade calculations regarding new exchange-traded and cleared derivatives; 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 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 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, 2020 and other performance data, as available, over short- and long-term periods ended June 30, 2020 (the "PIMCO Report") and from Broadridge concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2020 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term investment performance of each Portfolio relative to its peer group 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, which were provided in advance of the August 18-19, 2020 meeting. 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 underperformed their respective benchmark indexes over the one-, three- and five-year periods ended March 31, 2020, but that a majority of the Portfolios have outperformed their benchmarks since inception for the period ended March 31, 2020. The Board noted that, as of March 31, 2020, 0%, 5% and 26% of the Trust's assets (based on Administrative Class performance) outperformed their respective benchmarks on a net-of-fees basis over the three-, five- and ten-year periods, respectively, but that 82% of the Trust's assets (based on Administrative Class performance) outperformed their benchmarks since inception for the period ended March 31, 2020. The Board also discussed actions that have been taken by PIMCO to attempt to improve performance and took note of PIMCO's plans to monitor performance going forward.

The Board ultimately concluded, within the context of all of its considerations in connection with the 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.

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.

In addition, PIMCO reported to the Board that it periodically reviews the fees charged to the Portfolios and that PIMCO may propose advisory fee or supervisory and administrative fee changes where (i) a Portfolio's long-term performance warrants additional consideration; (ii) there is a notable aid to market position; (iii) a Portfolio's fee does not reflect the current level of supervision or administrative fees provided to the Portfolio; or (iv) PIMCO would like to change a Portfolio's overall strategic positioning.

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, as well as the universe of other similar funds. The Board reviewed materials 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 wholly-owned 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 charges to separate accounts, private funds, collective investment trusts and sub-advised clients 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.

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 that the Portfolios' unified fee structure meant that fees were not impacted by recent outflows in certain Portfolios, unlike funds without a unified fee structure, which may see increased expense ratios when fixed costs, such as service provider costs, are passed through to a smaller asset base. 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 those 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, 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, that the fees charged by to PIMCO 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-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 Asset Allocation Agreement. The Independent Trustees and the Board as a whole concluded that the Agreements and the Asset Allocation Agreement 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 Agreements and the fees paid to Research Affiliates by PIMCO under the Asset Allocation Agreement, and that the renewal of the Agreements and the Asset Allocation Agreement 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 Portfolio listed on the Report cover.

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